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Deliverable 2.2

“Service Delivery Case Studies
For Selected Engagements”

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Case Summary Contents

Number	Overview
1	<p>Power of You is a private limited company founded in 2014 in the UK. The company allows consumers to learn about their online footprint and quantified, digital self through visualizations, while they earn rewards with a revenue share model.</p> <p>The client sought advice from qLegal on key terms to include in customer contracts, particularly concerning intellectual property licensing, and whether the description of the data processing activities that will be undertaken by the company in its Information Commissioner’s Office Registration form was sufficiently detailed.</p>
2	<p>FrePPLe produces an open source production planning software. When a manufacturing company can no longer efficiently plan its production with an excel spreadsheet, FrePPLe provides an easy and cost-effective way to boost the planning process to a new level.</p> <p>FrePPLe asked for legal assistance to review their license agreement, source code header and review a contributor agreement for open source contributors. The agreement aimed to protect the intellectual property rights being created up in FrePPLe when for example, external authors contributed to source code.</p>
3	<p>Where is my Bike is a start-up that makes GPS trackers for bikes. The company provides all communications between the users, the server and other relevant third parties via a mobile phone text messaging service.</p> <p>The iLINC ICT Law Incubator at KU Leuven advised on whether there was a need for an “alarm centrale vergunning” (alarm central permit).</p>
4	<p>The client is a Mobile marketplace for micro-jobs.</p> <p>The Alexander von Humboldt Institute for Internet and Society (HIIG) advised the client on several legal challenges, including identifying the legal requirements for personnel leasing applicable to the client, helping the client legally avoid legal liability of its platform in case of any improper performance of participants, and explaining the implications of payment transactions via Click&Buy on invoicing.</p>
5	<p>The client is a Big Data application, which creates social heat maps for commercial use (e.g. for cab drivers).</p> <p>The client enquired to the HIIG clinic on what laws are relevant to the aggregation and processing of location data of users of social network?</p>



6	<p>The client developed an <i>eLearning platform</i>.</p> <p>The client asked the HIIG clinic the following questions:</p> <ul style="list-style-type: none">• Can a startup legally protect eLearning method?• How can a startup use trademark protection?• Does the website of the startup conform to all necessary legal requirements?
7	<p>Chino is a young and innovative start-up that provides confidential data storage services to application developers. The services can be integrated within developers' applications in order to store sensitive and confidential data in accordance with EU data protection laws. The aim of the company is to outsource security and compliance challenges, and increase the security of applications.</p> <p>The client asked for advice from two of the iLINC legal clinics - qLegal at Queen Mary Legal Advice Centre in London, and the Clinic Foundation at the University of Amsterdam – in order to obtain a good understanding of data protection compliance issues in both the United Kingdom and The Netherlands.</p>
8	<p>ProctorExam is involved in security for digital exams. In the growing space of digital exams the question of who is sitting behind the computer and whether the person is cheating arises.</p> <p>They came to the Clinic Foundation at the University of Amsterdam to address legal challenges concerning multi-use contracts to make their business more scalable.</p>
9	<p>BuddyHub is a social enterprise that intends to carry out a social mission by linking elderly people ("Seniors") with younger people ("Buddies") with the aim of providing a befriending service to ward off isolation.</p> <p>The client required advice from qLegal on specific, tailored-to-the-business, Terms & Conditions.</p>



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Case Summary One

Powr of You

The Client	<p>Mrs Malani Krishnan is the co-founder of Powr of You (“POY”), a Private Limited Company incorporated in January 2014 under the laws of England and Wales, based in London.</p> <p>Currently the company has 5 members, the 2 founders and 3 developers.</p> <p>With POY, consumers learn about their online footprint and quantified, digital self through visualizations, while they earn rewards with a revenue share model. The start-up founders invested their own savings to bootstrap the start-up along with some initial funding from being part of an accelerator in London. They hope to pitch for seed funding in the future.</p>
Legal challenges	<p>The company’s business model empowers consumers to learn about their online footprint and quantified, digital self through visualizations, while they earn rewards with a revenue share model. It does so by enabling individuals to register with POY and synchronise their online profiles with the POY platform. POY then anonymises and aggregates bundles of data, from which it develops “insights” which are sold to various corporate entities either on the basis of a one-time purchase, or a subscription. POY then pays a portion of this revenue to its users as a cash-back incentive in exchange for their data. In this way, POY’s users are able to profit from their own personal data without risking breach of their personal privacy.</p> <p>The company’s services are accessed via its website (www.powrofyou.com) and though the company does not currently have a mobile application, the website will be accessible via mobile devices. The company’s mobile application for both Android and iOS is currently in development and will be available later this year.</p> <p>The client sought advice from qLegal on key terms to include in customer contracts, particularly concerning intellectual property licensing, and whether the description of the data processing activities that will be undertaken by POY in its Information Commissioner’s Office Registration form was sufficiently detailed.</p>
Advice	<p>It was important for the client to ensure Intellectual Property Rights (“IPRs”) were appropriately detailed in the contracts.</p>



qLegal recommended that POY's contract with its customers cover all the following key issues, and developed their definition for POY:

- Definition of the **parties** and **deliverables**,
- A comprehensive **Intellectual Property Rights clause addressing the issue of ownership of the "insights" (the information eventually sold to the clients')**.
- **Charges/Payments** clause: type and amount of fee to be charged;
- **Liability**: to guarantee POY exclusion of liability for certain type of damage or loss;
- **Duration/Date**: starting date and duration of the agreement;
- **Termination**: circumstances in which the agreement might be terminated;
- **Consequences of Expiry/ Termination**: qLegal explained why it might be interesting to have Data Insight Purchasers (DIPs) return all insights once the agreement is terminated, because otherwise the DIPs would not be paying the relevant fee anymore;
- **Confidentiality**: qLegal stressed out the importance of a confidentiality clause when the company is revealing the methods or mechanics of its business model to its users. Such clause should for instance include an obligation of the DIPs to keep the relevant material confidential even after the termination of the agreement;
- **Force Majeure**: such clauses are essential to avoid POY's liability in case of an event occurring beyond POY's reasonable control and impacting on the customers, such as internet failure;
- **Governing Law** this clause ensures that the client's desired laws will govern any disputes arising from the agreement.

The client also asked qLegal about the filing of the ICO Registration form, and more specifically the "Nature of Work" field and whether they should be more specific about the data processing that POY will undertake. qLegal advised that the ICO registration should be amended to reflect the exact activities that POY will undertake with regards to the processing of personal data.

Feedback

"We were really happy to receive advice from qLegal advisors. We found the advice addressed our legal issues and would be happy to get a new appointment soon to help us with new legal challenges."



Case Summary Two

FrePPLe

The Client	<p>FrePPLe produces an open source production planning software. When a manufacturing company can no longer efficiently plan its production with an excel spreadsheet, FrePPLe provides an easy and cost-effective way to boost the planning process to a new level.</p> <p>The project was started as a hobby project. No external funding was required at the stage the client required legal advice from the clinic. However, due to the success of the project, FrePPLe is now looking to grow its team.</p>
Legal challenges	<p>FrePPLe asked for legal assistance in the following areas:</p> <ul style="list-style-type: none">• A review of their license agreement• A review of their source code header• A review of a contributor agreement for open source contributors. The agreement aimed to protect the intellectual property rights being created up in FrePPLe when for example, external authors contributed to source code.
Advice	<p>Advice was provided by DLA Piper, who is partner of the KU Leuven iLINC ICT Law Incubator</p> <ul style="list-style-type: none">• A review of the Enterprise Contract: A draft document was provided to DLA Piper (“DLA”) and the students that contained all the elements that FrePPLe considered important and essential. On review of the contact, the students compared various templates of other enterprise contacts and considered the clauses which were omitted and which were included, but not necessary. With assistance and guidance from the supervising lawyers, the students reviewed the contract and made the necessary changes to the contract, explaining the changes to the client in an accompanying memorandum.• Contributor License Agreement The students analysed the existing agreement and compared it to other templates provided by DLA. The student made adjustments, modifications and deleted certain aspects where



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	<p>necessary and justified these changes in an accompanying document. The final result was a finished contract for the client.</p> <ul style="list-style-type: none">• IP issues and review of the license header (Work in Progress) <p>The students analysed the possibility of registering the client’s IP. The client was provided practical insight on how to achieve registration, in which countries registration is possible and beneficial, what the cost could be etc.</p> <p>On the basis of standard templates provided by DLA, the student made adjustments and revisions where necessary. Again, the revisions were provided in an accompanying memo.</p>
Feedback	<p>“iLINC has answered our questions around the legal position of our open source product. Documents were reviewed & adjusted according to our needs. We’re happy with the results.”</p>



Case Summary Three

Where is my bike

The Client	<p>“Where is my Bike” is a start-up that makes GPS trackers for bikes. “Where is my Bike” provides all communications between the users, the server and other relevant third parties via a mobile phone text messaging service.</p>
Legal challenges	<p>The iLINC ICT Law Incubator at KU Leuven advised on the main challenges faced by “Where is my Bike”:</p> <ul style="list-style-type: none">• Is there a need for an “alarm centrale vergunning” (alarm central permit).• Within Belgium law there is a need for undertakings who wish to install alarm systems, to receive a permit from the Belgian government. Alarm systems can only be implemented by those undertakings who are considered to be a “beveilingsonderneming” (safety undertaking), i.e. undertakings who invent, installs, maintain or repair alarm installations or centrals.• An analysis of relevant privacy regulation concerning the data collection that takes place in the context of “Where is my Bike” activities.
Advice	<ul style="list-style-type: none">• Alarm central analysis <p>Students undertook research into what circumstances is an alarm central permit required in Belgium. The research looked at national and local legislation governing the permit system and the process of applying for a permit (including who can apply for a permit, when to apply and for what duration). The students also considered the consequence of a permit being granted and what the obligations would be on the entity or individual holding the permit right. The students in this analysis considered the obligations and the risks and liabilities for an early-stage bootstrapping start-up (“Where is my bike”) and the importance of the permit for the business model. Students also considered alternative models, without a permit which “Where is my bike” could consider</p> <ul style="list-style-type: none">• Sale of the application in a B2B context <p>Students undertook a thorough and detailed data protection analysis, reviewing current and forthcoming data protection laws and regulations. In parallel the students also considered the privacy aspects of “Where is my bike” business model. The students drafted a memorandum which outlined “Where is my bike” next steps in ensuring compliance with Belgian and EU</p>



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privacy regulation and the administrative practice of the Belgian Privacy Commission as well as data protection law and necessary filings.



Case Summary Four

Anonymous Client

The Client	<p>The client is a Mobile marketplace for micro-jobs. The client recently raised €100,000 in funding from a German public fund. The Berlin-based company is currently formed of two founders and several university research and student assistants.</p>
Legal challenges	<p>The client faced several legal challenges that the clinic assisted with:</p> <ul style="list-style-type: none">• What legal requirements for ‘personnel leasing’ are applicable to the client• How can the client legally avoid legal liability of platform in case of any improper performance of participants• What are the implications of payment transactions via Click&Buy on invoicing
Advice	<p>First, the Alexander von Humboldt Institute for Internet and Society (HIIG) advised the client on employment law and the relationship between micro-jobbers and the company.</p> <p>The advice was focussed on whether a micro-jobber would be considered an employee or agent of the company (as differing legal rights and obligations attach to both).</p> <p>Secondly, HIIG advised the client that any contracts between customers and micro-jobbers that are crowd-sourced could only exist between participants and the individual contractors (i.e. those requesting the jobs to be undertaken by micro-jobbers). This could not be the case with the platform as the German marketplace owes only agent services i.e. limitation of liability for agent services and technical quality management.</p> <p>Thirdly, the HIIG recommended that micro-jobbers should invoice their services directly to a third party, rather than to the platform or company.</p> <p>HIIG also recommended that the company should also provide technical infrastructure enabling “easy to use” invoicing for accounting and tax liability purposes.</p>
Quotes from the client	<p>“The service provided by HIIG was fast and had a low-barrier access to get help.</p>



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We would recommend it. They helped us spot and reveal mutual problem using a step-by-step analysis and direct talking. We also found the process trustful (there are no stupid questions!). The advisors were definitely enthusiastic about helping us.”



Case Summary Five

Anonymous Client

The Client	The client is a Big Data application, which creates social heat maps for commercial use (e.g. for cab drivers). The company was financed through direct sales. The three founders working on the start up are based in Berlin.
Legal challenges	The client presented to the clinic with one question: Which laws are relevant to the aggregation and processing of location data of the users of social networks?
Advice	<p>The Alexander von Humboldt Institute for Internet and Society (HIIG) advised the client on the main areas of laws applicable to the aggregation and processing of location data collected from users of social networks:</p> <p>Firstly, the HIIG explained to the client that copyright law was an important aspect to consider.</p> <p>The HIIG advised the client that when a start-up uses the official API of social networks, it must apply the terms and conditions of use of the API. If a start-up uses crawling techniques to gather the data, it must therefore comply with copyright law (for example: No extraction of all data or, at least, a substantial part of the data base). The HIIG advised that this might lead to a breach of the terms and conditions provided for the official API.</p> <p>The HIIG also advised the client to comply with Data Protection laws. As location data is considered personal data, data protection laws are required to be complied with even if personal data is anonymised.</p> <p>In addition, given the client's business model, processing based on the consent of users can be controversial because their consent given (e.g. on Facebook) is most often illicit because it is too broad. This point was also flagged to the client.</p>
Quotes from the client	"The Humboldt Institute for Internet & Society (HIIG), and in particular our legal mentor Max von Grafenstein, have provided us with nothing less than critical (as opposed to just valuable) research & information.



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The understanding that we were able to gain from this remarkable experience was an underpinning to our business success."



Case Summary Six

Anonymous Client

The Client	The client has developed an eLearning platform. It is boot strapped by its two founders and based in Berlin.
Legal challenges	The client asked the clinic the following questions: <ul style="list-style-type: none">• Can a startup legally protect an eLearning method?• How can a startup use trademark protection?• Does the website of the startup conform to all necessary legal requirements?
Advice	<p>On the first point, The Alexander von Humboldt Institute for Internet and Society (HIIG) concluded that eLearning methods could not be protected by copyright or patent law.</p> <p>On the second point, the HIIG explained the possibility of a protection through goodwill and trademark law (i.e. choice of trademark pursuant to international goodwill strategy; must be sufficiently generic; and there must be no confusion with pre-existing trademarks).</p> <p>On the third point, the HIIG investigated the duties of the company and provided advice with regard to privacy, company, intellectual property, data protection and consumer law and provided further specific information on the duties of the company regarding the processing of users website data; copyright protection of content (particularly, photographs used on website), and rights of clearance regarding Creative Commons licenses.</p>
Quotes from the client	<p>“The HIIG law clinic provided us with all the help we could have asked for, and could have ever expected. If it were not for the law clinic, we would have had not only to invest money, but also wouldn’t have felt so secure about our start-up, as well as the problems that we had to face.</p> <p>This is one of the best experiences we had during our founding stage. Since we are launching in two weeks, looking back makes us feel more blessed.”</p>



Case Summary Seven

Chino

The Client	<p>Chino is a young and innovative start-up that provides services to application developers.</p> <p>The services offered by Chino can be integrated within developers' applications in order to store sensitive and confidential data in accordance with EU data protection laws. The aim of the company is to outsource security and compliance challenges, and increase the security of applications.</p> <p>Chino was established in December 2014 after winning the 1st prize at the EIT ICT Labs Idea Challenge competition. Currently it is incubated at the EIT ICT Labs node in Trento, Italy and its team is composed of four young highly qualified entrepreneurs. The EIT ICT Labs Business Community supports Chino.</p>
Legal challenges	<p>Today, the management of health data is a great challenge for developers who need to comply with the EU and Member States' Data Protection law and Regulations and how they operate and apply.</p> <p>Chino aims to provide a service that is compliant with EU Data Protection laws and to become the first service in EU of its kind, providing high security guarantees in order to host sensitive data (e.g. health data).</p> <p>The client asked for advice from two of the iLINC legal clinics - qLegal at Queen Mary Legal Advice Centre in London, and the Clinic Foundation at the University of Amsterdam – in order to obtain a good understanding of data protection compliance issues in both the United Kingdom and The Netherlands.</p> <p>Because of the nature of its business activities, Chino will be considered as a Data Processor. The main challenges faced by the client were the compliance of its services with the EU Data Protection legal framework. The client also requested advice on its terms and conditions, as well as on its privacy policy.</p>
Advice	<p>The client is still in the process of collaborating with two teams from London and Amsterdam.</p>



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	<p>“With both teams we had very interesting discussions and meetings that helped us in understanding better legal challenges and our service in relation with the legal framework. Our collaboration will continue, we will get feedback from both teams regarding our service. We believe they could provide us a better understanding of the relation of service offer with Data Protection laws in UK and Netherlands.”</p>
Feedback	<p>“The project idea and the offered service are just great! I believe many start-ups (especially in the EU, given the potential 28 different regulatory frameworks) could face legal challenges at some point in their business development. And start-ups does not have resources (time and money) to ask for consultancy advice.” I would suggest others to obtain such legal service offerings targeted to start-ups as it is definitely needed.</p> <p>We are still interacting with the clinics and will have more feedback in the next period once we approach more detailed discussions. We still do not know (from both teams we are collaborating with), what will be the outcome of the advice. However, the first interactions we had with both teams were really interesting and helpful to us.”</p>



Case Summary Eight

Proctorexam

The Client	<p>ProctorExam (https://proctorexam.com/) is involved in security for digital exams. In the growing space of digital exams the question of who is sitting behind the computer and whether the person is cheating arises.</p> <p>ProctorExam creates exam environments in people’s homes and offices so that universities and businesses can offer online digital exams with the needed security.</p> <p>The business has raised €125K, so is still an early stage start-up (with 4 people) in Amsterdam.</p>
Legal challenges	<p>ProctorExam is facing legal challenges concerning multi-use contracts to make its business more scalable and border transcending consumers with each their own national regulations.</p>
Advice	<p>ProctorExam is still in the process of receiving advice and guidance from the Clinic Foundation at the University of Amsterdam.</p> <p>ProctorExam stated that the initial few meetings were very interesting and that it is fun opening a can of worms and discuss legal opportunities but also limitations.</p>
Quotes from the client	<p>“For us as start-ups it is impossible to go in depth into legal matters since it is time-consuming, very capital intensive and does not bring revenue in. Therefore, many start-ups take the easy road and ignore many legal issues until they stumble upon them. In an era where innovation and start-ups are becoming increasingly important to the economy, society and our daily life, old and embedded laws are continuously challenged.</p> <p>It is usually in the interest of larger corporations to uphold the status quo and lobby for regulations in their benefits since they have the resources, so judicial and legal advice to challenge the status quo is essential and I am sure that a few of the start-ups you guys are advising are paving the way for some of these radical judicial changes.”</p>



Case Summary Nine

BuddyHub

The Client	<p>Ms Catherine McClen founded “BuddyHub”, a social enterprise that intends to carry out a social mission by linking elderly people (“Seniors”) with younger people (“Buddies”) with the aim of providing a befriending service to ward off isolation.</p> <p>The founder has received a grant which has allowed her to expand the business.</p> <p>The company is based in London and does not have an operational website yet. The launch of the website will be soon and will mark the beginning of the first phase of the business.</p>
Legal challenges	<p>Users of the website and BuddyHub service (“Users”) will be able to create an account in their capacity either as a Senior or a Buddy, and BuddyHub will collect certain data relating to the users including their name, address, date of birth, telephone number, email address, interests and aspirations. The purpose of collecting this information is to allow an algorithm to match three or four users with similar geographic locations and interests to create a “Friendship Wheel”. This Friendship Wheel will be the basis of access to more detailed user profiles and an internal communication system or ‘chatroom’ to facilitate visits in real life.</p> <p>Although the website will be free for the trial period (first 6 months after the launch), there will potentially be a payment system implemented in subsequent phases.</p> <p>One of the aspects that the client was most eager to ask qLegal was specific, tailored-to-the-business, Terms & Conditions (“T&Cs”). This is to ensure the contract between BuddyHub and its customers is fit for purpose, provides the maximum amount of protection and restricts potential liability where appropriate.</p>
Advice	<p>qLegal addressed several issues, including how to structure BuddyHub’s T&Cs, how to protect content created or uploaded by BuddyHub or by its Users to the website, as well as how the company can restrict their liability, draft their privacy policy and notify users of their cookie policy. The advice also included tips on how to include payment in the T&Cs once it is added to the service, and why a jurisdiction clause is important.</p> <p>qLegal also added definitions to the T&Cs, not only the parties involved and a description of the services, but also the concepts created as part of the BuddyHub system.</p>



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There was considerable discussion during the initial meeting with the client around how to structure the T&Cs so as to cater to the different types of BuddyHub Users. qLegal suggested that rather than creating separate documents the different types of Users could be established as defined terms, and certain subsections of the T&Cs could be made applicable, or not, according to BuddyHub's requirements. This would have the benefit of keeping the T&Cs as a single document which is easier to update in future, allowing one type of User to quickly check the rights and obligations of another, and allowing Users who have both types of accounts (e.g. an active elderly person who holds a Senior account but also wishes to be a Buddy to other Seniors) to find all their rights and obligations in one place.

qLegal also advised that the issue of updating the T&Cs should be addressed by placing the responsibility to check for any changes on the Users.

Other recommendations from qLegal included how intellectual property law can protect the content added by Ms McClen on BuddyHub website, and how to manage content generated by users on the website. This clause is of importance as it sets up what can and cannot be uploaded online, therefore limiting the liability of the website in case of illegal or harmful content, as well as content which infringes third party intellectual property rights.

qLegal also advised that the T&Cs should also address whether Ms McClen will be reviewing or moderating content uploaded by users, and under which circumstances user content may be removed. As it is often the case for startups, checking all user content to ensure that no infringement has been committed towards a third party can be very onerous. qLegal advised to include provisions which state that BuddyHub will comply with any legitimate takedown notice by owners of such intellectual property rights. Such wording means that clear ways for owners of intellectual property rights who feel their rights are being infringed should be mentioned to allow them to contact the business. This can be achieved, for example, through the creation of a section on the website entitled "Contact Us".

**Quotes
from the
client**

"A huge big fat thank you to everyone who offers pro bono legal help to start ups: had I had to pay for the legal advice I've received it would have eaten into a good chunk of the small grant I'm operating on. Instead I'm able to spend it on other things that I need to pay for. This start up wouldn't get off the ground without pro bono help and there are already many more people to thank in that respect another day."