



European IP Helpdesk

Stay ahead of the innovation game.

European IP Helpdesk Webinar:
IP Commercialization and Licensing
(Advanced)

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European IP Helpdesk

- Service initiative of the European Commission
- Addressing **current and potential beneficiaries of EU-funded projects, researchers and EU SMEs**
- Free-of-charge first-line support on intellectual property (IP)
- Hands-on IP and innovation management support
- International pool of IP experts from various thematic fields
- Unique cooperation scheme with the Enterprise Europe Network: 44 ambassadors from 27 EU countries



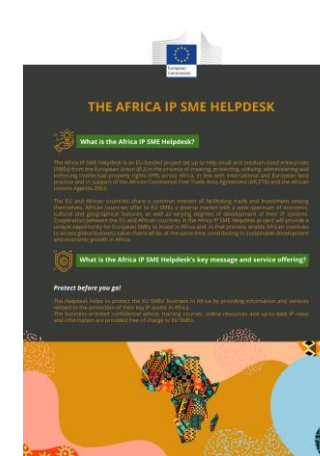
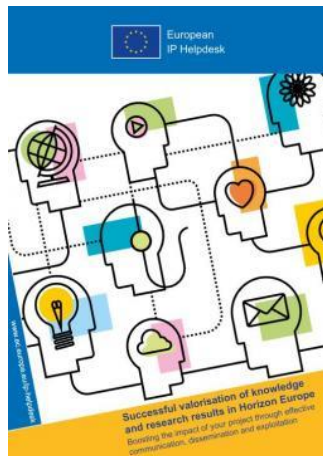


The EC IP Helpdesks





EC IP (SME) Helpdesk Hub – Gateway to Information



- E-learning modules & more
- Guides / Topic, country, sector-specific factsheets / Infographics
- Case studies



Upcoming Webinars

- | | | | |
|-----------------------------------|--|--------------------------------------|---|
| <p>06
NOV
2023</p> | <p>Training and workshops
EU - Webinar: IP in Business collaborations for SMEs and Start-ups
📺 Live streaming available</p> | <p>07
NOV
2023</p> | <p>Training and workshops
EU - Webinar: IP in EU funded projects with a special focus on MSCA
📺 Live streaming available</p> |
| <p>08
NOV
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EU - Webinar: IP & Open Science
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NOV
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EU - Webinar & Horizon Results Platform: IP in Business Collaboration for SMEs and Start Ups
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NOV
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EU - Webinar: Effective IP and Outreach Strategies Help Increase the Impact of Research and Innovation
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EU - Webinar EPO Coop: Patent protection for EU funding beneficiaries - Biotechnology
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| <p>16
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EU - Webinar: IP Management in ICT Projects
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EU - Webinar: IP Commercialisation & Licensing - Advanced
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| <p>22
NOV
2023</p> | <p>Training and workshops
EU - Webinar: Patents and Innovation
📺 Live streaming available</p> | <p>23-24
NOV
2023</p> | <p>Training and workshops
Training Coop with LES & EPO: Succeeding at technology commercialisation & negotiation
📍 Vienna, Austria
🏛️ External event</p> |
| <p>06
DEC
2023</p> | <p>Training and workshops
EU - Webinar: IP and Artificial Intelligence - Advanced
📺 Live streaming available</p> | <p>07
DEC
2023</p> | <p>Training and workshops
Plant Variety
📺 Live streaming available</p> |



Ambassador Scheme

- **Cooperation scheme** with the Enterprise Europe Network (EEN): 44 ambassadors – 27 countries
- **Building IP capacities** among European SMEs
- **Overcoming language barriers**
- Making the topic **more accessible**
- Exchange and feedback from ambassadors on **needs of SMEs**
- Local **awareness** and **training events**





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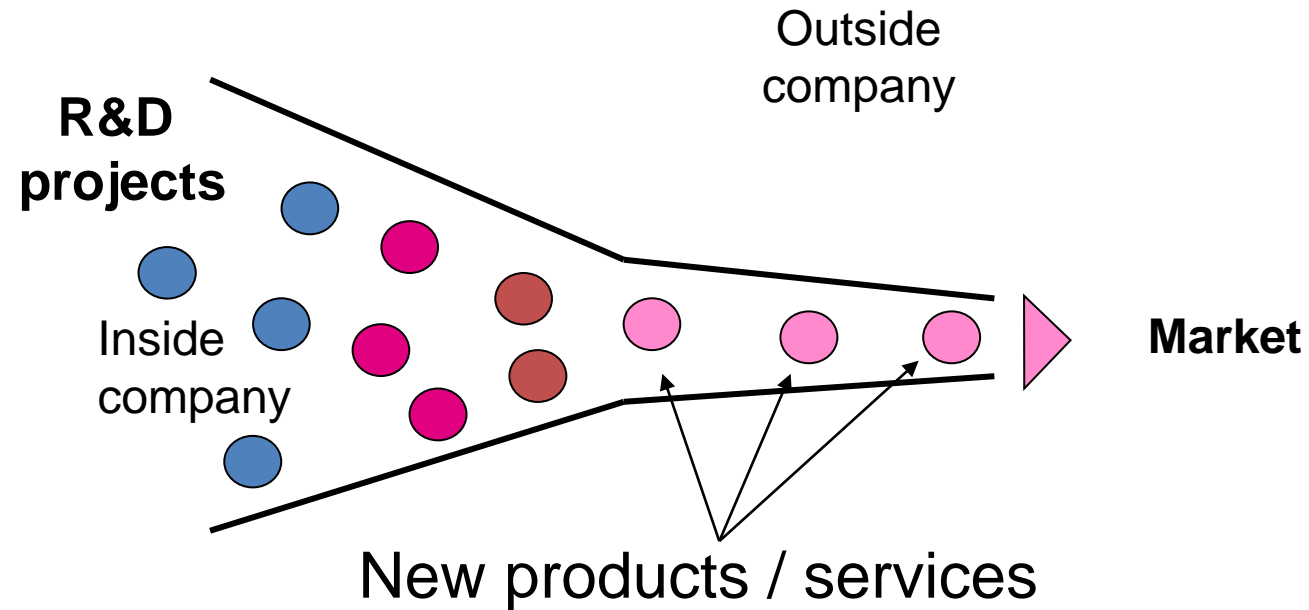
Overview

- Basics of licensing (recap)
- Key terms
- Negotiation





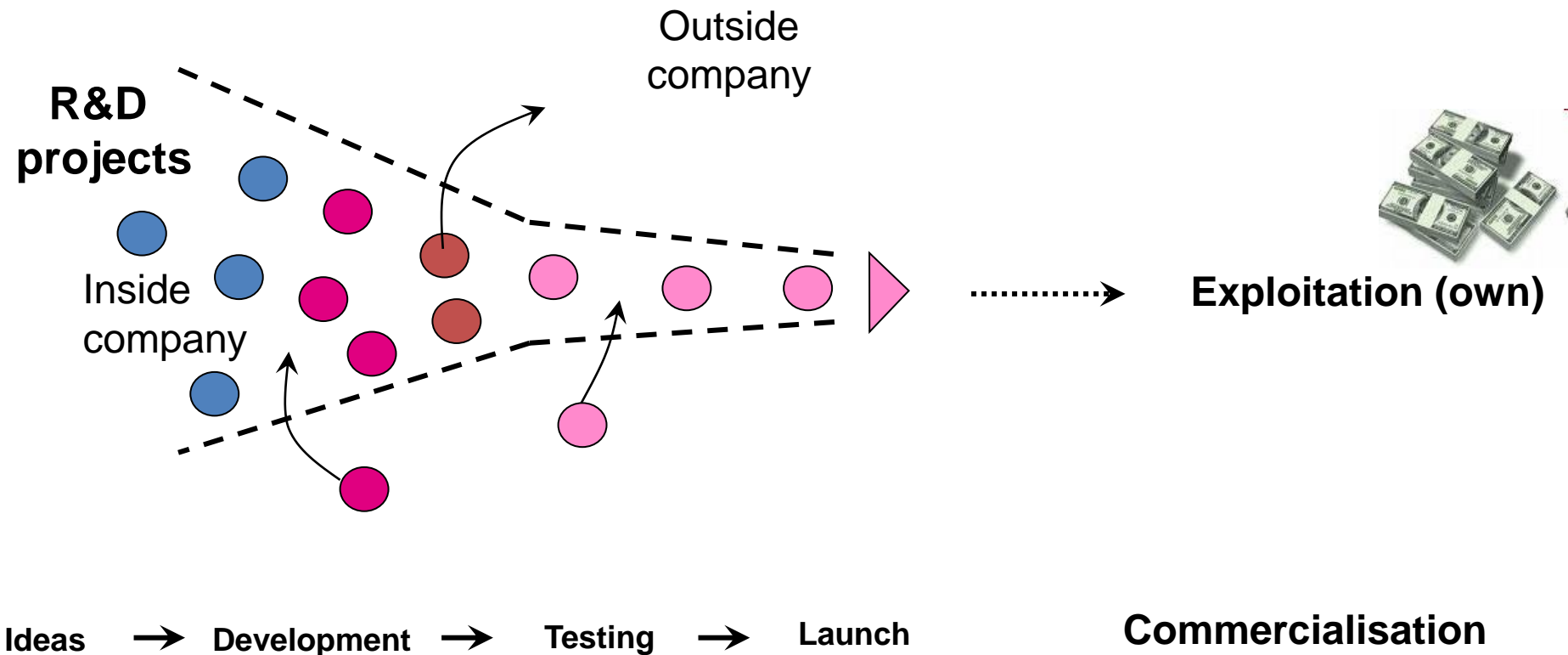
Closed Innovation



Ideas → Development → Testing → Launch

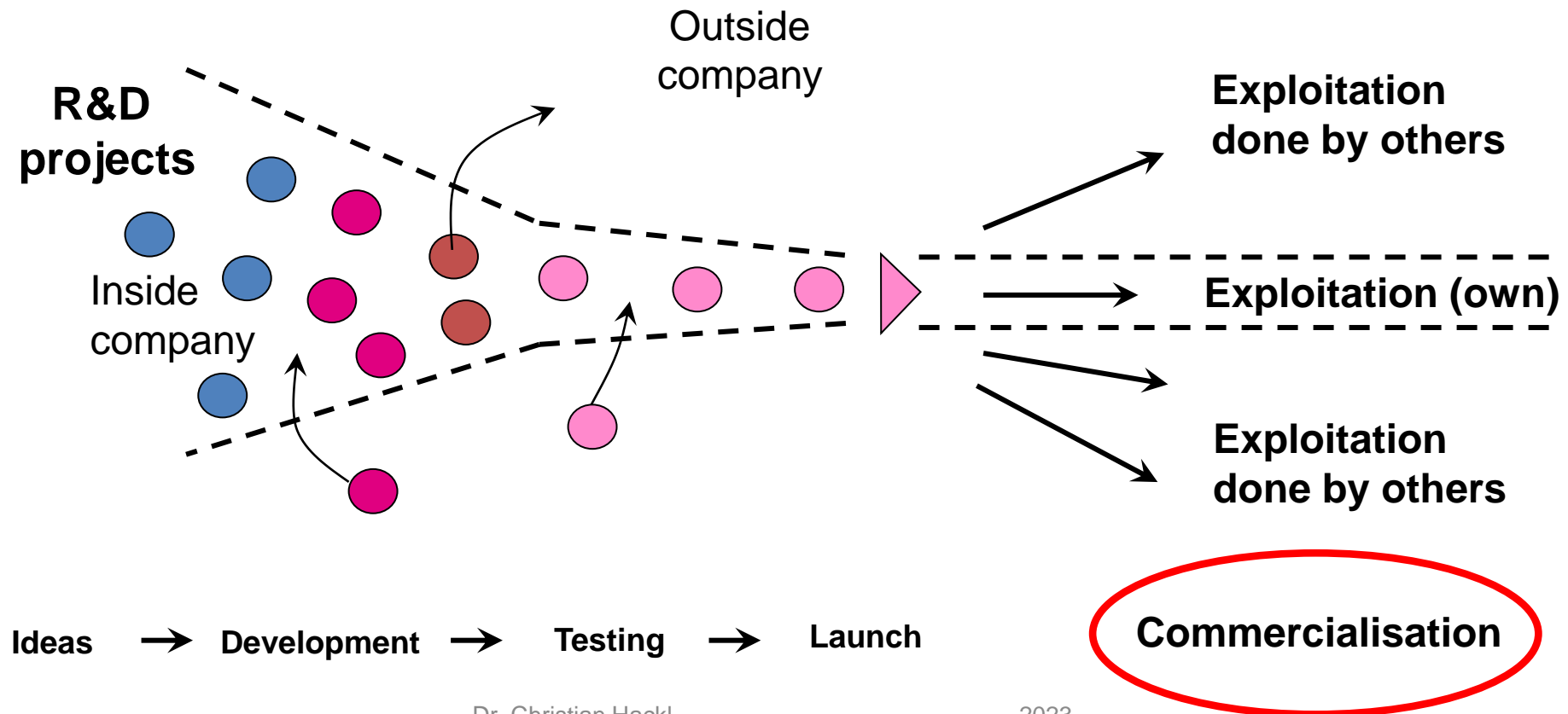


Open Innovation



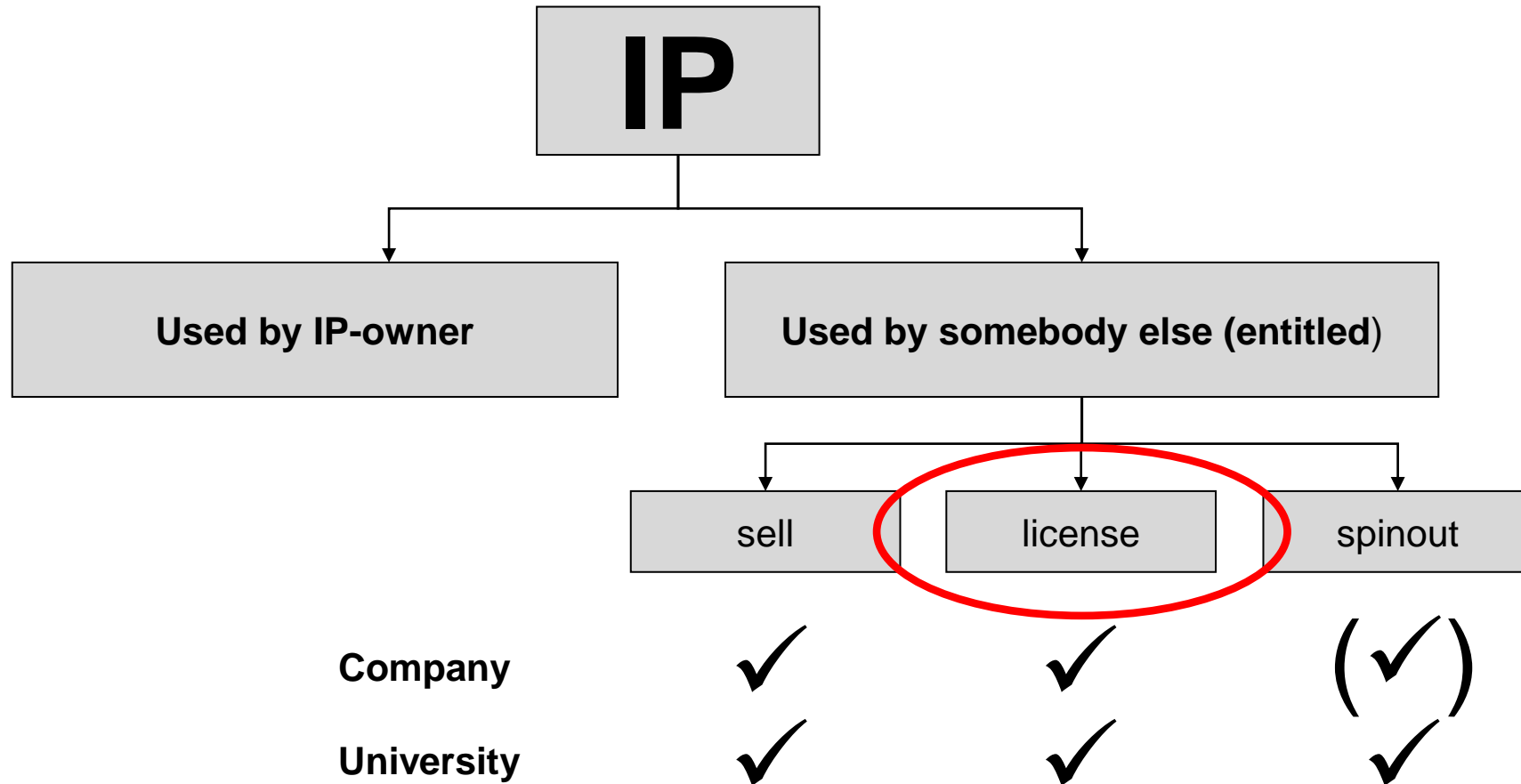


Open Innovation





IP Commercialisation



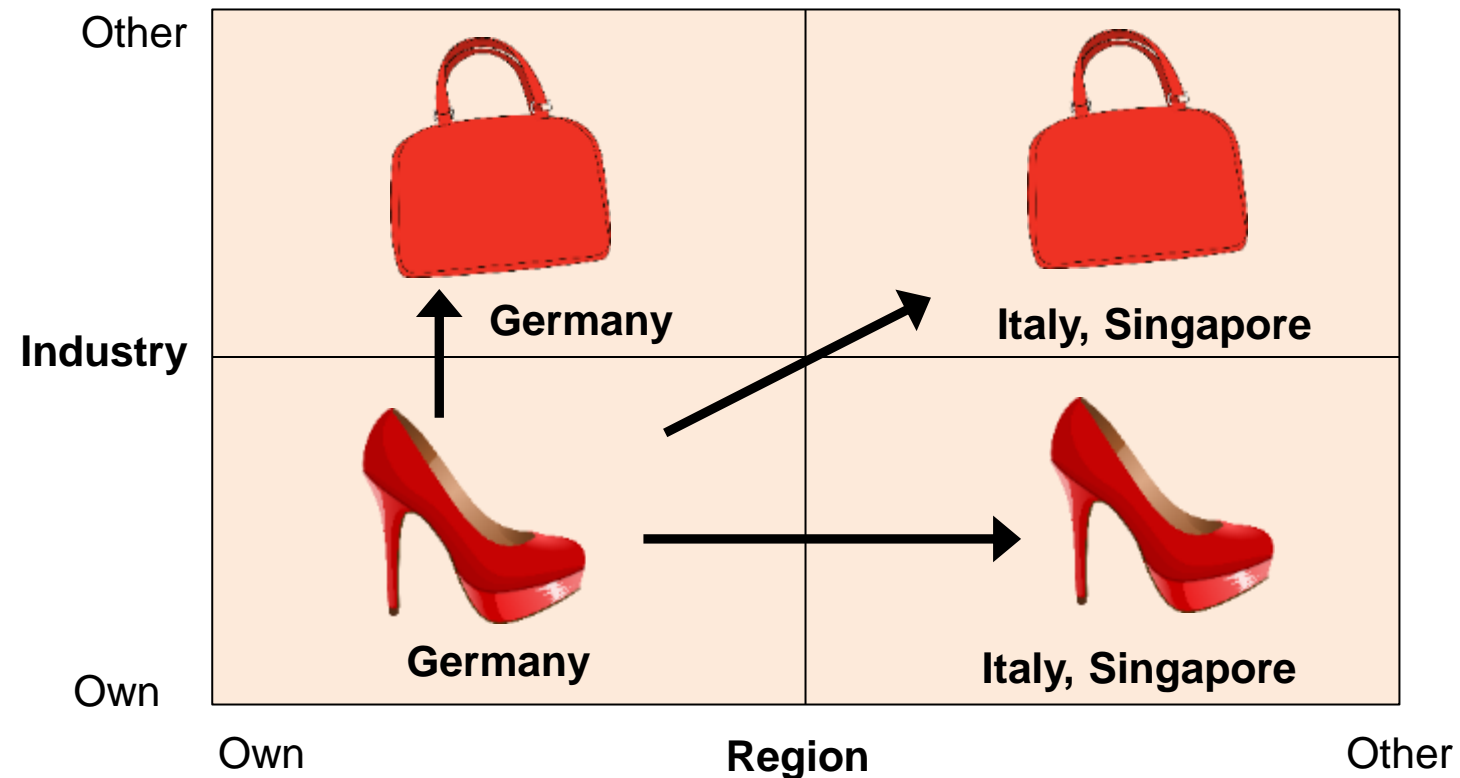


When does external commercialisation make sense?

- Different geographical region
- Different application / industry
- No strategic fit
- Platform technology



Some reasons for external commercialisation – new markets





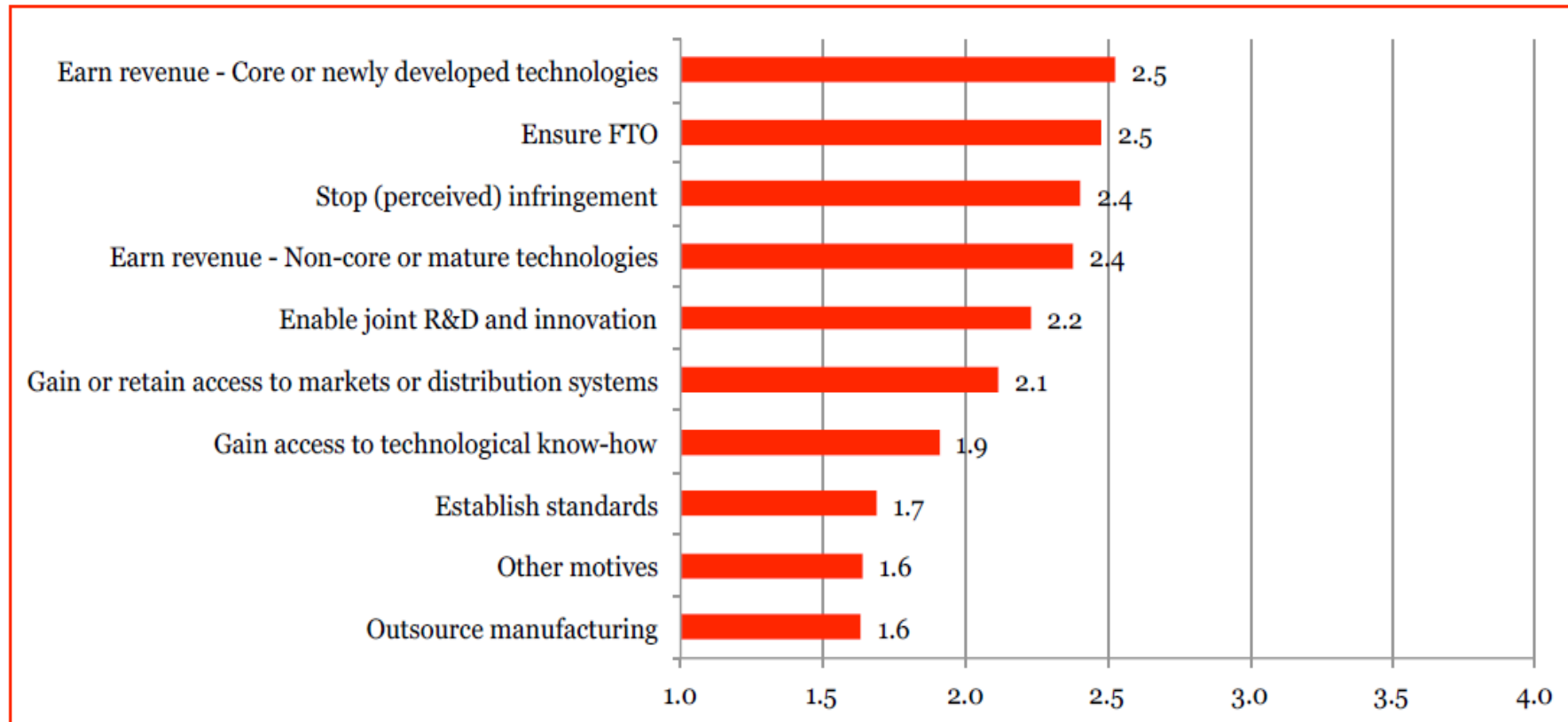
Some more reasons for licensing

- Access new markets
- Generate profit
- Share risk
- Accessing technology (faster, cheaper)
- Ensure Freedom-to-Operate
- Enter into an R&D collaboration
- Settle an infringement claim
- Cross licensing

Out-licensing
and
In-licensing



Motives for outlicensing patents

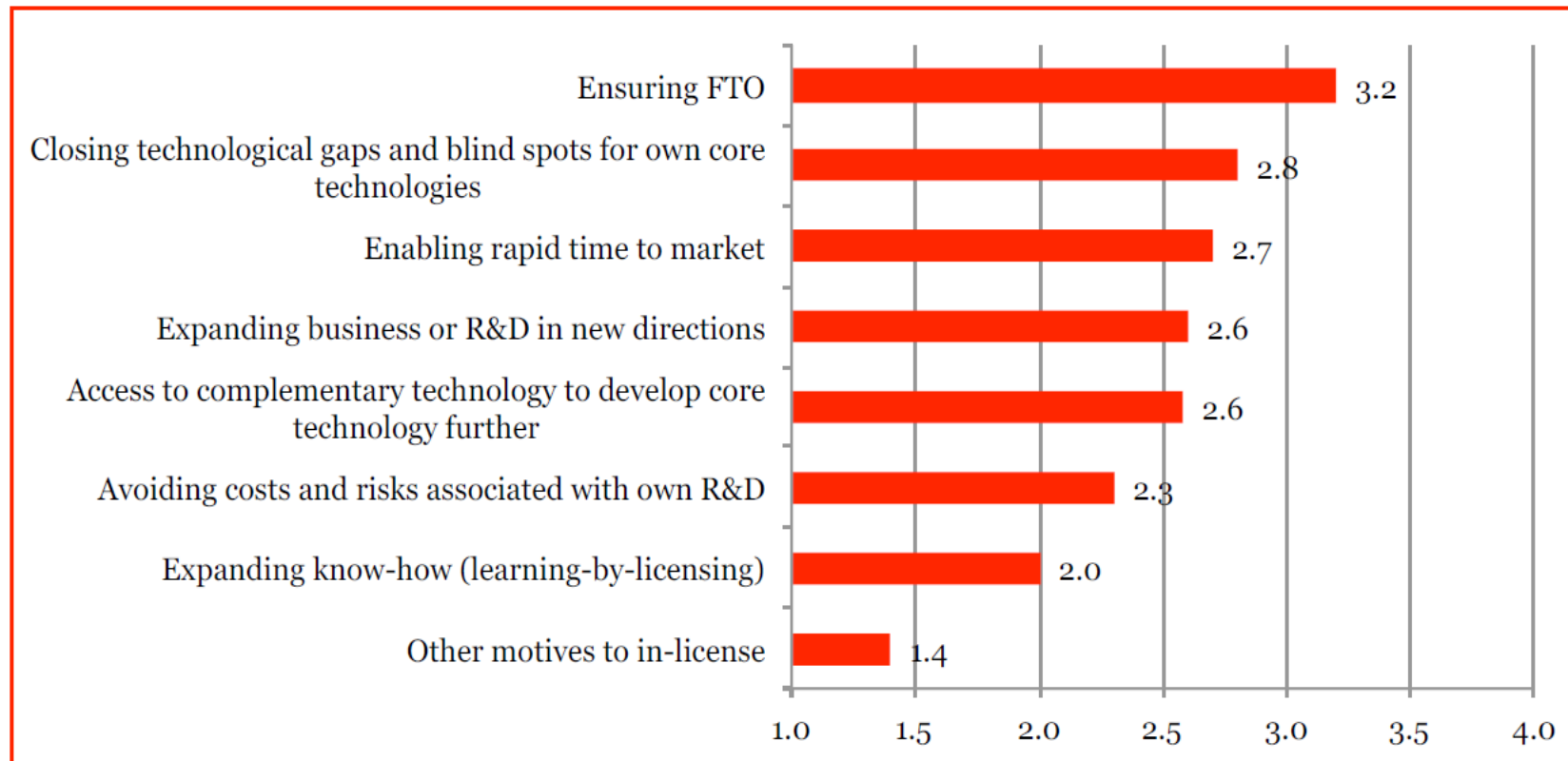


Arithmetic means on a scale from 1='unimportant motive' to 4= 'very important motive'

Source: PATLICE Survey (Survey on patent licensing activities by patenting firms), European Commission



Motives for inlicensing patents



Arithmetic means on a scale from 1='unimportant motive' to 4= 'very important motive'

Source: PATLICE Survey (Survey on patent licensing activities by patenting firms), European Commission



An IP license

- Indirect exploitation of intellectual property (commercialisation)
- Licensing agreement: the owner of IP (Licensor) grants the Licensee the right to use the IP
- The Licensor maintains the ownership of the IP



What is a license?



Licensor
IP owner (e.g.
university,
company,
individual)

Permission to use IP

Payments



Licensee
(e.g.
company)



Which IP rights can be licensed?

Registered IP

Patents

Utility models

Registered trade marks

Registered designs

Unregistered IP

Copyright

Database right

Unregistered trade marks

Unregistered designs

Soft IP

Know-how

Trade secrets

Confidential information



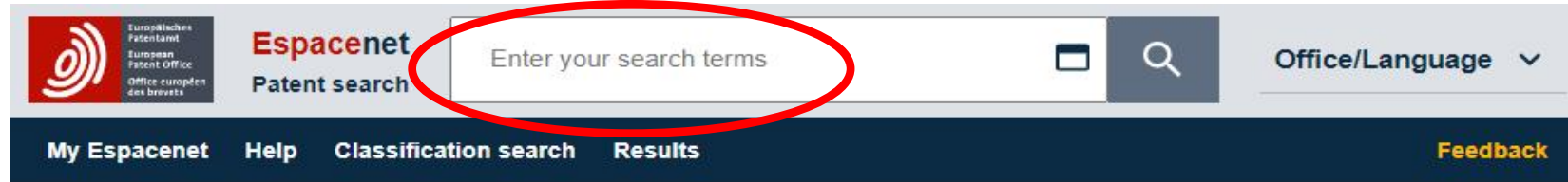
Before the negotiation: Due Diligence

- Information regarding the licensor (licensee)
- Information regarding the technology and its context (eg. business environment)
- Information regarding the legal status of rights (eg. ownership, validity, territorial coverage)
- (NDA)



The Espacenet database (over 140 million docs)

<https://worldwide.espacenet.com>



Espacenet: free access to over 140 million patent documents

**Also for identifying
potential partners**





Due diligence in trade secrets

- Licensor trade secret policy
- Confidentiality agreements with employees
- Other licensees in possession of the secret



Licensing agreements

- No standard
- Large flexibility
- Adjust to business needs

- In the following: overview of main topics

(no substitute for professional advice)



License agreement – 4 Chapters

1. Definitions/Subject
2. Grant
3. Financials
4. Further topics



1. Definitions / subject

- Purpose
 - “Introduction”, background, goals
 - Helpful for persons not involved in the making
- The parties (licensor and licensee)
 - Details (name, address, legal form)
- Definition of terms
 - Terms used throughout the agreement (eg. “sales”)
- Technology/IP
 - List of technology / patent(s) (IPRs)
- Ownership
 - Does the licensor own the IP?



2. Grant

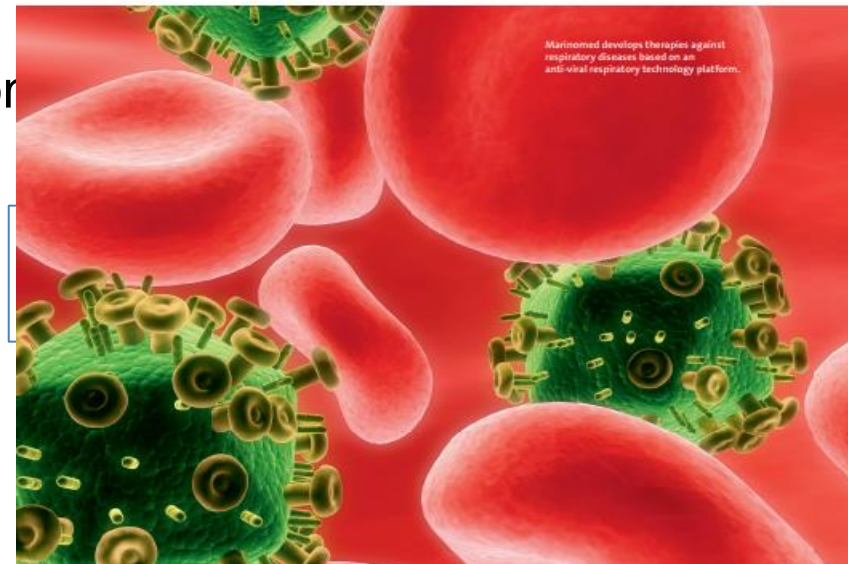
- Scope
 - Fields of use (eg. research and/or modify ... or application/industry)
 - Right to sublicense
- Territory
 - Specific countries (depending on)
- Exclusivity
 - Exclusive license
 - Sole license
 - Non-exclusive license



EPO SME CASE STUDIES | MARINOMED

Using red algae to fight the flu

Founded in 2006, Marinomed is an Austrian biopharmaceutical spin-off from the Veterinary University of Vienna. The company's main technology platform is based on the natural polymer Carrageenane, which is isolated from red algae and is active against respiratory viruses. As a drug discovery company, Marinomed is heavily dependent on patent protection. It has three main patents, which have been validated in almost 100 countries, and a trade mark registered in around 50 countries. The company actively manages its patent portfolio and grants licences for its technology. Marinomed has experienced infringement of its patents, but was able to resolve the cases without going to court.



Marinomed develops therapies against respiratory diseases based on an anti-viral respiratory technology platform.



3. Financials

- Upfront payment
 - One-time payment (early on)
- Ongoing payments
 - Royalties (eg. x% of y)
- Milestone payments
 - For special achievements, reflecting increased value (eg. pharma, patent granted)
- Minimum / adjustments
 - Minimum amount of license fee
 - Adjustment of royalties over time (up or down)
 - Patent expenses (historic and ongoing)

Sharing risk and
benefits



4. Further topics I

- Improvements
 - Rights to future improvements included?
 - Additional payments?
 - Timing of access?
- Know-how and training
 - Definition and extent
 - Included in license (additional payments)?
- Confidentiality
- Reporting and audits
 - What kind of reporting when?
 - Rights for audits?



4. Further topics II

- Warranties and liabilities
 - Define what risks both parties are willing to take
 - Eg. licensor guarantees that he is owner of IP, no previous license (tested technology?)
 - Licensor wants to be indemnified by licensee (eg. loss, damage, hurt)
- IP protection and infringement
 - Definition of responsibility – transfer of control
 - Eg. depending on exclusive versus nonexclusive license
 - Cost (outcome)



4. Further topics III

- Term and termination
 - For life span of patent or certain time (renewal option)
 - In combination with other parameter (eg. exclusivity)
 - Reasons for termination by licensee or licensor (typically more restricted, eg. licensee fails to pay license fees, going bankrupt, not reaching milestones)
 - Any obligations surviving the end of the agreement (eg. confidentiality)



License agreement – Overview I

1. Definitions/Subject

- Purpose
- The parties (licensor and licensee)
- Technology/IP
- Ownership
- Definition of terms

2. Grant

- Scope
- Territory
- Exclusivity



License agreement – Overview II

3. Financials

- Upfront payment
- Ongoing payments
- Milestone payments
- Minimum / adjustments

4. Further topics

- Improvements
- Know-how and training
- Confidentiality
- Reporting
- Warranties and liabilities
- IP protection and infringement
- Term and termination



Licensing agreement

- A strategic choice
- A long standing relationship
- Combination and interdependency of different aspects
 - Legal
 - Technical
 - Financial



Negotiating licensing agreements

- Confidentiality agreement
- Be sufficiently prepared to negotiate, eg.
 - Business needs
 - Negotiation strategy (goal, compromise and must-have)
 - Think about other party
- Explain your position, seek “objective” criteria
- Search for a win-win agreement
- Discuss the agreement as a whole
- Time is always important



Helpful tool: Term Sheet

- Summary of key terms agreed on (so far)
- Helps to keep an overview
- Helps to focus on main issues (and not missing any)
- Use plain language
- Not a Lol (Letter of Intent) or MoU (Memorandum of Understanding)
- Optional: internal version for
 - planning (goals and fall-back options)
 - communicating within your team (or with legal counsel)



Case study: Marinomed

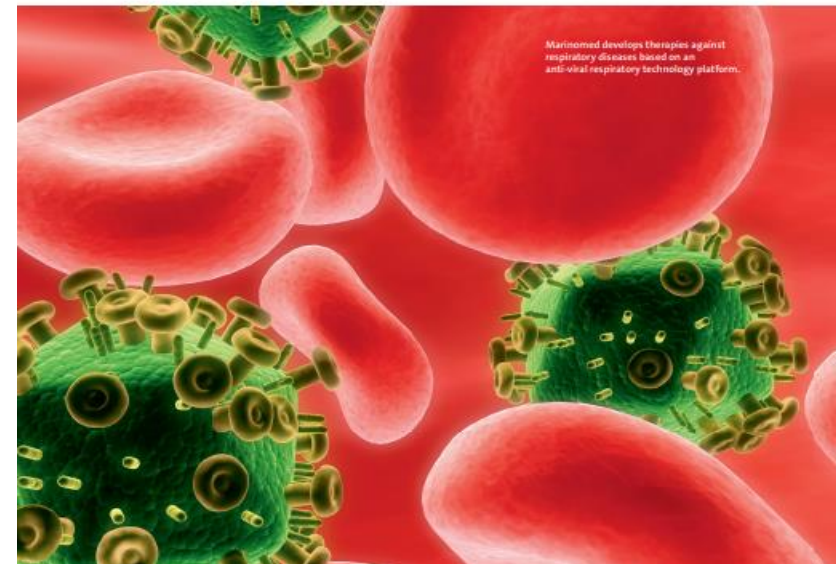
<https://www.epo.org/learning/materials/sme/sme-case-studies.html>



EPO SME CASE STUDIES | MARINOMED

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Case study: Orcan Energy

<https://www.epo.org/learning/materials/sme/sme-case-studies.html>



EPO SME CASE STUDIES | ORCAN ENERGY

Recycling waste heat to cool down the planet

A renewable energy company founded in 2008, Orcan Energy offers standard components for heat power generators that recycle waste heat by turning it into electricity, using the Organic Rankine Cycle (ORC), a process similar to that used in steam engines. Having started as a spin-off from the Technical University of Munich (TUM) in Germany, Orcan now has 65 employees. Patents are important, because the risk of Orcan's standard components being copied is high. Eight early patents were filed by the TUM and then subsequently acquired by Orcan. Ownership of these patents was vital in order to attract funding. Orcan co-operates with other companies, but simplifies patent management by avoiding joint ownership. It has a detailed patent protection strategy and understands when to file a patent application and where to file it.





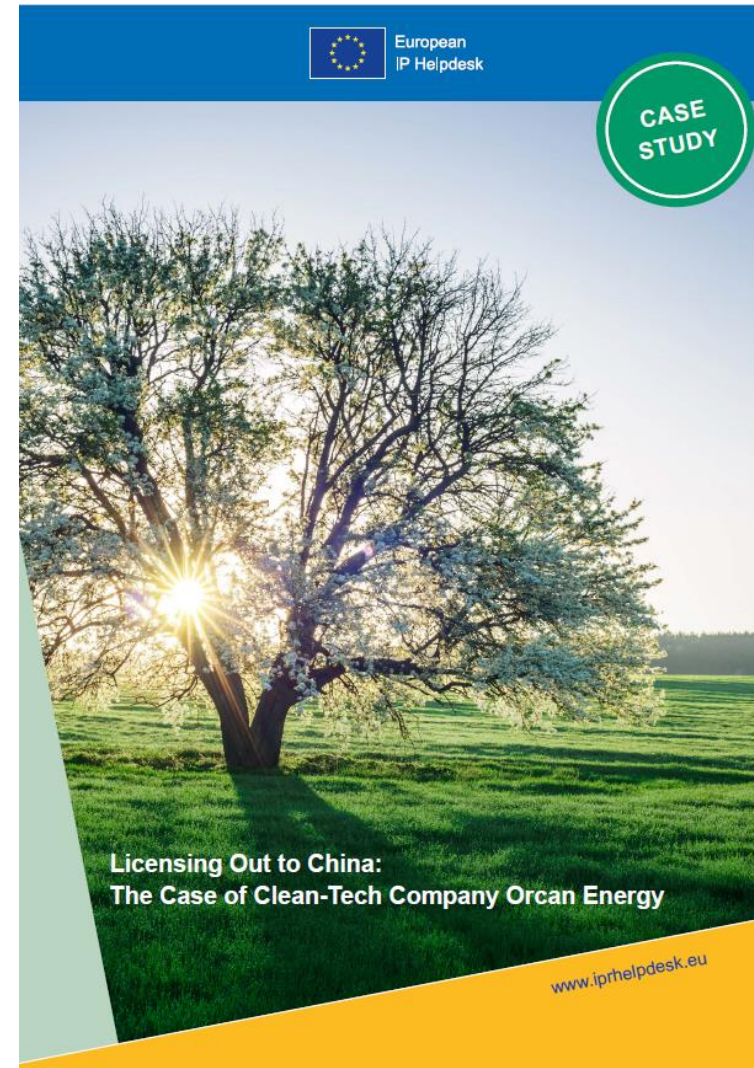
Update





Case study II: Orcan Energy

https://intellectual-property-helpdesk.ec.europa.eu/regional-helpdesks/european-ip-helpdesk/europe-case-studies_en





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