

Don't Let Your Mobile Application Projects Spin Out of Control

April 30, 2013



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Agenda

- The “Big” Picture
- Preliminary Issue/Risk Assessment
- Application Store T’s and C’s
- Application Development
- Third Party Proprietary Software

Agenda *continued*

- Open Source Software
- App EULAs
- Privacy Policies
- Related Agreements

The “Big” Picture

- Traditional “brick and mortar” to high tech companies
- End users can be consumers, sales personnel, workers in the field, business partners
- Brochureware to backoffice system access to mobile payments

The “Big” Picture *continued*

- Leveraging popularity of smartphones and tablets
- Over a million mobile apps. Exponential growth expected.
- Global expenditure on mobile ads (search, display and messaging) in 2011 was US\$5.3 billion, according to [IAB and IHS Screen Digest](#) (June 2012)

The “Big” Picture *continued*

- Mobile APP Development versus traditional software development
- Time to market is key
- The need to differentiate the app in the marketplace
- Value proposition

Preliminary Risk Assessment

- Audience for app
- Criticality to business
- Associated online services
- Types of data collected
 - Personal data
 - Geolocation
- Regulated industry
- Potential patent issues

Application Stores

- Approval period can be lengthy and unpredictable
- Unique requirements for each store/OS
- Developer agreements can be convoluted, unclear, extremely one-sided, and involve multiple documents.
- In-App purchase fee-split

Application Development

- Compare with “traditional” development
- Backoffice integration
- Interfacing with inventory control and other systems
- Order Fulfillment integration
- App development – generally by more than one vendor. Frequently involving offshore developers.

11 Third Party Proprietary Software



- Identify early
- Understand license and other contractual limitations
- Data collection rights
- IP indemnity is key
- Beware embedded open source

12 Open Source Software



- Viral licenses
- Placing proprietary software at risk
- No warranties
- No indemnities
- No support

App EULAs

- Identify relevant app stores
- Don't rely on default EULAs for app stores
- Ensure required app store terms are included
- Strictly limit liability and disclaim warranties
- Are associated online services involved?
 - Link to online services with related terms.
- Link to privacy policy

Privacy Policy

- When is a policy needed?
- State laws requiring policies (e.g., CA).
- Reference policy in EULA
- Ensure the policy accounts for all contemplated uses of data

Potential Related Agreements

- Bundling agreements with carriers and device distributors.
- Joint marketing agreements with carriers, device distributors, resellers, and app stores.
- Social Media Integration and Partnering Arrangements.
- Transaction Processing Agreements with credit card issuers.

Potential Related Agreements *continued*

- Rewards Programs
- Data Sharing Agreements (e.g., transaction data, demographics, etc.)



Questions?

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