
Legal issues



Cloud computing can be good for your business. However, you need to take into account a number of legal issues. Legislation changes slowly compared to technology.

This means that at present, the legislation is playing catch-up, so it's important to make sure you have access to the most up-to-date legal requirements for businesses operating on the cloud. Below are some of the legal issues you should be aware of.

Data ownership

Your contract with your cloud software provider must be explicit about whom the data belongs to. It should clearly state that your business owns the data and that when you stop using the service, the provider will use appropriate means to dispose of the information it holds that belongs to you.

Data security

Many cloud providers use multiple layers of user authentication or complex encryption for enhanced data security. Whether it's personal information on employees, customers, suppliers, or other contacts, you need strong security measures in place on the cloud. Find out about the security provision that's available to you.

Intellectual property rights

Intellectual property rights are granted to the creators and owners of works of human intellectual creativity. The works may be scientific, artistic, literary, or industrial, and intellectual property rights themselves vary from one country to the next. The important thing, when it comes to the cloud, is that you know the regulations and your rights within the country where your data is stored.

Protection

When negotiating your contract, read the fine print on liability carefully. To make sure you have the best protection from expense, consider the disaster recovery liability that the provider would accept if information were lost or stolen or an outage occurred. You should also consider terms regarding the change or termination of your contract.

Information provided for informational purposes only. Please consult your legal counsel for legal advice and recommendations.

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