

# NGI

## AN INTRODUCTION TO IP COMMERCIALISATION

Onur EMUL

15 July 2020, Online





## **TETRA services to accelerate your business**

### **Training**

- Managerial/entrepreneurial skills, transversal competencies & soft skills
- How to access to new markets, public tenders
- Investment readiness – attracting funding
- Guidance on equity funding
- Intellectual property (IP) rights

### **Mentoring**

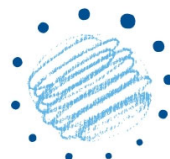
Speed mentoring during bootcamps, and tailored remote mentoring for 20 selected teams that participated in bootcamps

### **Networking**

Matchmaking with corporates and investors, connecting with DIH, pitching guidance

**More on: <https://business.ngi.eu>**

CIVITTA



BIC Bratislava

Business & Innovation Centre



Startup Division

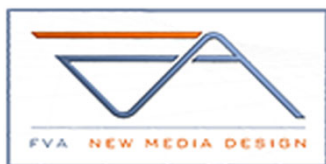


TETRA

Business **accelerator** for NGI beneficiaries



INTELLECTUAL  
PROPERTY  
INSTITUTE  
LUXEMBOURG



P E D A L  
CONSULTING



Q-PLAN  
INTERNATIONAL



LOBA<sup>®</sup>  
CUSTOMER  
EXPERIENCE  
DESIGN



# INTELLECTUAL PROPERTY (IP) COMMERCIALISATION

**Consortium led by Apple buys  
Nortel's patents for \$4.5 billion**

**FORTUNE**

**The Telegraph**

*Who wants to be a McMillionaire?  
ways to be a McDonald's franchisee*

**Google Offers To Give Away Patents To  
Startups In Its Push Against Patent Trolls**



**THE WALL STREET JOURNAL.**

**Lego to announce the license deal  
to make 'Star Wars Figures**

**More than 300 licensees have  
signed up to the Angry Birds  
licensing**



# What it is all about?

## What is commercialisation?

The process of turning **products and services** into a **commercially viable** value.

## What is **IP** commercialisation?

The process of turning your **IP into a commercially viable** value.  
... either by yourself or through others.

# Routes for IP commercialisation

Business objectives

Market

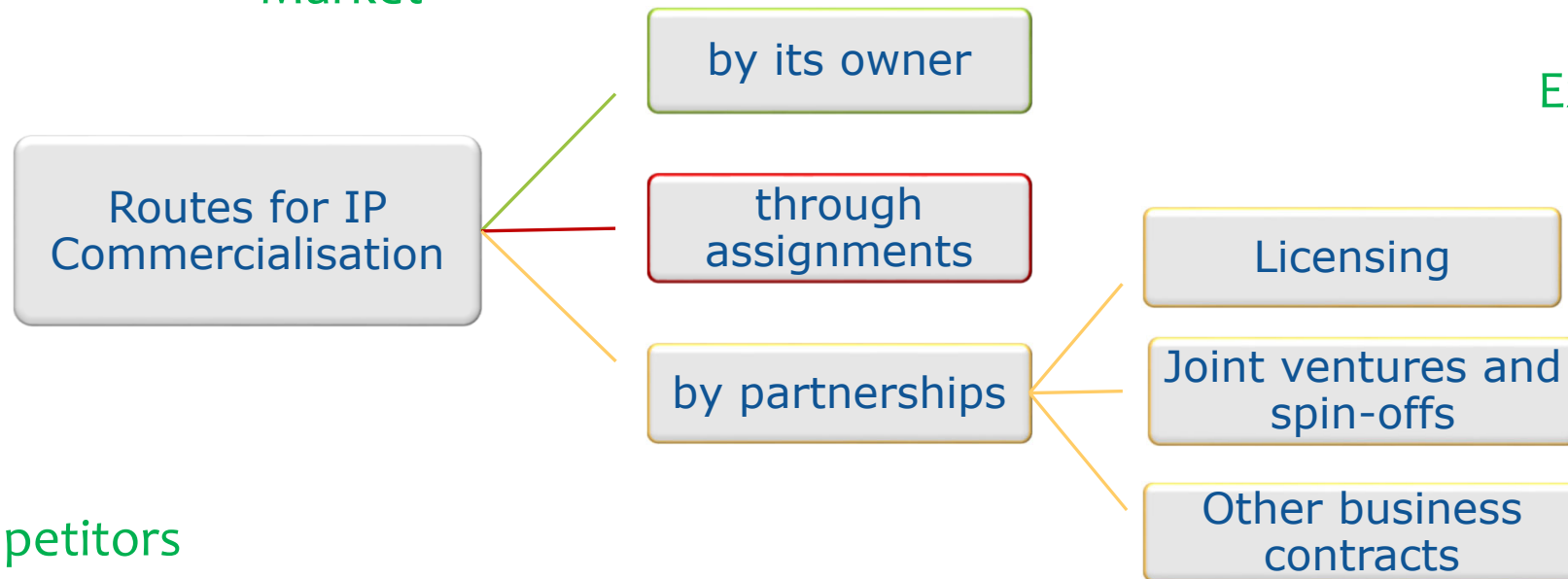
Type of IP

Expectations

Competitors

Economic & Intellectual resources

Capabilities

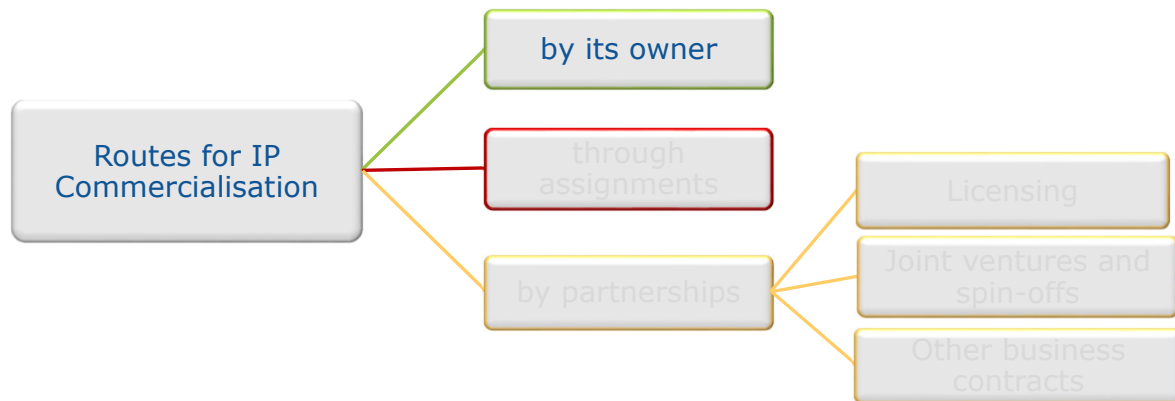


# Commercialisation by the IP owner

When you want to take up commercialisation activities on your own, **without any partners...**

If you;

- already have enough capabilities for marketing
- do not have sufficient capabilities/time for developing partnerships
- do not want to spend money and efforts on partnerships





# Commercialisation by the IP owner

## Key rules:

### 1- Keep your ideas secret



- *Novelty for patents & designs*
- *First-to-file*

- ✓ Confidentiality measures with employees, researchers, collaborators
- ✓ Check the public disclosures, do not let any leakages
- ✓ NDAs with all stakeholders

### 2- Save your records



- *Proving*
- *Drafting*

- ✓ Have an Inventor's notebook
- ✓ Use virtual sealing ([WIPO Proof](#), [i-Depot](#))

### 3- Protect your IP



- ✓ Think about all possibilities for protection
- ✓ Consult a professional

# Commercialisation by the IP owner

## Key rules:

### 4- IP databases and FTO

- *Verification*



- ✓ Check EPO, EUIPO, WIPO, national, etc. databases
- ✓ Ask for professional help
- ✓ Perform an FTO

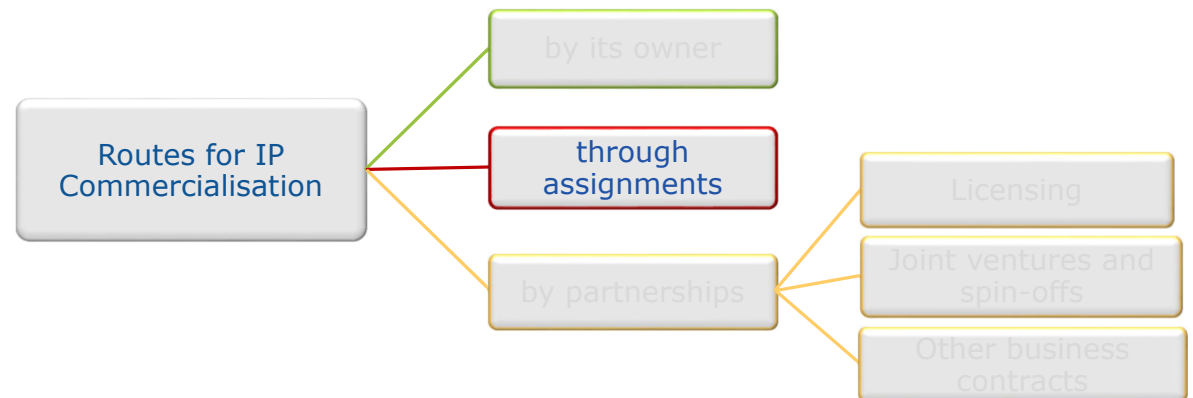
### 5- Enforce your rights

- *Monitoring*



- ✓ Check possible infringing products
- ✓ Fight with counterfeiting
- ✓ Apply ADR mechanisms and/or court actions

# Commercialisation through assignments



# Commercialisation through assignments

## Key rules:

### 1- Process confidentiality



- ✓ Sign an NDA before disclosing any information
- ✓ Be wise and deliberate

### 2- Risk management



- ✓ Perform due diligence
- ✓ Clarify the value, ownership, restrictions
- ✓ Check the legal status

### 3- Key terms in the assignment agreement

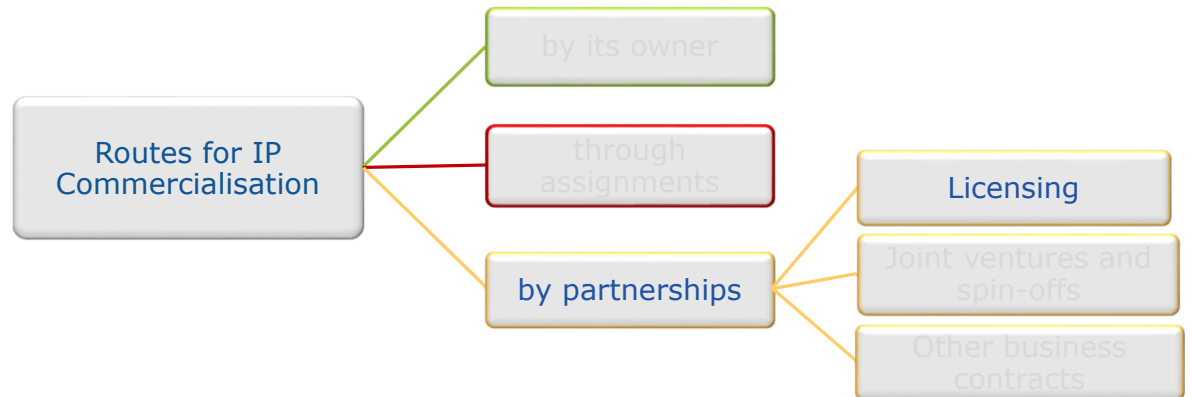


- ✓ IP identification: clarify the to-be assigned IP
- ✓ Warranties: contractual assurances for both parties
- ✓ Payment: The form and method, amount, calculation, etc.
- ✓ The law to be applied in case of disputes
- ✓ How to settle the disputes

# Commercialisation through licensing

The owner of the IP (licensor) grants a **permission to use** the licensed IP to the user (licensee)

No change in the IP ownership!



# Commercialisation through licensing

## The benefits:

For Licensors	For Licensees
Opportunity for new markets with existing products	Opportunity to new businesses
Reduced risks for market failure (existing clientele)	Reduced risks for market failure (existing products)
No/less investment in marketing & distribution	No/less investment in R&D
Killing two birds with one stone (ownership + royalty)	Killing two birds with one stone (ownership + test)
Making a partner from a possible competitor!	

## The risks:

For Licensors	For Licensees
Licensee can become a competitor	Dependence on licensor
The licensor can lose his control over the licensed product/service	Danger for the technology to become obsolete
Not easy to find a reliable licensee	Not easy to find a reliable licensor
Plan-B for market failure	Plan-B for market failure

# Commercialisation through licensing

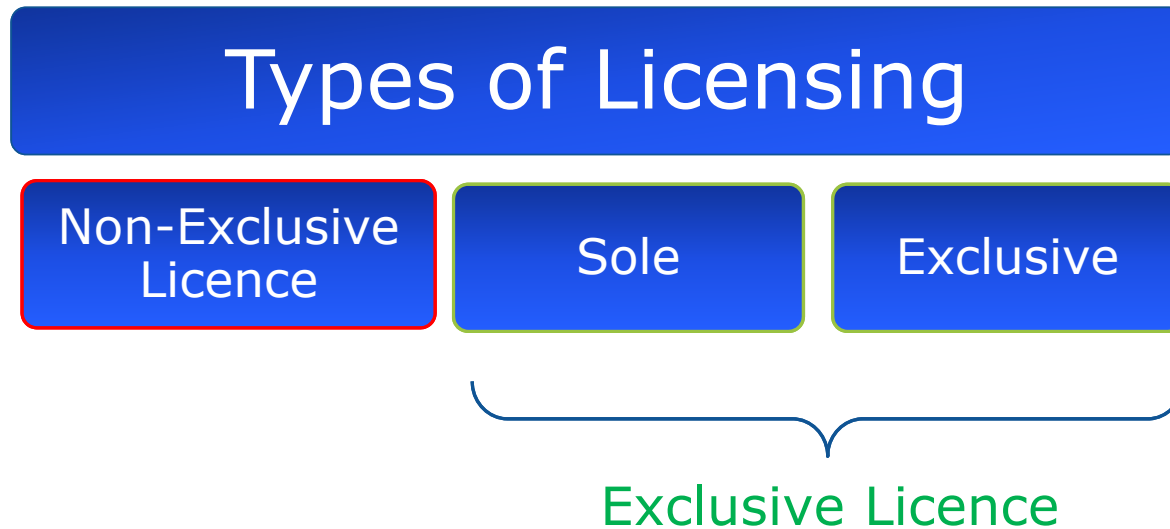
## Types of Licensing

Non-Exclusive  
Licence

Sole

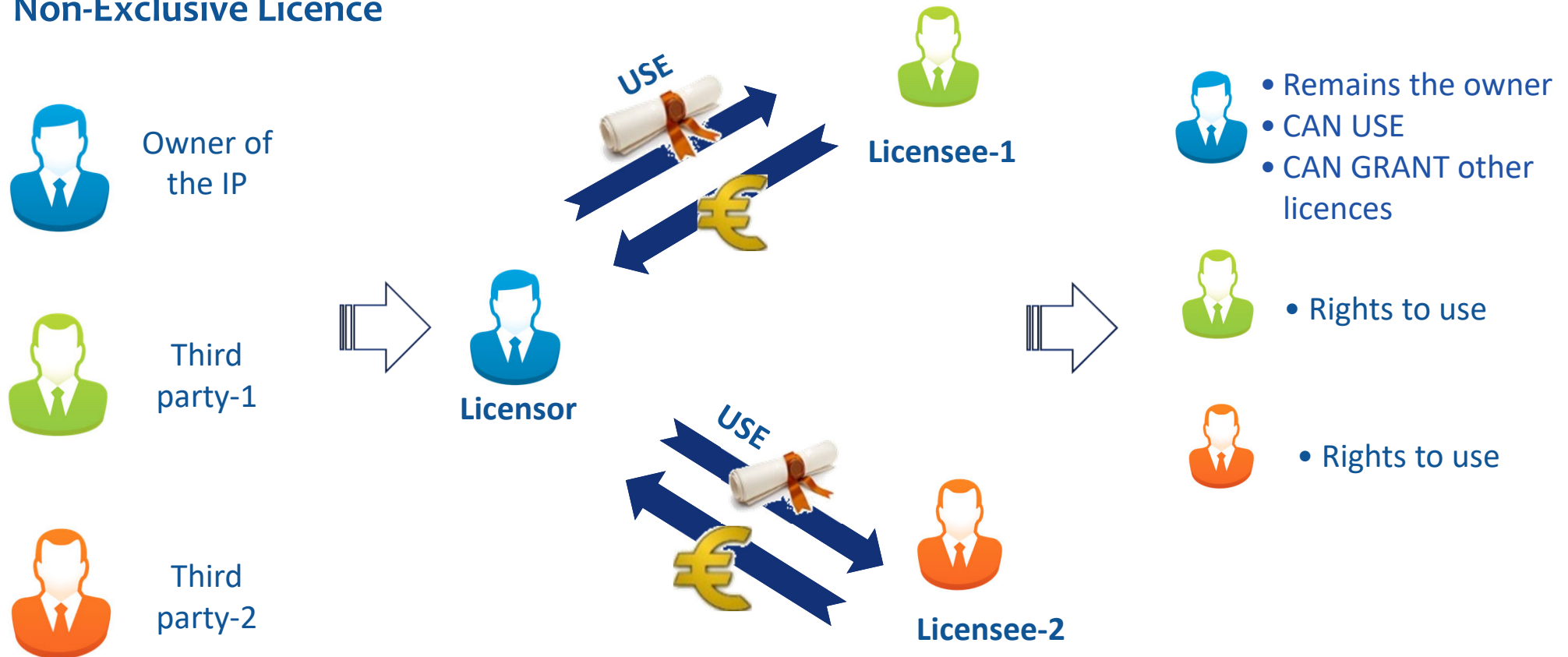
Exclusive

Exclusive Licence



# Commercialisation through licensing

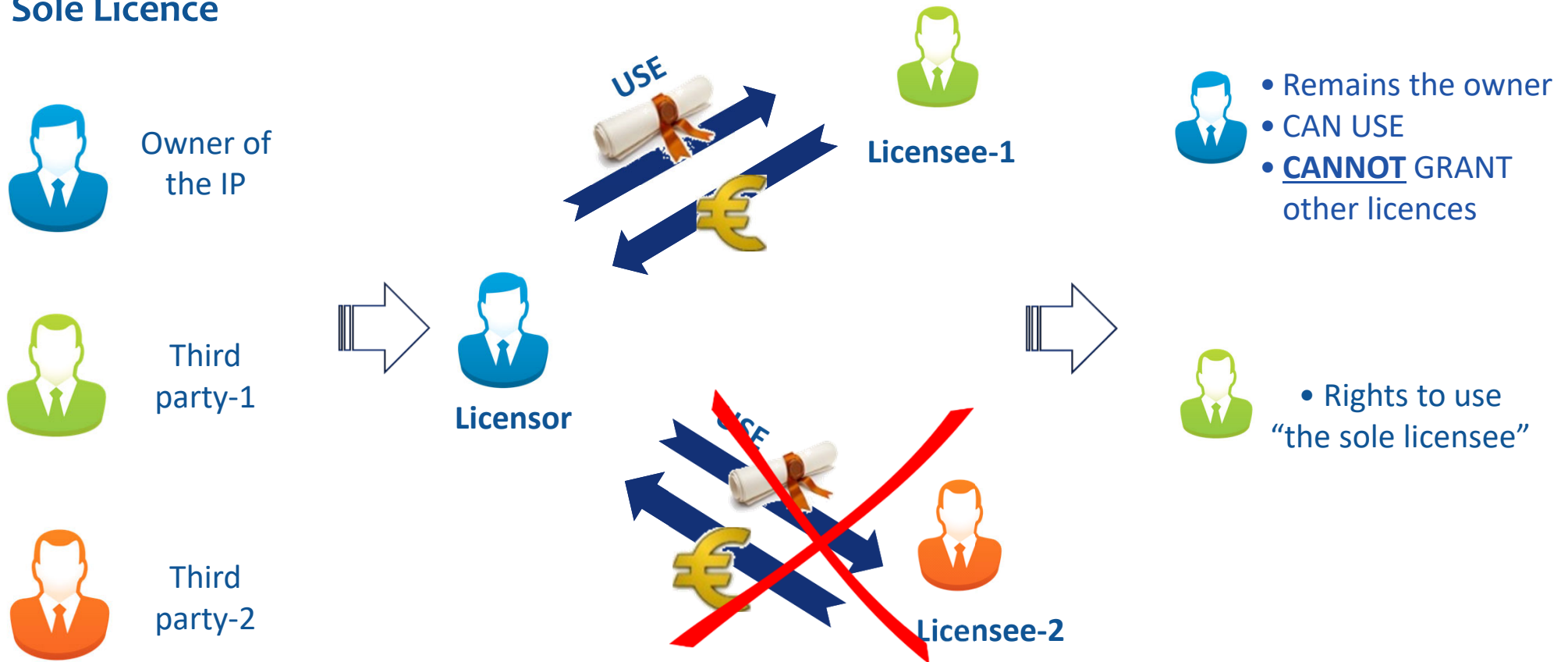
## Non-Exclusive Licence





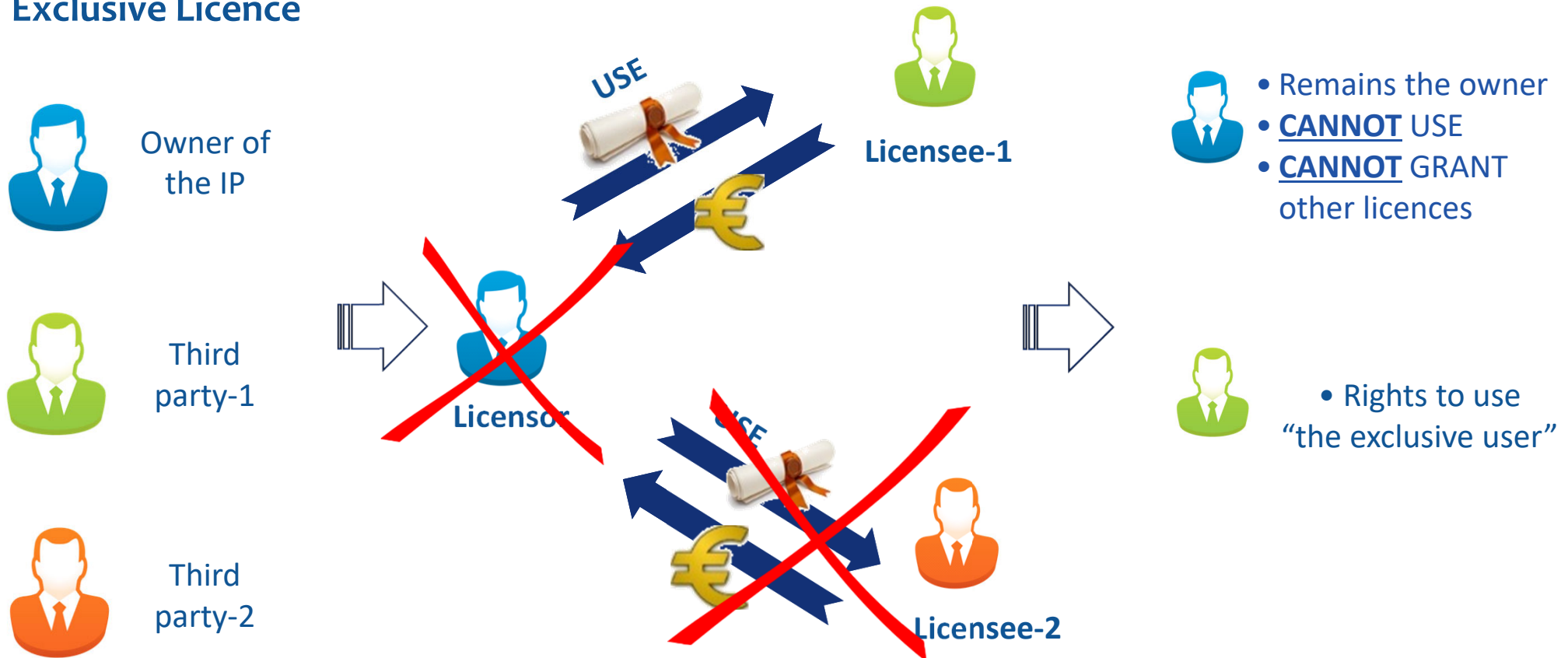
# Commercialisation through licensing

## Sole Licence



# Commercialisation through licensing

## Exclusive Licence



# Commercialisation through licensing

## Key rules:

### 1- Process confidentiality



- ✓ Signing a MoU can be very beneficial
- ✓ Sign an NDA before disclosing any information

### 2- Know what you really grant



#### ✓ Sublicensing

- Possibility for sublicensing
- Selection of sublicensees
- Conditions for sublicensing
- Termination of the main licence

#### ✓ Improvements

- of Licensor and Licensee
- IP ownership

# Commercialisation through licensing

## Key rules:

### 3- Key terms in the licensing agreement

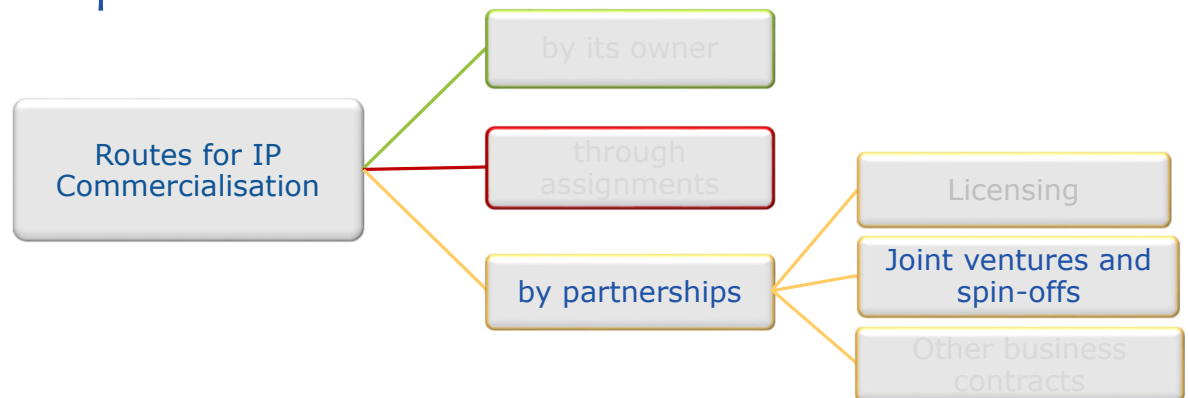


- ✓ The term: duration and termination
- ✓ IP identification: clarify the to-be licensed IP
- ✓ The type of licensing: non-exclusive, exclusive, sole
- ✓ Geographical scope: in which states the licensed IP will be used
- ✓ Field of use: in which fields/conditions the licensed IP will be used
- ✓ Warranties: contractual assurances for both parties
- ✓ Payment: The form-method of payment, amount, calculation, etc.
- ✓ The law to be applied in case of disputes
- ✓ How to settle the disputes

# Commercialisation through JV and spin-offs

**Joint ventures:** business alliances of 2+ independent organisations (venturers) to undertake a specific project/goal by sharing risks.

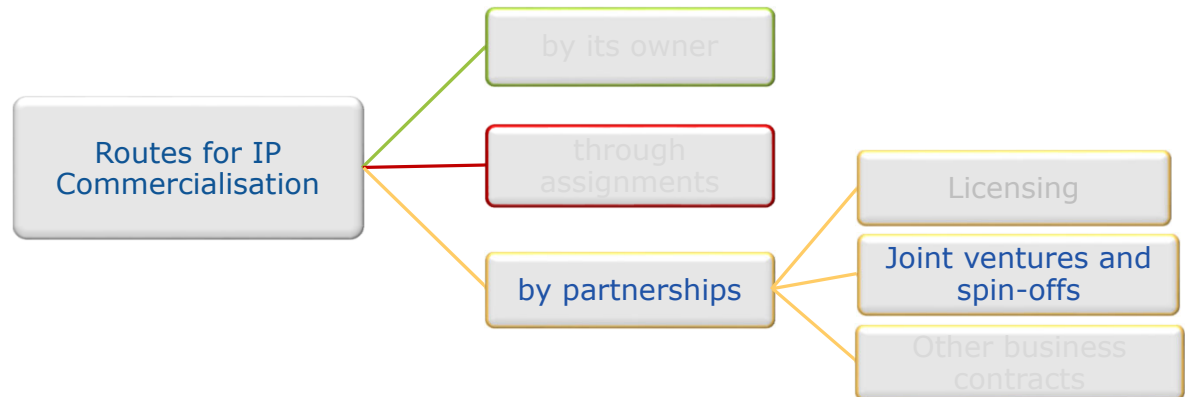
- ✓ Each venturer bring their own IP to the table
- ✓ Background, foreground and access rights
- ✓ Accepting new partners/exit of current partners
- ✓ Termination



# Commercialisation through JV and spin-offs

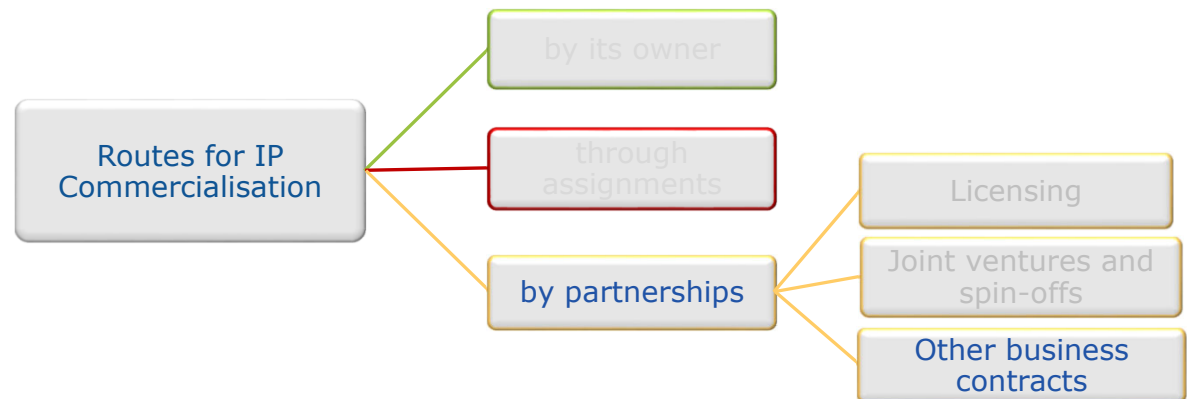
**Spin offs:** bringing parent organisations' IP assets into the market

- ✓ Easy solution for marketing (e.g. for universities)
- ✓ Intermediary between academia-industry: Means for TechTransfer
- ✓ Can be formed by assignment or licensing



## Other IP-related business contracts

- ✓ Non Disclosure Agreements (NDAs)
- ✓ Material Transfer Agreements (MTAs)
- ✓ Consortium Agreements
- ✓ Consultancy and Contract R&D



# IP DATABASES



# IP Searches

## PATENTS:

**EPO Espacenet:** <https://worldwide.espacenet.com> (> 110 million)

**WIPO PatentScope:** <https://patentscope.wipo.int/search/en/search.jsf> (> 85 million)

**Google Patents:** <https://patents.google.com> (> 17 million)

*National Patent Office Databases*

## TRADE MARKS:

**EUIPO eSearchPlus:** <https://euipo.europa.eu/eSearch> (EUIPO Database of TMs & Designs)

**EUIPO TMview:** [www.tmdn.org/tmview](http://www.tmdn.org/tmview) (TMs worldwide)

**WIPO Global Brand Database:** [www.wipo.int/branddb/en](http://www.wipo.int/branddb/en) (TMs worldwide)

*National Patent Office Databases*

## **DESIGNS:**

**EUIPO eSearchPlus:** <https://euipo.europa.eu/eSearch> (EUIPO Database of TMs & Designs)

**EUIPO Designview:** [www.tmdn.org/tmdsview-web](http://www.tmdn.org/tmdsview-web) (Designs worldwide)

**WIPO Global Design Database:** [www.wipo.int/designdb/en/index.jsp](http://www.wipo.int/designdb/en/index.jsp) (Designs worldwide)

***National Patent Office Databases***

## **IDEAS / for proving purpose:**

**WIPO Proof:** [www.wipo.int/wipoproof/en/](http://www.wipo.int/wipoproof/en/) (new service)

**BOIP iDepot:** [www.boip.int/en/idepot](http://www.boip.int/en/idepot)

## What's next?

Follow our upcoming IP webinars for NGIs on:

- ✓ IP Protection in Software Development
- ✓ IP in Open Innovation and Partnerships
- ✓ IP and Software Code Management
- ✓ IP and Standards



+ Our bootcamp session (ONLINE! on 29 September-1 October)

Info and registration here:

<https://business.ngi.eu/news-events/events/1st-build-up-bootcamp/>

# Q & A

# THANK YOU FOR JOINING US AND SEE YOU NEXT TIME!

General inquiries: [info@tetraproject.eu](mailto:info@tetraproject.eu)  
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More on: <https://business.ngi.eu>



The NGITETRA project has received funding  
from the European Union's Horizon 2020 Research and Innovation  
Programme under Grant Agreement No 825147

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15.07.2020 (29 slides)