



Florida Department of Transportation

JEB BUSH
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

JOSÉ ABREU
SECRETARY

March 23, 2004

Mr. Donald Davis
Program Operations Engineer
Federal Highway Administration
545 John Knox Road
Tallahassee, Florida 32303

Re: Office of Design, Specifications
Section 4
Proposed Specification: D0040398.D01

Dear Mr. Davis:

We are submitting, for your approval, two copies of a proposed Supplemental Specification for Notice of Intellectual Property Interests and Department's Future Rights to a VECP.

This change was proposed by Clay McGonagill of the General Counsel's Office to address continuing issues on royalty free use of patented or proprietary VECPs.

Please review and transmit your comments, if any, within two weeks. Comments should be sent via Email to SP965DB or duane.brautigam@dot.state.fl.us.

If you have any questions relating to this specification change, please call Duane F. Brautigam, State Specifications Engineer at 414-4110.

Sincerely,

Duane F. Brautigam, P.E.
State Specifications Engineer

DFB/jf

Attachment

cc: General Counsel
Florida Transportation Builders' Assoc.
State Construction Engineer

**NOTICE OF INTELLECTUAL PROPERTY INTERESTS AND
DEPARTMENT'S FUTURE RIGHTS TO A VECP.
(REV 1-29-04)**

SUBARTICLE 4-3.9.8 (Page 25) is deleted and the following substituted:

~~**4-3.9.8 Department's Future Rights to a VECP:** In the event of acceptance of a VECP, the Contractor hereby grants to the Department all rights to use, duplicate or disclose, in whole or in part, in any manner and for any purpose whatsoever, and to have or to permit others to do so, royalty free and without fee, other costs or surcharge, data reasonably necessary to fully utilize such proposal on this and any other Department Contract.~~

4-3.9.8 Notice of Intellectual Property Interests and Department's Future Rights to a VECP:

4-3.9.8.1 Notice of Intellectual Property Interests: *The Contractor's VECP submittal shall identify with specificity any and all forms of intellectual property rights that either the Contractor or any officer, shareholder, employee, consultant, or affiliate, of the Contractor, or any other entity who contributed in any measure to the substance of the Contractor's VECP development, have or may have that are in whole or in part implicated in the VECP. Such required intellectual property rights notice includes, but is not limited to, disclosure of any: issued patents, copyrights, or licenses; pending patent, copyright or license applications; and any intellectual property rights that though not yet issued, applied for or intended to be pursued, could nevertheless otherwise be subsequently the subject of patent, copyright or license protection by the Contractor or others in the future. This notice requirement does not extend to intellectual property rights as to stand-alone or integral components of the VECP that are already on the Department's QPL or design standard indexes, or are otherwise generally known in the industry as being subject to patent or copyright protection.*

4-3.9.8.2 Department's Future Rights to a VECP: *Notwithstanding 7-3 nor any other provision of the Standard Specifications, upon acceptance of a VECP, the Contractor hereby grants to the Department and its contractors (such grant being expressly limited solely to any and all existing or future Department construction projects and any other Department projects that are partially or wholly funded by or for the Department) a royalty-free and perpetual license under all forms of intellectual property rights to manufacture, to use, to design, to construct, to disclose, to reproduce, to prepare and fully utilize derivative works, to distribute, display and publish, in whole or in part, and to permit others to do any of the above, and to otherwise in any manner and for any purpose whatsoever do anything reasonably necessary to fully utilize any and all aspects of such VECP on any and all existing and future construction projects and any other Department projects.*

Contractor shall hold harmless, indemnify and defend the Department and its contractors and others in privity therewith from and against any and all claims, liabilities, other obligations or losses, and reasonable expenses related thereto (including reasonable attorneys' fees), which are incurred or are suffered by any breach of the foregoing grants, and regardless of whether such intellectual property rights were or were not disclosed by the Contractor pursuant to 4.3.9.8.1, unless the Department has by express written exception in the VECP acceptance process specifically released the Contractor from such obligation to hold harmless, indemnify and defend as to one or more disclosed intellectual property rights.

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DEPARTMENT'S FUTURE RIGHTS TO A VECP.
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Contractor shall hold harmless, indemnify and defend the Department and its contractors and others in privity therewith from and against any and all claims, liabilities, other obligations or losses, and reasonable expenses related thereto (including reasonable attorneys' fees), which are incurred or are suffered by any breach of the foregoing grants, and regardless of whether such intellectual property rights were or were not disclosed by the Contractor pursuant to 4.3.9.8.1, unless the Department has by express written exception in the VECP acceptance process specifically released the Contractor from such obligation to hold harmless, indemnify and defend as to one or more disclosed intellectual property rights.