

Confidentiality

Often you may wish to tell other people about your invention, for example if you are trying to license or sell it or to find a manufacturer. If you want to do this before a patent application or other appropriate registration has been filed for the invention, it is essential that this should be in confidence. Even if a patent application has already been filed, it is still often desirable for the disclosure to be confidential. Although it is preferable to draft a legal agreement specific to your situation to protect confidentiality, we appreciate that it is not always practical or economic to go to those lengths. This sheet explains the simplest way of trying to protect the confidentiality of your invention.

Before you reveal details of your invention for any purpose, it should be made clear to the person to whom you intend to reveal the details that the information given will be confidential.

You should get an agreement from them, preferably in writing, that they will keep the information confidential.

The most effective protection will be an agreement specifically drafted to fit the circumstances, which identifies the invention (without disclosing it) and also states the steps that the recipient must take to keep the information confidential, and how they may (and may not) use the information.

However, you may be concerned that a lengthy agreement might be off-putting to some of the people whom you are trying to interest in your invention.

Whilst we strongly advocate having a tailor-made agreement (and we can prepare one for you), the simplest possible approach would be merely to write to the people concerned, setting out: (1) that you plan to disclose to them information relating to your invention with a view to possibly reaching an agreement with them about exploiting the idea; (2) that the information concerned is of a confidential nature; and (3) that therefore you require their agreement to keep it confidential before passing it over to them.

Then, before giving them any information, you would ask them to write to confirm that they will keep it confidential. For example, you could simply send them a copy of your letter, with a short endorsement at the bottom for them to sign, along the lines "Agreed by John Smith Limited."

Alternatively, the draft printed overleaf of a letter of confidentiality is more formal.

Again, we have to stress that this is not suitable or ideal for all situations - please ask us if you want advice on this.

The idea of the draft is that you would get the company concerned to write to you, in the terms shown, on their own headed notepaper.

It would also be quite easy to adapt this letter into a standard form which you could ask anybody to sign - all that would be needed would be to state at the top something like "To: (Your Name)", and at the bottom for it to be made clear that the signature was on behalf of the company concerned.

In any case, make sure that the letter is dated, and that the person signing it does actually have the power to sign such documents on behalf of the company (for example that he or she is a Director or the Company Secretary).

CONFIDENTIALITY AGREEMENT
(to be typed on headed notepaper of the company which is signing)

Dear Sirs,

In consideration of your disclosing information to us relating to
for the purpose of ("the Purpose"), we
undertake that we will:

- 1 take all reasonable precautions to keep the information secret and confidential and not disclose it to any third party without your prior written agreement nor make use of it except for the Purpose;
- 2 restrict access to the information to those of our responsible employees whose knowledge is essential for assessment and evaluation of the information and who have agreed to keep it confidential;
- 3 use the information solely for the Purpose, and not exploit it or otherwise apply it in any way, and make copies of the information or any part thereof only to the extent that the same is strictly required for the Purpose;
- 4 return to you on demand any written or other materials which include any of the information and upon your request confirm in writing to you that either no copies of the written material have been made or, if made, that they have all been destroyed.

The above undertakings do not apply to any information which is in the public domain or is already in our possession or which subsequently becomes known to us independently of yourselves otherwise than through breach of obligation by anyone.

Yours faithfully

Signed Date

Name

Position

For and on behalf of

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