

City of Mississauga

Corporate Report



Date: September 10, 2020

To: Mayor and Members of Council

From: Andra L. Maxwell B.A., LL.B., CIC.C, City Solicitor

Originator's files:

Meeting date:
September 30, 2020

Subject

Delegation of Authority for Entering into Agreements for the Licensing of Intellectual Property Assets and for Entering into Non-Disclosure Agreements

Recommendation

1. That the Commissioner of Corporate Services and Chief Financial Officer or his designate be authorized to enter into agreements for the licensing of intellectual property assets, including licence, branding, sponsorship, donation or consent to use agreements, where it is in the normal course of operations, has no material adverse impact on the City of Mississauga, and is in a form satisfactory to Legal Services;
2. That City staff, where deemed appropriate by the responsible Director, be authorized to enter into non-disclosure agreements for the receipt and disclosure of confidential information, where it is in the normal course of operations, has no material adverse impact on the City of Mississauga, and is in a form satisfactory to Legal Services; and
3. That the necessary by-law be enacted.

Background

Section 23.1(1) of the *Municipal Act, 2001* (Ontario) allows municipalities to delegate to a person or body the powers and duties normally exercised by City Council.

Comments

The purpose of this corporate report is to bring forward recommendations in relation to agreements for the licensing of intellectual property ("IP") assets and non-disclosure agreements ("NDAs") that will improve organizational efficiency, response time, and use of resources and that will respond to a changing legislative framework.

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1. Agreements for the Licensing of IP Assets

The City of Mississauga owns numerous IP assets which are protected by copyright, trademark, and other laws. Examples of these IP assets are copyright in a summer program brochure that was an original creation by City staff or a trademark in the City's corporate logo.

From time to time, the City is approached by external parties who wish to use the City's IP assets for various initiatives or projects, such as the use of the corporate logo in a sponsorship arrangement. The City also undertakes initiatives or projects that require the use of IP assets of external parties. In these situations, the parties will frequently enter into various types of agreements, such as licensing or branding agreements, that deal with each other's IP assets.

Recent changes to the Canadian *Trademarks Act* will make it easier for international entities to seek trademark protection in Canada. It is expected that the number of applications to register trademarks in Canada will increase and there will also be an increase in trademark applications that are confusingly similar with those that are already registered. When this occurs, Canadian authorities may require that the entity seeking registration of its trademark first obtain the consent of the registered trademark owner. If the City, as the trademark owner, determines that there would be no adverse impact to it, then it can enter into an agreement to consent to use and register the trademark in Canada.

City staff currently do not have the authority to enter into the types of agreements as described above. To improve organizational efficiency, response time, and use of resources and to respond to a changing legislative framework, it is recommended that authority be delegated to enter into agreements for the licensing of IP assets as set out above in Recommendation #1.

2. Non-Disclosure Agreements

The City frequently engages with external parties whereby the reciprocal exchange of confidential information forms a fundamental aspect of these relationships. NDAs are common agreements that establish certain parameters for the use and disclosure of each party's confidential information.

City Council passed By-law 0133-2016¹ which delegated authority to City staff to enter into NDAs on behalf of the City for the **receipt** of confidential information; however, the By-law does not delegate authority to **disclose** confidential information. Since the reciprocal exchange of confidential information is important in certain relationships and to improve organizational efficiency, response time, and use of resources, it is recommended that authority be delegated to enter into NDAs as set out above in Recommendation #2.

Financial Impact

N/A

¹ Section 3 of By-law 0133-2016 was subsequently added to Procedure By-law 139-2013 by way of By-law 0028-2018.

Conclusion

For the reasons set out in this corporate report, it is recommended that certain staff be authorized to enter into agreements for the licensing of IP assets and to enter into NDAs for the receipt and disclosure of confidential information.



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