



Teknolohiateollisuus



Model Terms for Use of Industrial Data Between Companies: What, Why & How?

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Data – What?



← Tweet



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Data is not oil, because it's non-rivalrous, non-excludable, non-fungible, an experience good, and subject to rapidly diminishing returns.



Why Data Is Not the New Oil - Truth on the Market
"Data is the new oil," said Jaron Lanier in a recent op-ed for The New York Times. Lanier's use of this metaphor is only the latest instance of what has become the ...
truthonthemarket.com

Productivity
Guaranteed Service Level
Product + Service
Insight
XaaS
Circular + carbon-neutral economy



Why?

- Time is ripe
 - Digitalisation
 - 5G (and beyond) communication networks – direct connectivity
 - Cloud services – storage and processing



Ability to gather and utilise digital information

- Data -
without heavy investments



Why?

- Not yet established legal tools
- IPR and NDA clauses are widely used
 - Not ideally fit to use on data – why?
 - concept of ownership (IPR)
 - too restrictive for data usage (NDA)
- Should data be owned? Or should we just agree on data usage?
- Data has only value when it is used
 - Wide usage rights
 - Data-driven networks



Model Terms – in Practice

- intended to be used in companies' existing delivery and subcontracting relations
 - The terms are intended to be used as part of a main agreement, i.e. in that respect they do not constitute not a “stand alone” contract
 - Parties: “Supplier” and “Customer”
- intended for sharing of industrial data (e.g. “machine data”) – not as such suitable for personal data
 - If personal data is also intended to be shared, DPA to be added
- simplicity over detail; relatively high level of abstraction
- Can be used both in connection with supply of devices and services



Parties' rights to use the data

- The concept of Data *use* in the model terms is broad and covers practically all types of processing, use and modification of the agreed Data
 - Essentially, a party may use the Data in all of its present and future operations *where the Data is not assigned or disclosed to third parties*
 - Unless otherwise agreed, the right to use is *perpetual*
- If a party desires to disclose data to third parties, the Data must be modified so that the other party or its confidential information cannot be identified from it
- A Party shall not have any rights to “derived data”:
 - Such information or materials that the other party has developed, derived or otherwise created through the use of Data in accordance with the terms
- The parties may agree on deviations / further specifications to the permitted use



What Data?

- The terms include multiple alternatives for the definition of "Data"
 - Can be adjusted and narrowed down depending on the use case
- Basis of the definition:
 - Data = information, which a party has received or will receive during and based on the (main) agreement, and which information is formed or processed in connection with the device, software or service supplied by the supplier



Additional remarks

- Use of data takes place at the party's own risk
- Party's right to utilize the professional skills and experience gained by the party during the Agreement is not restricted
- No assignment of IPR
- Affiliated companies may also use the data
- Access to other party's devices, software, or technical environments, as well as relevant interfaces (APIs) and data security requirements to be agreed on separately
- Competition law implications must to be analysed in each case when using the terms

Best thing: You can have them. Now.

The screenshot shows the website interface for Teknologiainfo Teknova. At the top, there are navigation links for 'Suomi' and 'English'. Below that is a search bar and a shopping cart icon indicating it is empty. A navigation bar highlights 'FRONT PAGE' and 'PUBLICATIONS IN ENGLISH'. The main content area features a product listing for 'Model terms of the Technology industries for data sharing'. The product details include the publisher (Technology Industries of Finland), book format (Introduction pdf, Model Terms docx), year (2019), publication language (English, Finnish), and price (129,00 €). An 'Add to cart' button is visible. A PDF file icon and the text 'Introduction to Model terms of data sharing' are also present. Below the product details, there is a paragraph of text and a bulleted list of points. At the bottom of the page, there is a footer with contact information for Teknologiainfo Teknova Oy and Teknologiateollisuus.

Teknologiainfo Teknova

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FRONT PAGE PUBLICATIONS IN ENGLISH

Model terms of the Technology industries for data sharing

Publisher: Technology Industries of Finland
Book Format: Introduction pdf, Model Terms docx
Year of Publication: 2019
Publication Language: English, Finnish
Price: 129,00 €

Add to cart

PDF file: Introduction to Model terms of data sharing

The significance of data to the economy has increased during the last years and the growth continues to accelerate. Established practices for agreeing on the rights of the use of information or data are yet to develop, and the rights to data are usually agreed between the companies, for example, in confidentiality or intellectual property clauses of the agreement. The objective of the model terms of the Technology industries for data sharing is to promote the utilisation of data within companies, and to support the development of practices and business based on data. For this purpose, the objective is:

- To bring the use of data openly to negotiations between companies. When the use of data is subject to clear legal provisions, it can be utilised efficiently.
- To develop practices around agreements concerning the use of data. Model terms can be used to shorten negotiation times and facilitate agreement of data usage so that the agreements will promote efficient use of data.
- Model terms can also be used to encourage companies to better recognise the value of their own data and develop partnerships that further promote the use of data in business development.

Model terms include introductory document and the actual terms, both in Finnish and English language. Model terms are provided in a format that allows parties to easily amend them to obtain a desired outcome.

Teknologiainfo Teknova is a part of Teknologiateollisuus

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