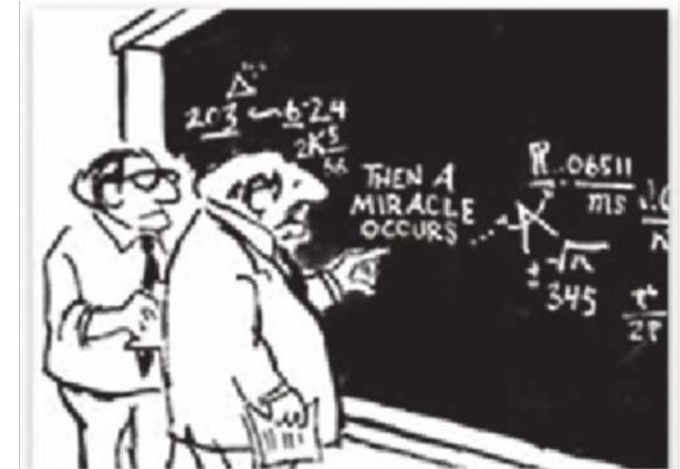


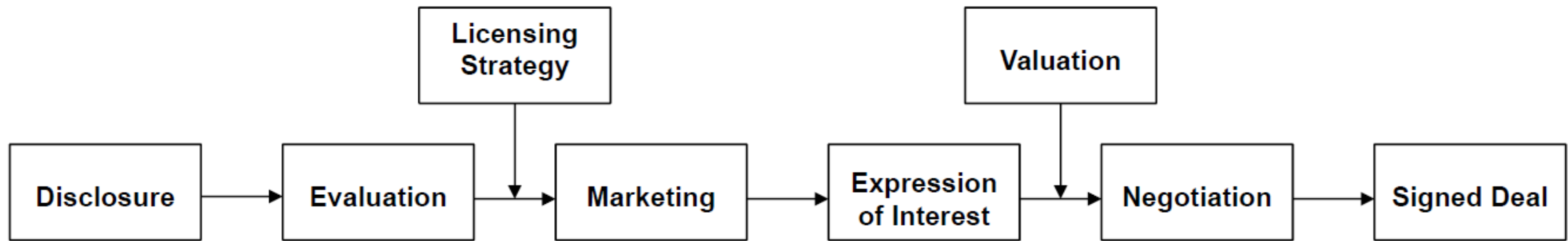
Commercialisation strategy

- Technology transfer process
- Developing a (licensing) strategy
- Selection criteria



“Connecting customer needs with technology solutions”

The Technology Transfer Process



Developing the Licensing Strategy

- ❑ The fundamental question:
 - ❑ Are we going to license this to an existing company?
 - ❑ Or a new company?
- ❑ Truly revolutionary inventions frequently need a new company
 - ❑ Incremental inventions are often licensed to existing companies

Develop the Licensing Strategy

- ❑ Are there multiple products that come from the technology?
 - ❑ If answer is “Yes”, which market is most attractive?
 - ❑ Do we need separate sets of patent claims to protect each market?
- ❑ Are the products used in the same industry?
 - ❑ If so, can the same company exploit them?
 - ❑ If answer to either is “No”, then we will need to license by field of use and find multiple licensees

Develop the Licensing Strategy

- ❑ The key question:
 - ❑ Does the license(s) need to be exclusive?
 - ❑ Maximizes the incentive to the licensee
 - ❑ Maximizes the risk to the licensor
 - ❑ Maximizes the potential return to the licensor
- ❑ Does the technology provide everything that's needed for a finished product?
 - ❑ If so, do we want to provide the maximum incentive for a licensee to invest in developing the technology?
 - ❑ Exclusivity provides that
 - ❑ If not, probably license non-exclusively, or exclusively by narrowly-defined field of use (“platform technology”)
- ❑ Is there a clear market leader?
 - ❑ They may be the most attractive/only viable licensee
- ❑ Is it a crowded market?
 - ❑ If so, #2 or #3 may be a more motivated licensee

Degree of transfer of rights



Complete transfer

Limited transfer

No transfer -- immunity

Assignment

License

Freedom from Suit



Exclusive

**Exclusive by Field
Exclusive by territory**

Non-exclusive



Degrees of Exclusivity

Licenses Granted

- ❑ 15% start-up companies
- ❑ 53% small companies
- ❑ 32% large companies

- ❑ 37% exclusive
 - ❑ Start-Ups almost always need an exclusive license
- ❑ 63% non-exclusive

Develop the Licensing Strategy

- ❑ What are the key steps the licensee needs to do to get a product into the market
 - ❑ These will become your due diligence mechanisms
 - ❑ Should have at least one milestone each year
 - ❑ Perhaps more in first year
 - ❑ Ensure that licensee is developing the technology
 - ❑ Terminate the license if not
 - ❑ Relicense it
 - ❑ If start-up, include corporate development milestones
 - ❑ Fund raising
 - ❑ Hiring of key individuals