

K-Notes: Partner Network Agreement

from Microsoft

Adopt a User Friendly Approach

Imagining what your worst enemy's future arguments might be isn't the reason to simply dump a bunch of paragraphs in to defend yourself. Instead, nimbly try to make the document logical, tidy, and clear on how all the components work together.



"The first thing that struck me is what's not said here – normally in a confidentiality agreement or a section there are two core obligations after we establish what counts as confidential information."

Michael Bloom

Founder, CEO
Praktio

"Microsoft's partner network agreement creates a strange inference of not limiting future work assignments. This might be harmful even though it's trying to be helpful."

KEY TAKEAWAYS

• Question if Broad Strokes are the Best

Attempting to be all things to all people and all situations is a big problem. It could be useful in Microsoft's setting given their large number of employees and risk profile, but it all boils down to a cost-benefit analysis.

• Anti-lobotomy Clause: Unaided Memory

Microsoft's partner network agreement creates a strange inference of not limiting future work assignments. This might be harmful even though it's trying to be helpful. You can draw the line at unaided memory for residual or anti-lobotomy clauses. Just be aware that it's not a silver bullet for all situations.

• Clearly Define Process of Obligation vs. State Law

In the confidentiality section, make sure the signee doesn't have to choose between being loyal to the agreement or obeying state law. They should be able to fulfill the agreement without fear of being punished by the state.

• Outline a Clear Process for Price Increases

Price increases of modest amounts are not unheard of and are even expected. But the terms and conditions should make it clear to the client how they will be notified of price increases, and how increases typically happen or what they are based on.