

WIPO Enabling Intellectual Property Environment (EIE) Project

National Workshop 1 - IP Management & Technology Commercialization for Technology Managers of Hub & Spoke Institutions

organized by World Intellectual Property Organization (**WIPO**)
in cooperation with
Thailand's
National Science & Technology Development Agency (**NSTDA**),
Department of Intellectual Property (**DIP**)
and with assistance of the Japan Patent Office (**JPO**)

Bangkok, Thailand
12-16 June 2017

EIE National Workshop I - Thailand

Topic 6

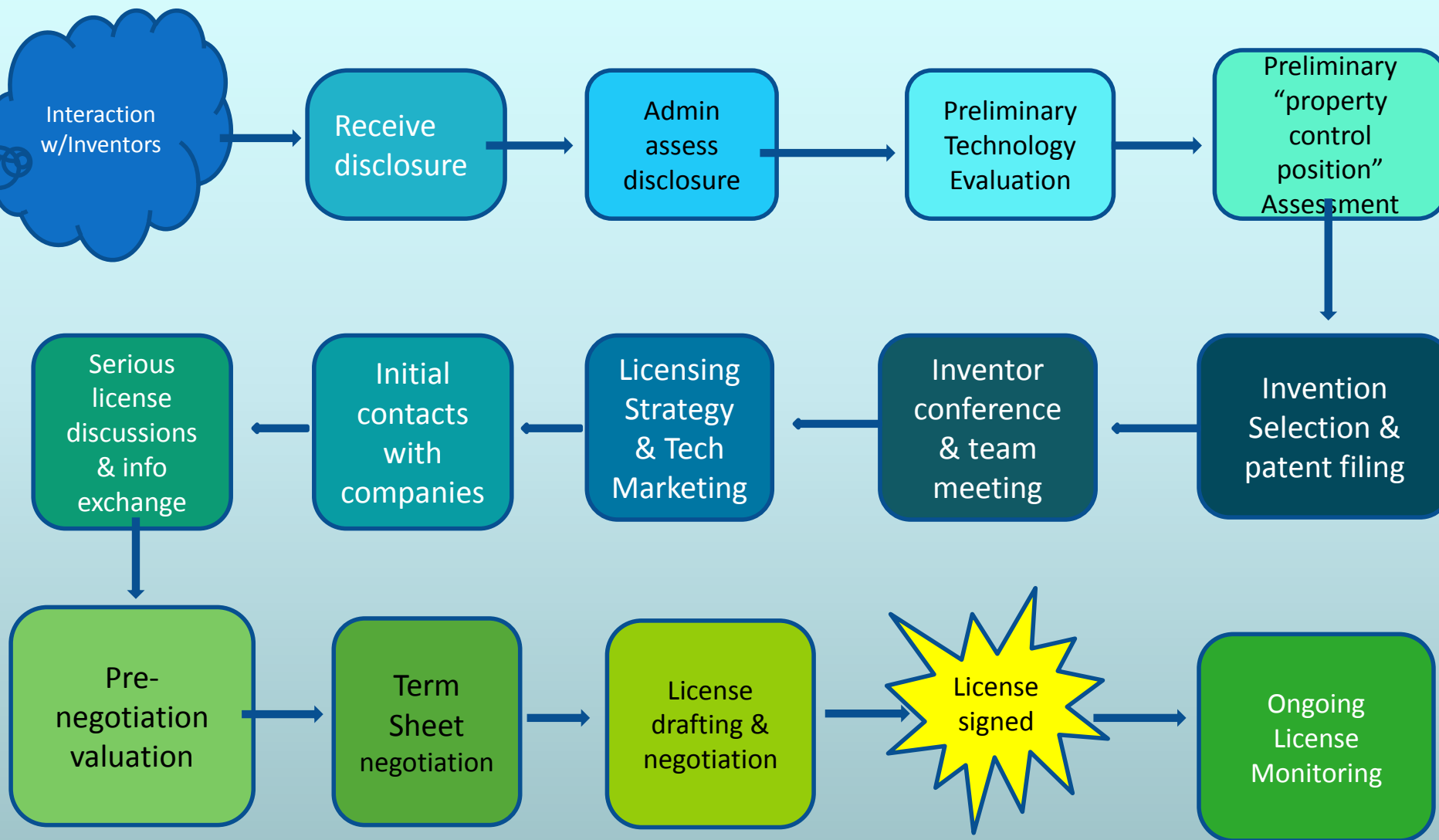
Overview of Technology Management and Pre-commercialization Process

Steps of the Technology Management and Pre-commercialization Process

1. Rapport & Discussions with (potential) inventors
2. Receipt of Disclosures
3. Administrative Assessment (correct? intact?)
4. Preliminary technology assessment
5. Preliminary IP assessment
6. Selection
7. Inventor conference, prep for IP filing and tech marketing
8. Technology Marketing
9. Initial contacts with interested parties
10. Serious license discussions

Steps of the Technology Management and Pre-commercialization Process

10. Pre-negotiation valuation
11. Term sheet negotiation
12. License drafting & negotiation
13. Closing the deal and signing
14. Ongoing license management



The IP/invention Commercialization Process



Interaction w/Inventors

- These are your primary clients
- Respect their time, be responsive & accessible
- Encourage early/often invention disclosures
- “walk the halls”, visit laboratories
- Go to department seminars
- Visit poster sessions
- Treat “bad” inventions with care & respect
- All inventors treated as equals

The IP/invention Commercialization Process

Receive disclosure

- This is where the process formally begins
- Initially all you need is: title, inventors, description
- Don't hassle the inventor for more detail at the beginning
- Treat the disclosure like it's a \$10,000 bill (very carefully!)
- Make sure it is properly registered into the system
- Schedule an appointment with the inventor(s) right away
- Start doing your homework about the invention

The IP/invention Commercialization Process

Administrative Assessment of disclosure

- All inventors named (and only inventors)
- What is the institutional affiliation of all inventors? (ownership issues)
- Sponsorship? Who funded the work? Do they have IP rights?
- Publications planned or submitted? Timing?
- Did inventors use 3rd party materials (MTA?)

Preliminary Technology Evaluation

- What is the invention exactly?
- How does it work?
- What makes it unique?
- Is it superior in some way?
- What problems does it solve? What opportunities does it create?
- Are these problems of economic importance?
- What applications are important and why?
- Is the marketplace potentially profitable?
- Are there any inherent flaws that will make commercialization difficult?

Study the disclosure, do your own homework

Make a list of questions. Meet with the inventor, Ask ??s

The IP/invention Commercialization Process

- Prior art search – formal and/or informal
- Patentability opinion
- Potential scope of claims meaningful?
- Will potential claims be enforceable?
- Publication schedule
- Other IP possible?
- Tangible biological material?

Preliminary
“property
control position”
Assessment

The IP/invention Commercialization Process

- Can you make a compelling case for the commercial potential?
- Is the potential “property control position” sufficient?
- Are you convinced that you can convince others of it’s potential?
- Will the inventor(s) be helpful? Are they committed?
- Get going in parallel: patent filing & tech marketing

Other factors

- Inventor’s longevity at institution is important
- “Capturing” a potentially good inventor/client
- Scientific reputation of inventor(s)
- Are there humanitarian/philanthropic issues?

Invention
Selection &
patent filing

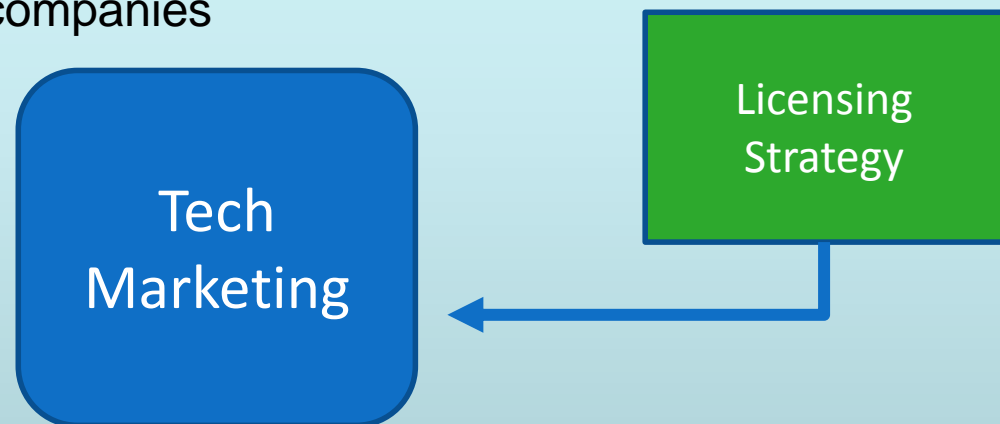
The IP/invention Commercialization Process

- Meet with inventor(s); explain the process
tech marketing, info exchange, NDA, MTA, license, patent
- Expect involvement (tech brief, receiving phone calls, hosting visits)
- Explain everyone's proper role
(technical vs. business/legal)
- It's a team effort
- Ask if inventor(s) want research funding too
- Which inventor is key contact?

Inventor
conference &
team meeting

The IP/invention Commercialization Process

- Marketing is almost always essential for commercialization
- ACTIVE marketing is critical – no technology “sells itself”
- Get started ASAP
- Always be marketing: proactive and passive
- Look for small, med, large companies
- Groom entrepreneurs



Exclusive v. non-exclusive
Field-of-use

The IP/invention Commercialization Process

- Always be ready to discuss a technology with potential licensees
- Have a Tech Brief handy
- Have some initial non-confidential “tidbits” as opener
- Initial conversations of non-confidential info
- Have a simple NDA ready

Initial
contacts
with
companies

- Encourage data sharing
- Contact with inventor
- Host a visit
- Be responsive to requests
- Listen more than talk

The IP/invention Commercialization Process

- NDA and MTA in place
- Significant info exchange; visits to laboratory
- Discussions of market applications, product development
- Timelines, milestones, royalty rates

Serious license
discussions &
info exchange

- Discussion/review of license template
- Discuss decision-making process, authorities
- Research, collaboration, consulting, etc.

The IP/invention Commercialization Process

Rough Income Projections

- Understand where the technology fits in the market
- Rough estimate of the size of the market
- Enabling value of IP to product
- COGS of product and profit margins
- Conservative estimates of market penetration


Pre-
negotiation
valuation

Cost Recovery

- Cost to invent, develop, patent

The IP/invention Commercialization Process

- The owner of the IP makes 1st draft
- Terms clearly defined
- Allows parties to focus on key terms
not distracted by legal boilerplate



Term Sheet
negotiation

The IP/invention Commercialization Process



License
drafting &
negotiation

The IP/invention Commercialization Process

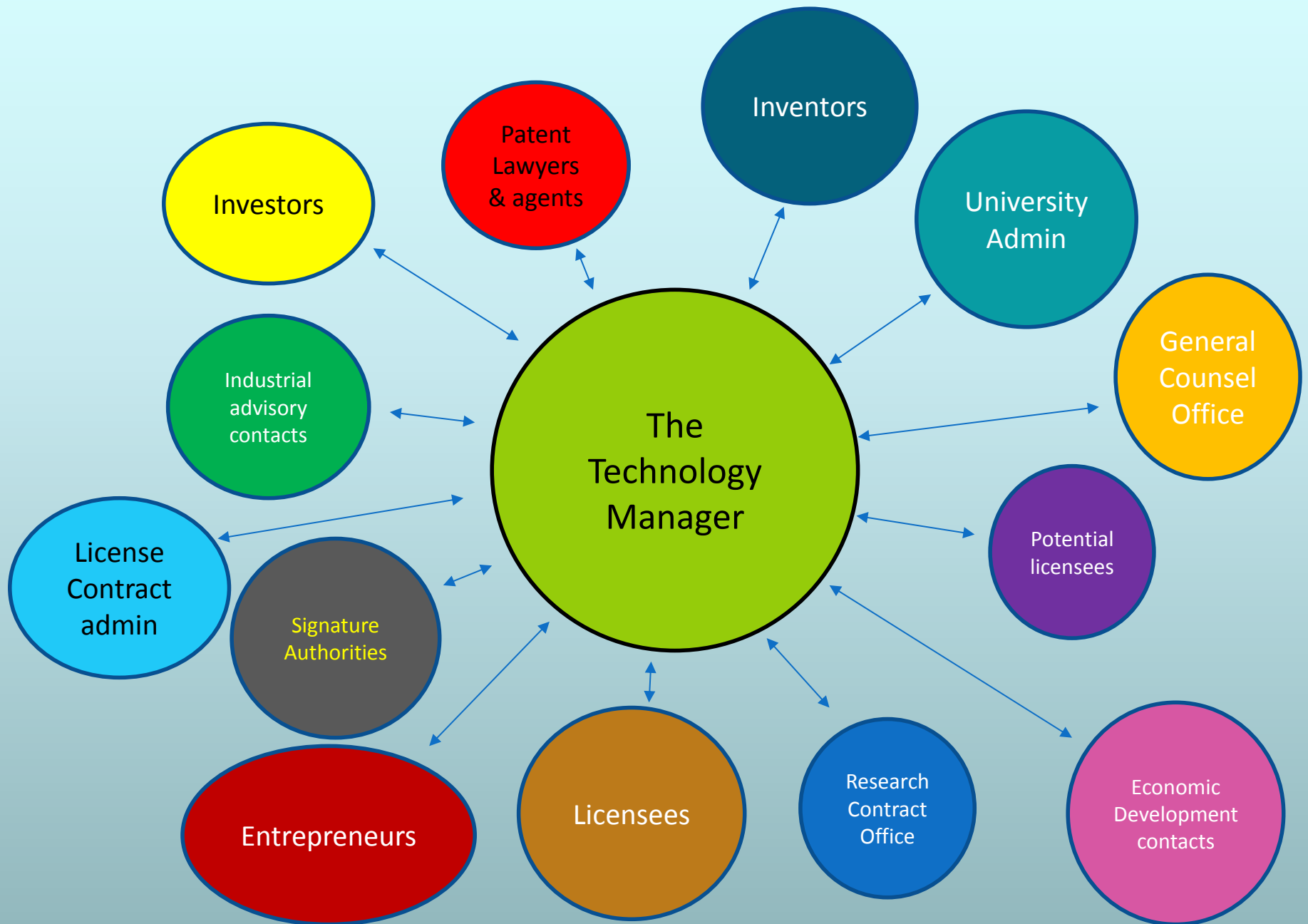
- This is every Tech Manager's Goal
- There may be a "hand-off" to contract administrators but Tech Manager should stay "in the loop"
- Invite licensees to events, they can promote your office



The IP/invention Commercialization Process

Ongoing
License
Monitoring &
Management

The IP/invention Commercialization Process



The Technology Manager is a Conductor of a Orchestra of participants

Intelligence (including emotional)

Passion

Creativity

Ethics

Reputation