

Negotiating a Data Processing Contract

A [blog post](#) by [J. Marc Ward](#) for Fredrikson & Byron addresses some of the risks associated with the failure to negotiate a data processing agreement, as well as tips on how to avoid common pitfalls.

The article is aimed at the banking business.

Ward addresses regulatory risks, mergers and acquisitions, and negotiating the contract.

“As products and services are added to the master agreement, do not lose sight of the big picture,” he advises. “Watch out for services with terms longer than the other services in the agreement and ensure that any added services terminate at the same time as the master agreement.”

[Read the article.](#)

The Drive to Automation and Your IT Outsourcing Contract

[Barbara Melby](#) and [Glen Rectenwald](#) of [Morgan, Lewis & Bockius](#) address the question of what robotics and automation really mean in the context of an IT outsourcing contract.

“At least for now, they are not about robots rolling around the data center floor or application development center,” they write in [the article](#). “Robotics and automation are about software and tools that allow for automated processing, monitoring, and reporting, which provides real-time data and data analysis and a reduced need for manual (read-‘human’) intervention. Many vendors are touting proprietary tools and solutions that enable more automation, resulting in more accurate and timely information and services and lower costs.”

They address five key contract considerations for outsourcing customers considering automation, including costs of automation, documented benefits (upfront and ongoing), sharing of reduced costs, ownership of the output, and back-end considerations.

[Read the article.](#)

5 Key Terms to Know for Vendor Contracts

CIOs, CISOs, CTOs, and other risk and security professionals should familiarize themselves – or refresh their recollections – around Price and Payment, Proprietary & Confidential Info, Changes in Scope and Deliverables, Termination and Remedies, Disclaimers and Indemnifications, advises [David Adler](#) in [CIO](#).

“Several obstacles affect and often limit successful negotiations in this area,” he writes. “The risk itself can be

a moving target. For example, in the acquisition of an IT services subscriber base (regardless of industry), how will customer attrition, revenue projection revisions, and loss of key personnel affect the price paid (value)?”

“One way to prepare for and better engage in such negotiations is to develop a contract negotiation playbook,” he adds. “While each set of tactics and strategies will necessarily reflect the internal business rules of the individual company, the five areas discussed here should form a part of any playbook.”

[Read the article.](#)