

LICENSING GUIDE

**Knowledge
Circle**



Patenting your invention – Roadmap

1. Disclosure evaluation
2. Patent clinics (with inventors and patents attorney, if needed)
3. Notifications of go/ no go decision – it can be decided to keep the disclosure as a trade secret

1. Patent attorney selection
2. Approval of final draft of patent specifications

Priority filing

Up to 75 days

(From receipt of the complete disclosure form)

Submit invention **disclosure form** (additional info may be requested from the inventors)

Up to 2 months

Meeting with IPCA services, inventors, and patent attorney to discuss the proposed patent-iterative process

1. Start the scouting of potential licensees, partners, or other interested parties
2. Decision to proceed with the PCT filing – based on commercial relevance
3. **International patent PCT application**

Priority date

(Day 0)

Priority filing

Month 12

Inventors provide additional data to strengthen the patent application (between months 6-11) – **No additional data can be introduced after PCT filing**

1. International Search Report (ISR) and Written Opinion (WO)
2. Publication of the PCT application, ISR and WO

Month 0

Inventors start to generate any data requested by the patent attorney (inventors are part of this process and may be requested to participate in meeting with third parties)

3. Identify which territories to enter in the national phase
4. Decision on whether to proceed with National Phase entry

National phase(s)

Month 16 > Month 18

Inventors provide their analysis of how the invention is different from prior art

Month 30 > Up to 5 years

Considerable contributions after National Phases Entry – support required to respond to patent office's actions in each territory and assistance with potential licensees/partners



UNIVERSITY ACTIONS



INVENTOR ACTIONS

Contents

Intellectual Property – General Considerations	1
Forms of Intellectual Property Protection	1
Patents or utility models	2
Trademarks	3
Geographical indications	4
Industrial Design	4
Copyright and Related Rights.....	5
Trade Secret	6
Forms of Intellectual Property commercialization	8
Selling your IP	8
Licensing your IP.....	8
Assignment or Licence? Which is the better option?	9
What to licence?.....	11
IP category and protection strategy	11
How to make an invention disclosure at university?.....	12
How to write a patent application?.....	13
How to make a technology value proposition?.....	14
Why licence?	15
Personal and institution financial gain	15
Resources to support your research interests	15
The alternative to spin-out companies.....	16
Case study material.....	16
Translation of ideas into society	16
How to licence?	17
How to negotiate a university licensing agreement with a company?	17
How to negotiate the terms of the license agreement?	18
Types of licence.....	19
Exclusive license benefits.....	19
Sole license benefits	20
Non-exclusive license benefits	20
Marketing strategies to license a technology.....	20
References	22

Introduction

This guide has been devised researchers and is meant to serve as a useful starting point manual that can occasionally be used throughout research projects. Its objectives are to raise awareness of licensing as a potential method for transferring intellectual property into a business or industrial setting and to encourage researchers to participate as fully as possible in the licensing process. The present guide provides a general overview about forms of Intellectual Property (IP) protection, forms of IP commercialization and an overview of IP licensing.

We use the phrase "your IP" throughout this Guide to make it more personal and simpler. Any intellectual property (IP) you produce is legally the property of your research unit and IPCA. You, your research unit, and IPCA will work together to devise a valorisation strategy. Although this Guide will serve as a guiding reference, IPCA IP valorisation team will be able to provide you with more detailed advice.

Keep in mind that this is only a guide and should not be used as a replacement for seeking your own, independent expert consultation

Intellectual Property - General Considerations

Intellectual property (IP) refers to works produced by the **human mind** that are **legally protected** by a **property right**. Patents, trademarks, and copyright are the primary legal tools for protecting intellectual property (IP). These mechanisms cover a wide range of inventions, including literary and artistic works, symbols, names, and images, as well as innovations and trade secrets (Instituto Nacional da Propriedade Industrial, 2008).

All exclusive rights to intellectual creations are included in intellectual property. It includes two types of rights: (Instituto Nacional da Propriedade Industrial, 2008).

- **Industrial Property.** It covers inventions (patents or utility models), topography of semiconductor products, industrial designs and models, trademarks, logos, and geographical indications, protecting primarily artistic works and commercial signs.
- **Copyright and Related Rights.** Meant to safeguard creative works, including music, movies, literature, pictures, and computer programs. Copyright and Related Rights safeguards moral as well as economic rights, allowing artists and authors to take specific actions to maintain and preserve their connection to their works and to profit financially from three groups of beneficiaries: performers, producers of sound recordings, and broadcasting companies.

Consult <https://www.wipo.int/about-ip/en/> for more information about IP.



Intellectual property (IP) refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce. (WIPO)

- Inventions: patents or utility models.
- Distinctive trade signs: trademarks, logos, geographical indication or designation of origin.
- Design: industrial designs.
- Artistic and Literary Works (including software): Copyright
- Trade secret

For more detailed information about European instruments of IP protection, consult https://europa.eu/youreurope/business/running-business/intellectual-property/index_en.htm

Patents or utility models

A **patent** is a **time and place limited form of IP** that grants the holder (or holder(s)) of the patent exclusive rights to the patented technological invention (Instituto Nacional da Propriedade Industrial, 2008).

A patent registration grants you **exclusive control** over your idea for a limited time, often 20 years. A product or procedure based on your patented invention cannot be manufactured, used, put up for sale, sold, imported, or offered for sale. Through a patent license contract or by selling the patent to another party, you can temporarily permit another person to use the invention. **Once a patent has expired, it cannot be renewed** (Your Europe, 2023).



What makes an invention patentable?

- 1. The invention must be new.**
- 2. The invention involves an inventive step.**
- 3. The invention is industrially applicable.**

A patent protection is used to **safeguard your technical innovations**, such as new services or products that require an invention and have practical industrial applications (Your Europe, 2023).



Always make sure you keep your invention a secret until it is protected.

Utility models provide new technological inventions with similar protection to patents by establishing a **limited exclusive right** to prevent unauthorized commercial use of the protected inventions (typically 6 to 10 years; 10 years in Portugal from the filing date) (Instituto Nacional da Propriedade Industrial, 2008).

As the conditions for obtaining utility models are often less onerous than those for patents, protection for utility models is sometimes sought for improvements of a somewhat gradual nature that may not meet the patentability criteria. They are particularly effective at securing ideas that only substantially improve currently available products or that have a short commercial life (Instituto Nacional da Propriedade Industrial, 2008).

Keep in mind that this information does not replace the consultation of a specialist lawyer. There are different processes to patent protection which could differ depending on the protection range (national, international and/or European) and the invention category (e.g., biological material or software).

Trademarks

A trademark is a sign that can be used to differentiate one company's products or services from those of other companies. Includes **distinctive signs** – such as names, logos, colours, images, patterns, shapes, packaging's of goods, or sounds – which identify your products and distinguish your goods or services from others (Your Europe, 2023).

Starting from the date of your trademark application, trademark protection generally lasts **ten** years. Then, for as long as you want, you can renew your trademark protection each time for a period of another ten years.

The possibilities to register a trademark are almost infinite as a trademark can be composed of any word or word, letter, or number combination. It can also consist of images, symbols, three-dimensional characteristics of products' shapes and packaging, audible or smelly cues, or colour tints utilized as differentiating characteristics. To receive

trademark protection at the national or regional level, you must first register the brand by submitting a registration application to the national or regional trademark office and paying the applicable costs. At the international level, you have two choices: either you may use the **Madrid System of the World Intellectual Property Organization** (WIPO) or you can file a **trademark application** with the trademark office of each nation in which you seek protection (WIPO, 2023).

Geographical indications

You can use a geographical indication to protect a product if it has a reputation for having a particular **geographical origin** and a certain quality or other features that are fundamentally attributable to it (Your Europe, 2023).

Geographical indications protect:

- Agricultural products and foodstuffs.
- Spirit drinks.
- Wines.
- Aromatised wines.

Geographical indicators protect your products from misuse or copying of the registered name while assuring your customers of the **genuine origin of the product**. If specific conditions are satisfied, these regulations guarantee that you and all other producers in the specified geographic area have collective rights over the product (Your Europe, 2023).

Industrial Design

An industrial design, in a legal sense, represents the **decorative component** of a product. An industrial design may include two-dimensional elements like patterns, lines, or colours, as well as three-dimensional elements like the geometry of an object (WIPO, 2023).

When such actions are carried out for **economic gain**, the owner of a registered industrial design or of a design patent has the right to restrict third parties from creating, marketing, or importing items bearing or incorporating a design that is a copy, or essentially a copy, of the protected design (WIPO, 2023).

A design can only be legally protected by registration. The design must meet the following criteria to be registered (Universidade Nova de Lisboa, n.d.):

1. Not registered yet.
2. New and unique (cannot be confused with any product, registered, or unregistered, that already exists).
3. No identical design was made available to the public before the date of the application.

Although not entirely original, designs that combine familiar elements in fresh ways or arrange familiar elements in unusual ways can be registered due to their distinctive look (Instituto Nacional da Propriedade Industrial, 2008)

Copyright and Related Rights

Copyright is a **right of exclusion** that empowers the owner to stop others from copying, selling, displaying, performing, or creating derivative works of a work or authorship. A copyright has a minimum term of **70 years** but may be longer depending on several criteria (Alexander & Paul, 2004).

The following types of works are typically covered by copyright worldwide:

- Literary works such as novels, poems, plays, reference works, newspaper articles.
- Computer programs, databases;
- Films, musical compositions, and choreography.
- Artistic works such as paintings, drawings, photographs, and sculpture.
- Architecture
- Advertisements, maps, and technical drawings.

Under copyright, there are two types of rights:

- **Moral rights** that defend the author's non-commercial interests.
- **Economic rights** permit the owner of the rights to profit financially from the use of their works by others.

For works owned by IPCA, use the following notice: “Copyright ©[year] Instituto Politécnico do Cávado e Ave. All rights reserved”.

Keep in mind that Copyrightable works do not require a Copyright notice.

Trade Secret

A trade secret is a **piece of information** (a formula, manufacturing process, method of doing business, or technical know-how), that is not commonly known yet and gives the holder a **competitive advantage**. A trade secret's lifespan only lasts if it is kept a secret and it expires once it is widely known. Therefore, it is important to protect their **confidentiality** (Alexander & Paul, 2004).

Information must meet the following criteria to be considered a trade secret:

- it must have **commercial value** due to its secrecy.
- it must only be known by a **limited number of people**.
- it must be subject to **reasonable measures taken** by the rightful owner of the information to keep it secret, including the use of confidentiality agreements for business partners and employees.

A significant amount of knowledge and information that cannot be adequately secured through patents or is not patentable may be included in trade secrets, such as:

- early-stage inventions
- manufacturing processes
- lists of suppliers and clients

Trade secret information can have **long-term strategic value**, like formulas or chemical compounds, or it might have **short-term strategic value**, like the findings of a marketing study, the name, price, and launch date of a new product, or the bid price during a bidding process (Your Europe, 2023).

Organizations should take preventative actions to protect against the theft or misuse of trade secrets, such as (WIPO, 2023):

- Non-disclosure agreement
- Non-compete agreement
- Robust IT security infrastructure
- Controlling the accessibility of important documents

Summary of IP Protection Forms

	Patents or Utility Models	Trademarks	Registered Designs	Copyrights	Trade Secret
Protects	Products, devices, processes, business methods	Words, phrases, symbols, or colours that identify the source of goods or service	Industrial designs, web page design	Expressions of creative works, such as pictures, novels, music performance, advertising copy, computer source code, etc.	Confidential information that is maintained secret
Term (in years)	20	Usually 10 years (can be renewed indefinitely on payment of additional fees)	10	70 (minimum)	Perpetual, if secret is maintained
Registration required	Yes	Yes	Yes	No	No
Examined	Yes	Yes	No	No	NA
Cost to obtain and maintain	High	Low	Low	Low	Low

Table 1 - Summary of IP Protection Forms

Source: Adapted from Alexander & Paul (2004)

Forms of Intellectual Property commercialization

Before thinking about the IP commercialisation options, it is mandatory to **protect** your IP. Once you have your IP rights assured, you will unlock a few options to turn it into a **source of revenue**. One effective and common way to exploit your IP is for you or the institution you represent (**the “licensor”**) license the IP rights to another party (**the “licensee”**). Note that you remain the owner of the IP and you can choose between licensing all the rights or just a part of them. (University of Manchester Innovation Factory, 2015)

Manufacturing and product marketing are two important routes for IP commercialization. Preventing the entry of rival products into the market, out-licensing, using IP to strengthen partnerships, and profit-sharing are some further examples of IP commercialization (Xu, 2004).

There are two main ways you can commercialise your IP rights.

- Sell it (Assignment)
- Allow someone else to use it (License)

Selling your IP

By selling your IP (technically known as an “assignment”), you are transferring the rights you had to someone else (the “assignee”) to exploit them. Keep in mind that you will have no further rights to use the IP unless you have the permission of the assignee. When you sell your IP, you transfer your ownership to the assignee.

Licensing your IP

By licensing your IP, you are transferring all or a part of your rights to a licensee to use and in exchange you will receive a fee. Basically, you are giving the licensee permission (in the form of a contract) to do something that would otherwise be prohibited. The terms of the IP licensing agreement will determine whether you grant all or part of the rights. Basically, you remain the IP owner and allow another party to use it. This type of licensing is known as “licence out”. There are three primary kinds of licences, each of which conveys different rights to the licensee: exclusive licence, sole licence, and non-exclusive licence. It might happen that you need to use IP already owned (“licence in”) (University of Manchester Innovation Factory, 2015) .

Look at the following examples.

Licensing Out	Licensing In
You have produced a more efficient laptop graphic card. A laptop company abord you and wish to use your technology in their products. You can license out your IP to the company to use as it requires.	You are working on new management proceedings for your business. You decide that you will need to adopt a new order management software that is already developed. You can licence in the software to use it in your business.

Table 2 – Examples of Licensing Out and Licensing In

Source: Own Elaboration

Assignment or Licence? Which is the better option?

It will depend. Factors such as the value of your IP, your plans, the market potential, and the costs involved need to be considered. The following table contain a summary of some advantages and disadvantages of assigning or licensing your IP. The green background of the table cells represents an advantage of the topic while the red background represents a disadvantage.

	Assignment	Licence
Future use	Once assigned, you will lose all your IP rights. This means that if you need to use the IP in the future, in most cases, the consent of the new property will be needed, or you will need to pay to use it.	You will still retain ownership. You can manage whether you want to limit or expand the exploitation of your IP. Depending on the agreement you may still be able to continue to use your IP.
Tax	Once you transfer your intellectual property, you are considered to have sold it for capital gains tax reasons, and the tax is your responsibility to pay.	Capital gains tax will not be due on any money you may earn because of any license you enter since the granting of a license does not necessarily amount to an outright dispose of your intellectual property.

Value	You are going to get exactly what you expect to acquire, and you won't have any ongoing commitments.	By establishing an income stream, you reduce your financial outlay and risk while maximizing the return on your IP. Your IP is still under your control.
	Over time, there is possibility you made least amount of money by selling your IP	The percentage return on your IP will be lower than if you were commercialized due to the third party that will receive a portion of the revenue.
	If your IP is highly high risk and difficult to commercialize, it might be the best choice.	You can access new markets using licensing as a tool. When you lack the means to fully exploit your IP, licensing is frequently the best compromise that you can make to increase the financial return on it.
Insolvency	Recovery of your IP rights is particularly challenging if the new owner of the IP declares bankruptcy.	If the person or business you gave permission to use your IP goes bankrupt, you should be able to reclaim all the rights you gave them (if it is in your licence agreement)
Costs	The new owner will be responsible for maintaining and defending the registered rights if you assign them (e.g., payment of renewal fees and any legal costs).	If you license registered rights, the owner will still be responsible for upkeep and defense of those rights, unless the license agreement specifies otherwise. In some situations, the IP might not be worth your continued commitment to these obligations. It might be easier to just assign in these circumstances.

Table 3 - Advantages and disadvantages of assigning or licensing your IP

Source: (University of Manchester Innovation Factory, 2015)

What to licence?

To know what can be licensed, you should analyse your IP portfolio. You will notice that there are two main general kinds of IP: **property in use and property not in use**. Property in use is divided into the property that is used in key products/services or those used in ancillary products/services. Property not in use refers to IP that is not used but sometimes is maintained to deny it to a competitor or potential competitor. Some authors warn that if an IP is unused and not likely to be used in the future, is not to be denied to others and is not attracting licensees, you should abandon it and save any prosecution costs or maintenance fees (Alexander & Paul, 2004).

IP category and protection strategy

IP can be categorized into four groups as illustrated in Figure 1 based on the value of the property and its enforceability. The IP protection approach varies for each category.

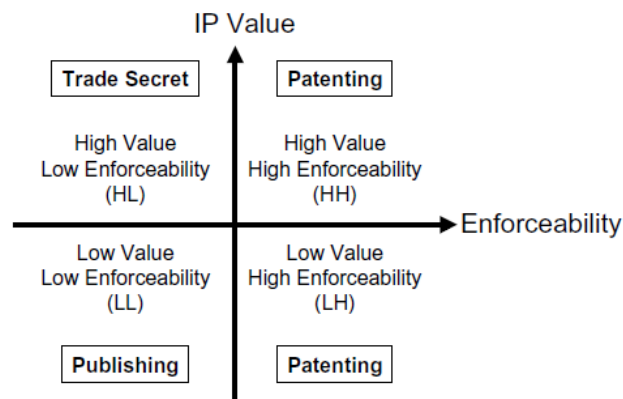


Figure 1 - Patent value, enforceability, and protection strategy.

Source: (Xu, 2004)

Patenting is the first option for IP with high value and high enforceability (HH). Some IP may be highly valuable but difficult to enforce (HL). As opposed to patents, trade secrets may be a preferable form of protection. IP with low market value and high enforceability (LH), may still be worth patenting since it may provide a company with some protection in a “just-in-case” scenario and may give a company with freedom-to-operate and an opportunity to block certain competition. The majority of intellectual property (IP) in the “low value and low enforceability” (LL) quarter may be taken into

consideration for publication in technical or business publications to gain the possible benefits of "freedom-to-operate" while minimizing costs (Xu, 2004).

How to make an invention disclosure at university?

Making an invention disclosure at a university is an important step in the process of protecting and commercializing new technologies and innovations. Here are some general steps that you can follow when making an invention disclosure at a university:

1. **Identify the invention:** The first step in making an invention disclosure is to clearly identify the invention that you are seeking to protect. This may involve identifying the specific features or aspects of the invention that are novel and non-obvious.
2. **Describe the invention:** The next step is to describe the invention in detail. This should include a description of how the invention works, its intended use, and any other relevant information. It is important to be as thorough and specific as possible in your description, as this will help to clearly define the scope of the invention.
3. **Identify any potential industry partners:** If you are interested in commercializing the invention, you should consider identifying any potential industry partners that may be interested in collaborating with you or in licensing the technology.
4. **Submit the invention disclosure:** Once you have identified the invention and described it in detail, you should submit the invention disclosure to the university's technology transfer office or other appropriate department. This typically involves filling out a form or providing a written description of the invention.
5. **Work with the university to protect and commercialize the invention:** After the invention disclosure has been submitted, the university will typically work with you to protect the invention and to identify potential opportunities for commercialization. This may involve filing a patent application, seeking funding, or engaging in market research.

Overall, making an invention disclosure at a university is an important step in the process of protecting and commercializing new technologies and innovations. By following these general steps, you can help to ensure that your invention is properly disclosed and that you are able to take advantage of opportunities for commercialization.

How to write a patent application?

A patent application is a legal document that describes an invention and its intended use and is used to seek protection for the invention through the grant of a patent. If you are considering writing a patent application, here are some general steps you can follow:

1. **Identify the invention:** The first step in writing a patent application is to clearly identify the invention that you are seeking to protect. This may involve identifying the specific features or aspects of the invention that are novel and non-obvious.
2. **Describe the invention:** The next step is to describe the invention in detail. This should include a description of how the invention works, its intended use, and any other relevant information. It is important to be as thorough and specific as possible in your description, as this will help to clearly define the scope of the invention.
3. **Claim the invention:** The next step is to claim the invention in the patent application. This involves specifying the specific features or aspects of the invention that you are seeking to protect and stating that you are the inventor or joint inventor of the invention.
4. **Provide drawings or diagrams:** If appropriate, you should also include drawings or diagrams in the patent application to help illustrate the invention and to clearly show how it works.
5. **Describe the prior art:** It is also important to include a description of the prior art in the patent application. This involves identifying any existing patents or patent applications that are relevant to the invention, and explaining how the invention is different from or an improvement upon the prior art.
6. **File the patent application:** Once the patent application has been completed, it should be filed with the appropriate government agency. It is important to follow all the necessary filing requirements and to provide all the necessary information in the application to increase the chances of success.

Overall, the process of writing a patent application can be complex and may require the assistance of a patent lawyer or other IP professional. However, by following these general steps, you can help to ensure that your patent application is clear, thorough, and meets all the necessary requirements.

How to make a technology value proposition?

A technology value proposition is a statement that outlines the **key benefits** and features of a technology and explains how it can be used to **solve a particular problem** or meet a specific need. Making a technology value proposition at a university can be an important step in the process of commercializing new technologies and innovations. Here are some general steps that you can follow when making a technology value proposition at a university:

1. **Identify the problem or need that the technology addresses:** The first step in making a technology value proposition is to identify the problem or need that the technology addresses. This may involve conducting market research to identify common problems or needs within a particular industry or sector.
2. **Describe the key features and benefits of the technology:** The next step is to describe the key features and benefits of the technology in detail. This should include a description of how the technology works, its intended use, and any other relevant information.
3. **Explain how the technology addresses the problem or need:** Once you have identified the problem or need and described the key features and benefits of the technology, you should explain how the technology addresses the problem or need. This may involve outlining the specific ways in which the technology can be used to solve a particular problem or meet a specific need.
4. **Provide examples of how the technology has been used successfully:** If possible, you should also provide examples of how the technology has been used successfully in the past. This can help to demonstrate the value of the technology and to provide evidence of its effectiveness.
5. **Identify any potential industry partners:** If you are interested in commercializing the technology, you should consider identifying any potential industry partners that may be interested in collaborating with you or in licensing the technology.

Overall, making a technology value proposition at a university can be an important step in the process of commercializing new technologies and innovations.

Why licence?

You might consider getting involved in licensing for the following five key reasons:

- You and your institution will benefit financially.
- You will have access to resources that will support your research activities.
- You will have an alternative to spin-out companies.
- You will have case study possibilities.
- You will see your research become real-world products, processes, or services.

Personal and institution financial gain

When you have IP, licensing offers a chance to establish a **new revenue stream** for you and your research institution. Your sharing proportion (known as “royalties”) might last for numerous years to come. The income is based on a percentage of the sales of the product or service or, in rare circumstances, the entire product or service which the IP is a part. Although there are good prospects to make money from licensing, it may take a while for the money to start coming in on a regular basis after the license deal has been completed. This is so that the organization to which the license is issued won't have to spend a lot of money developing the licensed intellectual property before it can be sold.

There are two forms of arrangement:

- **Main agreement.** The licensee consents to grant a license under predetermined conditions, such as percentage of net sales revenue. The royalty rate will depend on the conclusion of a negotiation and naturally varies from case to case, even though it frequently follows standard industry norms/ranges.
- **Secondary (internal) arrangement.** Standard policies for dividing net income between the research organization and the researcher provide for a split in compliance with IPCA intellectual Property regulation. Even though they are typically modest, the returns from a license of research-based IP to an individual researcher can be attractive.

Resources to support your research interests

Once an organization has decided to accept a license, it will frequently determine that the initial development work is better carried out in your research lab/department

under your supervision instead of at its premises, for example to construct a polished prototype. Essentially, you may get the chance to **test the IP** in various situations and environments, for example, the licensee may buy additional tools so that you may accomplish the task.

During the first IP transfer and development phase, a close interaction between you and the licensee's research team might develop. There are numerous instances where licensees have developed an interest in different facets of a licensor's research projects and, as a result, have supported research in fields outside of those in which they initially expressed an interest or the license.

The alternative to spin-out companies

When compared to licensing IP to an established business, commercializing IP through a spin-out would likely take far more time and need more of you. Compared to a spin-out, which is typically more fluid and dynamic and involves many more interested parties who act more as mediators than research colleagues, the license regime tends to have a lot more controlled relationship. As a result, they apply different goals and pressures.

Note that developing and improving your IP frequently calls for a sizable infrastructure, which could be highly costly. In these circumstances, it might be more advantageous to try to sell your IP than to try to acquire money through a spin-out firm and ultimately compete with existing companies. Also, an established organization could already have its own marketing and sales team, distribution networks, and a well-known brand that make it easier to gain access to the market.

Case study material

Licensing offers you practical knowledge and first-hand input from others who are using the IP and turning it into a business opportunity.

Translation of ideas into society

Your IP may be turned into a useful product, process, or service through licensing with another organization. It is rewarding for the researchers to observe how concepts could be advantageous to society.

How to licence?

Finding a firm interested in the potential your IP represents, persuading it of its benefits, and agreeing on the conditions under which the IP will be licensed are the two primary actions required to obtain a license.

How to negotiate a university licensing agreement with a company?

Negotiating a university licensing agreement with a company can be a complex process, as it involves balancing the needs and interests of both parties. Here are some general steps that universities can follow when negotiating a licensing agreement with a company:

1. **Identify the technology:** The first step in negotiating a university licensing agreement is to identify the technology that the university wishes to license. This may involve conducting market research to identify technologies that are in demand and that have the potential to be commercialized successfully.
2. **Determine the scope of the license:** Once the technology has been identified, the university should determine the scope of the license that they wish to grant. This may involve identifying the specific features or aspects of the technology that will be included in the license, and determining the terms of the license (e.g., duration, exclusivity, territory, etc.).
3. **Identify potential licensees:** The next step is to identify potential licensees for the technology. This may involve conducting market research to identify companies or other organizations that are interested in using or commercializing the technology.
4. **Prepare a draft license agreement:** Once a potential licensee has been identified, the university should prepare a draft license agreement that outlines the terms of the license. This may involve working with a patent lawyer or other IP professional to draft the agreement and to ensure that it meets the needs of both parties.
5. **Negotiate the terms of the license:** Once the draft license agreement has been prepared, the university should negotiate the terms of the license with the potential licensee. This may involve discussing the specific terms of the license, such as the duration of the license, the royalty rate, and any other relevant provisions.
6. **Finalize the license agreement:** Once the terms of the license have been negotiated and agreed upon, the university and the licensee should finalize the

license agreement. This typically involves both parties signing the agreement and any necessary documentation.

How to negotiate the terms of the license agreement?

Negotiating the terms of a license agreement can be a complex process, as it involves balancing the needs and interests of both parties. Here are some general steps that universities can follow when negotiating the terms of a license agreement:

1. **Identify the key terms of the license:** The first step in negotiating the terms of a license agreement is to identify the key terms that are most important to both parties. This may include the duration of the license, the royalty rate, the scope of the license, any exclusivity provisions, and any other relevant terms.
2. **Determine the university's goals and objectives:** Before beginning negotiations, the university should determine their goals and objectives for the license agreement. This may involve identifying the specific terms that are most important to the university, such as the royalty rate or the duration of the license.
3. **Understand the company's needs and interests:** It is also important for the university to understand the company's needs and interests when negotiating the terms of the license agreement. This may involve discussing the company's business goals and objectives and identifying any specific terms that are most important to them.
4. **Negotiate in good faith:** During the negotiation process, it is important for both parties to negotiate in good faith and to be willing to compromise to reach an agreement. This may involve making concessions on certain terms to meet the needs and interests of both parties.
5. **Seek legal advice:** If necessary, the university should consider seeking legal advice during the negotiation process. This may be particularly important if the license agreement involves complex legal issues or if the university is unsure about the legal implications of certain terms.

Overall, negotiating the terms of a license agreement can be a complex process, but by following these general steps and being willing to compromise, universities can effectively negotiate the terms of the agreement and reach a mutually beneficial agreement with a company.

Types of licence

There are several options for licensing technology, including:

1. **Exclusive license:** An exclusive license grants the licensee the sole right to use the technology within a specific field or territory. This means that no one else can use the technology within the specified field or territory without the permission of the licensor.
2. **Non-exclusive license:** A non-exclusive license grants the licensee the right to use the technology but does not exclude the licensor or other parties from also using or licensing the technology.
3. **Sole license:** A sole license grants the licensee the right to use the technology exclusively, but the licensor retains the right to use the technology themselves.
4. **Sublicense:** A sublicense is a license granted by a licensee to a third party, allowing them to use the technology within the scope of the original license agreement.
5. **Field-of-use license:** A field-of-use license grants the licensee the right to use the technology within a specific field or industry, such as healthcare or automotive.
6. **Territory-based license:** A territory-based license grants the licensee the right to use the technology within a specific geographic region or territory.
7. **Time-limited license:** A time-limited license grants the licensee the right to use the technology for a specific period, after which the license may need to be renewed or terminated.
8. **Internal use license:** An internal use license grants the licensee the right to use the technology within their own organization, but not to sell or distribute it to others.

It's important to carefully consider which type of license is most appropriate for your technology and the needs of the licensee. It is advisable to seek the assistance of a lawyer or other professional to ensure that the terms of the license are fair and reasonable. Here are a few examples of the benefit of the most common type of licenses.

Exclusive license benefits

- If, in addition to the party to whom you wish to grant a license, there are no other market players who have the capacity to invest in commercializing the IP without exclusivity and/or you do not have the resources to commercialize your IP as you would like to do.

- You or your organization don't have to use the IP, and you'd be prepared to cede some of your control over it.
- You want to get the maximum revenue as possible from that licensee.

Sole license benefits

- Despite you lack the technical or financial means to commercialize the IP on your own, you still want to be enabled to use it.
- You still intend to retain some degree of control over the IP.
- There are no other market participants who would be appropriate to collaborate with.

Non-exclusive license benefits

- The IP can be commercialized by several organizations.
- If you are not certain that the first party, you are granting a license to is the best choice.
- You want to have total flexibility to grant licenses to anyone.
- If the IP is already usable and does not require additional development.
- If you are unsure about the IP's potential value and what can be done with it, you might wish to give different participants the chance to assess and utilize the IP.

Marketing strategies to license a technology

There are a variety of marketing strategies that you can use to license your technology to others. Here are a few ideas to consider:

1. **Target specific industries or sectors:** Identify the industries or sectors that are most likely to be interested in your technology and tailor your marketing efforts accordingly.
2. **Attend trade shows and conferences:** Participate in trade shows and conferences in your target industries to showcase your technology and meet potential licensees.
3. **Use social media and online marketing:** Leverage social media platforms and other online marketing channels to reach a wider audience and promote your technology.
4. **Build relationships with potential licensees:** Network and build relationships with potential licensees through industry associations, professional organizations, and other connections.

5. **Use case studies and testimonials:** Share success stories and testimonials from existing licensees to demonstrate the value of your technology and encourage others to license it.
6. **Offer demos and trials:** Offer demos and trials of your technology to potential licensees to help them understand its capabilities and benefits.

Remember, the most important thing is to clearly communicate the value and benefits of your technology to potential licensees, and to be open and responsive to their questions and concerns.

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A graphic titled "Knowledge Circle" featuring a network of interconnected nodes and lines. The nodes are represented by circles of various sizes and colors, including green, black, and grey. The lines are thin and grey, creating a web-like structure. The text "Knowledge Circle" is prominently displayed in the center in a bold, black, sans-serif font.

Knowledge Circle

