



**David Goldenberg, Founding Partner of VLP Law Group, authors *Daily Journal* article
“Contracts, and Attorneys, Must Evolve with Software”**

Daily Journal, April 22, 2016

VLP Law Group founding partner David Goldenberg recently wrote an article for the *Daily Journal* titled “Contracts, and Attorneys, Must Evolve with Software.”

In the article Mr. Goldenberg noted that the world of software is evolving and contracts and attorneys must evolve with it. While many companies still offer software for download or direct license, an increasing number of companies are offering their services via the web, either in browsers as a subscription service (SaaS) or through application programming interfaces (APIs). Many IT contract drafters are accustomed to using "licensing" language in their web-based services contract. However, licensing language may not be appropriate for web services, and it can have severe consequences when used incorrectly in a SaaS or API deal.

Mr. Goldenberg went on to explain the differences in the world of web services. Unlike a typical software license (where you install a copy of the software on your computer), in a web services agreement, your end users (customers) typically only access the application via the Internet. Web services contracts are about access and usage of your service. Many of the terms in a web-services agreement may have limitations that look like software license restrictions, but they are not the same. Using the language incorrectly can have dramatic consequences.

The article also gave some examples of where a SaaS contract should differ from a software license agreement.

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David Goldenberg's practice covers a range of clients, many of which are growth oriented technology companies. He generally counsels companies throughout their lifecycle and helps them with a variety of contractual and corporate matters. He also counsels executives on employment matters. David also works with company founders, investors and related parties on preferred stock, common stock, convertible debt, secured loan, up-round, down-round, bridge, warrants and other types of financing (over 80 financings completed), and has worked on multiple mergers at all size levels, from \$6 million to \$1.9 billion, as well as licensing, strategic partner and IPO transactions. He has also advised publicly

traded companies in mergers and acquisitions, financing, corporate governance, stock option and executive compensation.