



Key License Terms

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Topics

- Licensing Agreement
- Key terms
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IP Licensing



- A route of commercialization where an IP rights holder gives another entity the authority to exploit, make, have made, use, sell, copy, display, distribute, modify, etc. the IP - in return, the licensee will pay royalties
- The most popular and sustainable way of commercializing IPR
- Sharing business risks
- Managed through written legally bound agreements
- Agreements stipulate details of extent of rights of exploitation

Licensing Agreement



- Defines that what licensor and licensee agreed to license
- Defines what you allow the licensee to do with it and what legal rights both parties have
- Financial and payment conditions
- Licensing Conditions
- The licensor's obligations
- Obligations common to both parties

Key Terms and Conditions

- Subject matter
- Scope of the license
- Field of use
- Ownership
- Confidentiality
- Exclusive or non-exclusive
- Sub-licensing
- Territory
- Duration Financial terms
- Development rights
- Derivative works, improvements
- Future version of the technology
- Warranties
- Dispute settlement



License Agreement

Subject matter:

- Technical description
- Patent No.
- Title of the invention
- Trademark
- Technical specifications
- Standards?



- Is the technology sufficiently and accurately described in detail?
- Has due diligence been done?
- Is the IP valid and enforceable?

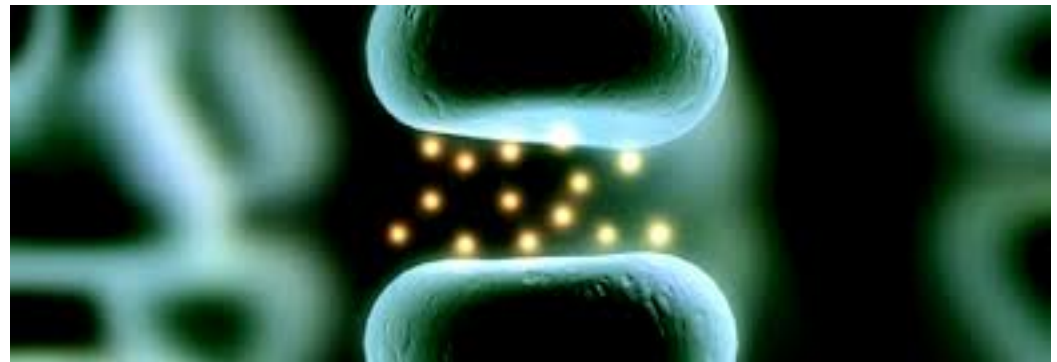
License Agreement

Field of use:

which purpose or technical field?

E.g.,

- Research purpose only
- In the medical field only
- Shoe industry only



License Agreement

Ownership:

- Ownership of licensed technology
- Ownership of sub-licensed technology

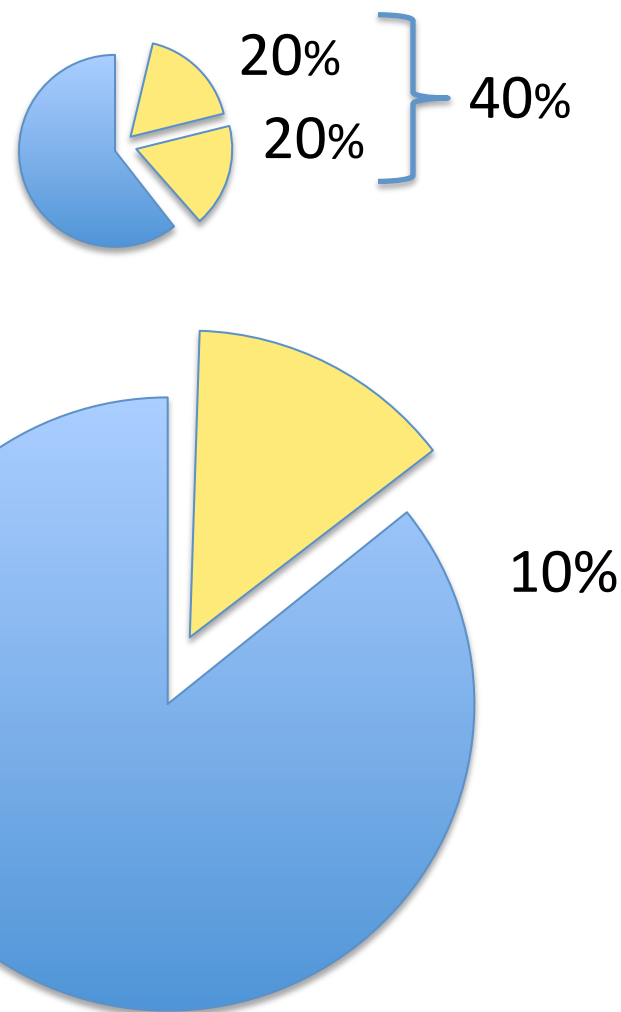
- Does the licensor reserve a right to use for research or teaching purpose?
- Does licensor have any right over a further developed technology?

License Agreement

Exclusive or non-exclusive?

Depends on:

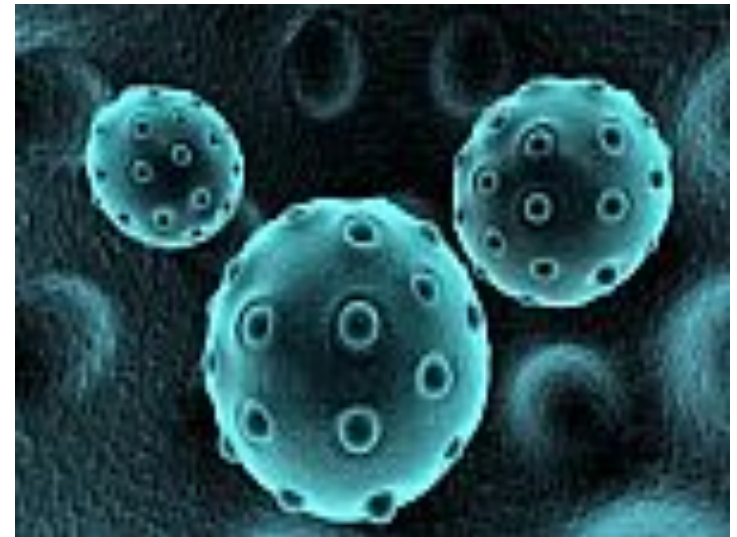
- Capacity and experience of the licensee
- Market share of the licensee
- Territory
- Patent coverage (which country?)
- Technology
- Duration of license
- Influence the royalty %
- **Exclusive for some countries and non-exclusive for others?**



License Agreement

Territory:

- In which countries?
- Different conditions in different territory?
- Coverage of patents?



License Agreement

Financial terms:

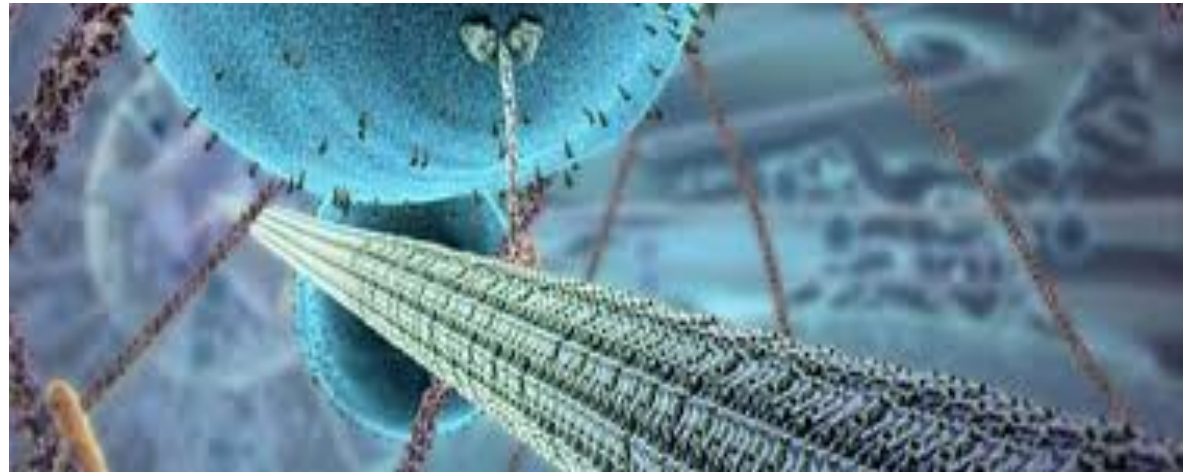
- Royalty (3-15%)
 - Lump-Sum
 - Stock
 - Payment method
 - Frequency and time of payments
 - Obligation of reports, record-keeping
 - Auditing rights
 - Tax issues, etc.
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- **Is there minimum royalty guarantee?**



License Agreement

Future version of the technology:

- Development rights
- Derivative works
- Improvements





Thank you for your attention

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