ACORD is a nonprofit industry-owned membership organization. Insurers, distributors, suppliers and trade associations comprise the over 500 organizations that gather on behalf of the insurance industry under ACORD’s umbrella to set standards for the electronic communication of data. And as a Standards Development Organization (SDO) we abide by very specific governing rules that are reflected in our procedures and policies. (We have filed as an SDO with the U.S. Department of Justice and the Federal Trade Commission.)

ACORD Standards are created by the members in an open democratic forum and the actual work product includes a combination of contributed and cooperatively created intellectual property from the members. The Standards are copyrighted by ACORD for the benefit of the industry and owned by ACORD on the industry’s behalf. Our policy does not permit a member or anyone else to own ACORD Standards. Please do not confuse ACORD’s open forum, public availability policy and copyright ownership of the Standards with the “open source” movement in software development. Industry standards are created and maintained through a specific governance and versioning framework. This has no relationship to the free spirited share-ware manner of “open source” software development, which also involves copyrights owned by software authors and permission to use granted under license.

The value of ACORD Standards to any single organization increases geometrically as the number of organizations using the Standards increase. It is for this reason that ACORD Standards are made available at no cost. ACORD periodically updates and may retire a Standard, but does not re-call or withdraw Standards from use or transfer any of its intellectual property rights in the Standards except as we may expressly indicate. Rights to use the ACORD Standards are perpetual. If developers want to recommend changes to the ACORD Standards, they can submit a maintenance request. If developers want to be actively engaged in working on ACORD Standards, they can become members and participate in ACORD’s development structure.

Because ACORD’s Standards are used as part of what can be a multi-million dollar, multi-year development effort involving a wide range of trading partners, ACORD must be able to assure authenticity. Therefore, we maintain a single source distribution policy. While the ACORD Standards may be downloaded and used by any party developing software or services, no organization may re-publish or re-distribute ACORD Standards in any way or in any form without permission to do so.
But why would organizations need to republish or redistribute ACORD Standards at all? Documentation, user guides and training manuals are a few examples. If all that is required is a cross-reference or footnote to the ACORD website location, no permission or agreement is required. However, if the publication includes actual excerpts of the ACORD Standards, proper attribution and permission is required. Why? Copies of ACORD Standards in non-ACORD publications increase the risk of error and may decrease our ability to respond quickly. We basically need to know which developers are circulating ACORD content and the substance of that content.

Therefore, developers publishing excerpts of ACORD Standards (i.e., ACORD’s intellectual property) will be asked to sign an agreement to do so. Part of the purpose of the agreement is to: (1) know when organizations are re-publishing our content, (2) obtain a copy of the publication for our files and (3) make certain that the proper attributions and disclaimers are included in the publication itself. This process provides a reasonable level of control over the circulation and use of our material to ensure consistency and authenticity. Our general approach is not to deny permission to developers to use our material on a reasonable basis and to grant all permissions as perpetual and irrevocable.

Our mission is to encourage the use of ACORD Standards by all organizations -- a mission we do not want to unreasonably encumber. However, if any organization duplicates, reproduces or redistributes the ACORD Standards in an unauthorized manner, ACORD reserves the right to pursue any and all remedies available under the law.

I trust that you now understand that our intellectual property policy and agreements are intended to protect all developers and users of ACORD Standards rather than obstruct investment and adoption. Thousands of insurers, distributors and suppliers have significant investments in products and services that are ACORD Standards compliant. They expect ACORD to maintain and protect the source of the Standards and promote and expand adoption to constantly improve their return on those investments.

Your success in deploying ACORD Standards in your products and services is our ultimate goal and the foundation upon which the industry organized itself around a process and framework (more than 35 years ago) that it named “ACORD”. Today that means Association for Cooperative Operations Research & Development.

I believe that we have a practical industry-friendly intellectual property rights policy in place. If you have any questions, give me a call. If they are legal questions, call our General Counsel.

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