

Contract Negotiations, Intellectual Property and Dispute Resolution: What do we really argue about most and what dispute resolutions work best?

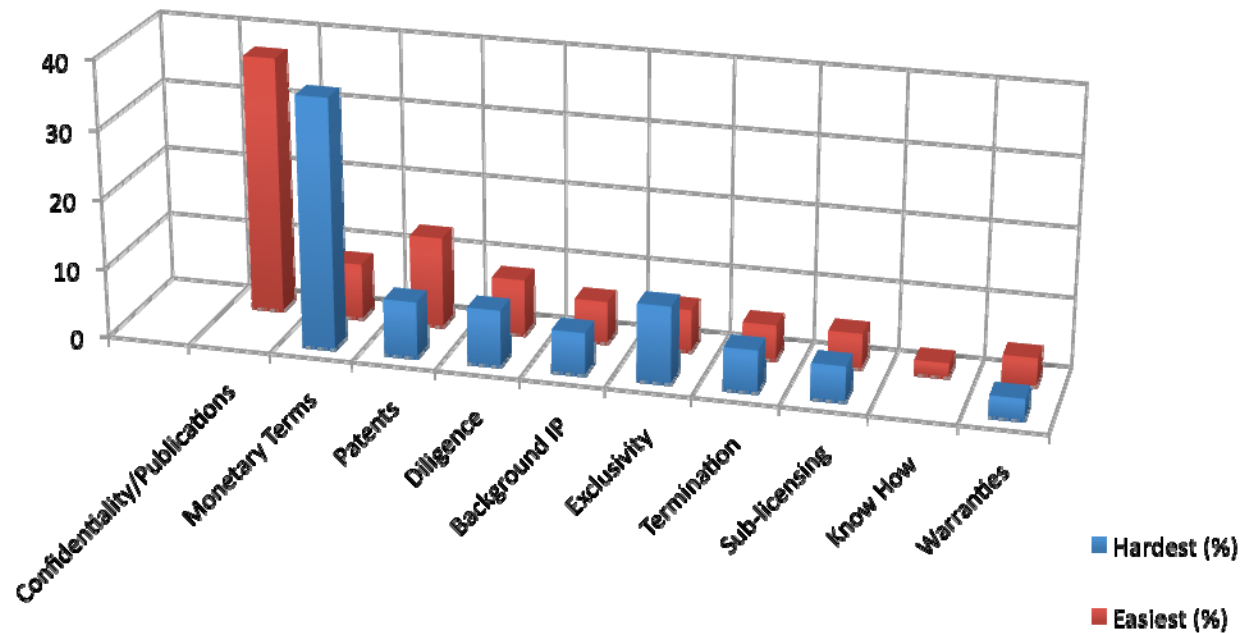


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BIO Survey: Company view of toughest issues to negotiate

Terms: Issues to negotiate





University Stakeholders

- The Inventor
- The Department
- The College
- The University
- The State
- The Nation
- The World

Stakeholder Conflicts

- Dollars vs. Deals
- Royalties vs. Research Funds
- Startups vs. Established Licenses
- Licensees in Your State vs. Other States
- Access in Developing Countries

Terms we think we argue about most

- Surprisingly, it isn't necessarily financial terms
Often a lot of time is spent on:
 - Diligence Milestones
 - Scope of Field to be Licensed
 - Improvements
 - Certain legal language associated with reps/
warranties, insurance, patent control and
enforcement

Dispute Resolution Mechanisms

- Mediation
 - Start with senior executives of both parties
 - Hire professional mediators
 - Binding vs. non-binding
- Arbitration
 - Not all universities are permitted to enter into arbitration
 - How much detail should be in the contract?
 - Location (which venue?)
 - Cost (who pays?)
 - Time (eg., how long to pick arbitrators, time for arbitration)
 - Which rules apply (eg., American Arbitration Association)
 - Binding vs. non-binding
- Silence (in contract)

When do we most often actually need dispute resolution

- Inventorship
 - Mediation, arbitration, but preferably expert determination
- Patent Enforcement
 - Usually not defined in contract, but often in midst of lawsuit will agree to mediation
- Licensee/Contract Issues
 - Prefer mediation, but can agree to arbitration