



**FAR FACTS**  
**SEASON 2023, EPISODE SIXTEEN**  
**FAR PART 27**

1. The Government may authorize and consent to a contractor's use of inventions in the performance of a Federal Government contract even though such use would violate a third party's U.S. patent. **FAR 27.102(b) and FAR 52.227-1.**
2. The exclusive remedy for patent or copyright infringement by or on behalf of the Government is a suit for monetary damages against the Government in the U.S. Court of Federal Claims. There is no injunctive relief available. **FAR 27.201-1.**
3. "Subject invention" means any invention of the contractor made in the performance of work under a Government contract. **FAR 27.301.**
4. A contractor must disclose each subject invention either within two months after the inventor discloses it in writing to the contractor's personnel responsible for patent matters, or within six months after the contractor becomes aware that a subject invention has been made, whichever is earlier. **FAR 52.227-11(c).**
5. A contractor's failure to timely disclose a subject invention created under a Federal Government contract could result in the Government obtaining sole title and ownership rights to that invention. **FAR 27.302(d).**
6. The policies and procedures set forth in FAR subpart 27.3 (Patent Rights) apply to all Federal Government subcontracts at any tier. **FAR 27.304-3.**
7. The term "data" referred throughout FAR subpart 27.4 (Rights in Data and Copyrights) does not include information incidental to contract administration such as financial, administration, cost or pricing, or management information. **FAR 27.401.**
8. Limited rights data means data (other than computer software) developed at private expense that embody trade secrets or are financial, commercial and confidential or privileged. **FAR 27.401.**
9. Contractors should apply restricted rights legends only to restricted computer software. **FAR 27.401.**
10. All contracts that require data to be produced, furnished, acquired, or used in meeting contract performance requirements, must contain terms that delineate the respective rights and obligations of the Government and the contractor regarding the use, reproduction and disclosure of that data. **FAR 27.403.**

6. Generally, a contractor must obtain permission of the contracting officer prior to asserting rights in any copyrighted works containing data first produced in a Federal Government contract. **FAR 27.404-3.**
7. A contractor has the right to limit or restrict Government use of data or computer software not first developed under a federal government contractor or paid for with federal funds. **FAR 27.404-2.**
8. As a general rule, any data or computer software that is not delivered with a proper limited rights or restricted rights legend may be used by the Government with unlimited rights. **FAR 27.404-5(b) and FAR 52.227-14.**
9. A contracting officer has the authority to add a limited use rights notice or correct an incorrect use rights notice to a document after it is delivered to the Government. See **FAR 27.404-5.**
10. **FAR Part 27** prescribed data right clauses are not required to be included in acquisition for commercial computer software. **FAR 27.405-3(a).** Those contracts generally will include the contractor's standard commercial software license terms subject to the terms set forth at **52.212-4.**
11. The clause at **FAR 52.227-19** may be used when there is any confusion as to whether the Government's needs are satisfied or whether a customary commercial software license is consistent with federal law. **FAR 27.405-3(a).**
12. The clause at **FAR 52.227-23** allows the Government to acquire unlimited rights to technical data in successful proposals that are not contractor proprietary financial or business information that has been marked in accordance with **FAR 52.215-1(e)** or similar protected markings. **FAR 27.407.**