

# Case study: LCF Law & Torchbearer

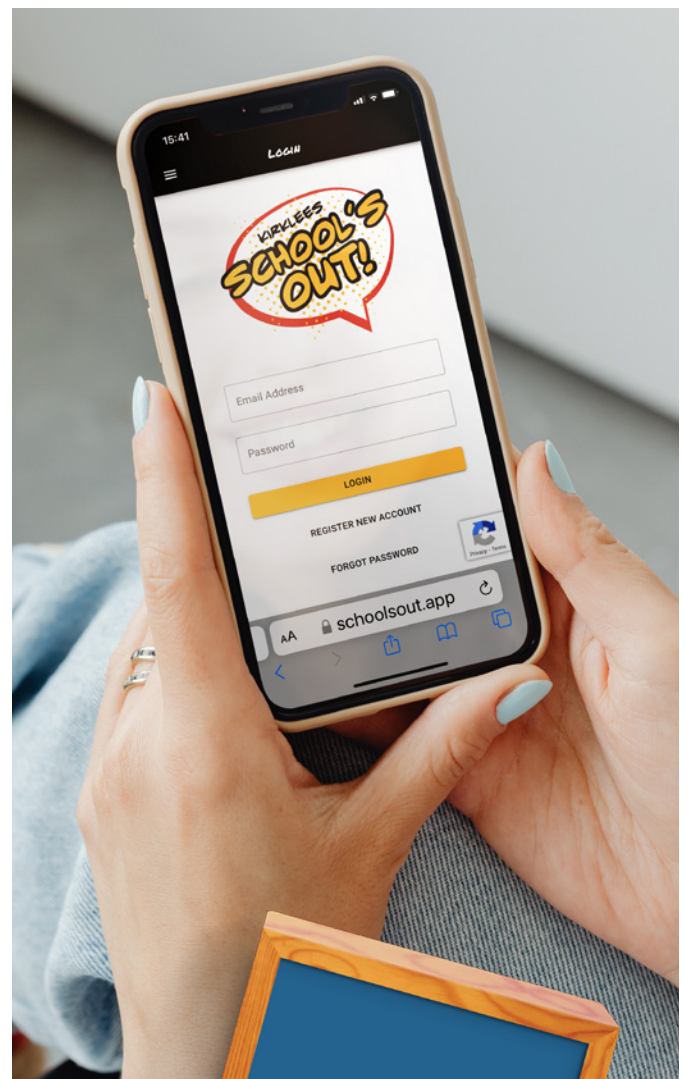
## Making the complex simple for IT businesses

Torchbearer, a West Yorkshire-based software development business, has developed the *School's Out! App* to enable parents on low incomes to book a wide range of activities during school holidays for their children that incorporate a nutritious meal, physical exercise and enrichment activities.

The app is the brainchild of Kirklees Youth Alliance (KYA), which provides support to youth organisations across Kirklees. KYA received funding from Kirklees Council for a 'Healthy Holidays' programme which, spurred on by footballer Marcus Rashford's campaign highlighting the plight of children going hungry in school holidays, had benefitted approximately 12,000 children in 2021. KYA's next challenge was to increase engagement with the programme, by licensing it to other local authorities throughout the UK.

### The Issues

Pete Waugh, co-founder of Torchbearer, explains: "We knew we had a great product. KYA were keen for us both to start marketing the app to other local authorities but our own commercial and legal relationship with KYA under this arrangement was unclear. We'd agreed that KYA would own the intellectual property rights in the *Schools Out! App*, but where did that leave us? I knew that this had the potential to cause major problems in the future if it was not sorted out, so we approached LCF Law and James Sarjantson, who came highly recommended to us as being a very straightforward, practical lawyer with significant IT-related expertise and experience."



## The Solution

James Sarjantson from LCF Law picks up the story: “It was apparent that KYA and Torchbearer needed a structure to their relationship that gave Torchbearer the freedom to exploit the app they had developed, whilst ensuring that KYA also got rewarded for the success of the app.

“One issue in particular was that Torchbearer would be marketing an app that they did not own — No-one wants to develop the market for someone else’s product, and local authorities would be hesitant to engage with Torchbearer if their right to licence the app was not clear. However, the commercial opportunity for Torchbearer was to cross-sell their other services to the local authority customers on the back of the app.

“We therefore identified an appropriate legal structure to the relationship, and drafted a suite of legal documents to reflect that structure and to fairly protect each party’s legitimate interests. This included a value-added reseller agreement to give Torchbearer the relevant rights, and the required flexibility, to exploit the KYA-owned app in the market and to share revenue received from that exploitation with KYA.

“We also prepared bespoke licence terms between Torchbearer and the local authority customers, enabling Torchbearer to license, test and lead the app installations on terms which protected them (remember that they didn’t own it!) but also setting out the terms upon which Torchbearer could sell in their other services on the back of it, such as technical support and hosting management — thereby giving Torchbearer ongoing revenue streams from these customers.”

## The Future

Pete Waugh from Torchbearer comments: “The legal structure developed by LCF Law gave both parties the legal certainty and confidence they needed in their relationship to roll out the *School’s Out! App* to a much wider audience.

“The *School’s Out! App* has already been hugely beneficial to KYA and the thousands of families that now rely on it throughout the school holidays. Thanks to the unique partnership that we have created with the support of LCF Law, the app now has the potential to go nationwide — which is a very exciting prospect.

“Overall LCF Law were practical, friendly, down to earth and they got the job done quickly with the minimum of fuss. LCF Law are a first class law firm with a common sense approach and I can’t recommend them highly enough.”



**Left to right**  
Susan Greenwood of Kirklees Youth Alliance, Pete Waugh of Torchbearer and James Sarjantson, Head of Commercial & Digital at LCF Law

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