



Negotiating Technology Licenses

Is Licensing Necessary

- n Competitiveness and Technology
- n If protected by an intellectual property right

Locating technology

- n Through patent information locate technology and their proprietors

Negotiation

n you don't get the deal you deserve
but you get the deal you negotiate

Preparation

- n Do your homework regarding the technology; its legal status, its production and marketing information and the value that may be placed on it. Check on alternatives to the technology
- n Analyse your strengths
- n Prepare summary of key issues to be discussed (Heads of Agreement)

Heads of Agreement

- n Parties
- n Subject Matter and Territory
- n Licensor's Obligations
- n Licensee's Obligations
- n Improvements
- n Financial
 - F Lump sum
 - F Royalties
 - F Annual Minimum Royalty
- n Period

Guidelines in Negotiating

- n Aim for win win outcome
- n Establish maximum (best) and minimum (worst) position
- n Generate variables or alternatives
 - u trade variables that are cheap for you but expensive for the other
- n Never give unless you get