Out-Licensing; a TTO perspective

Adam Stoten, Deputy Head of Technology Transfer

Isis Innovation Ltd

A profitable company 100% owned by the University of Oxford

Oxford Technology Transfer

IP, Patents, Licences, Spin-outs, Seed Funds, Isis Angels Network, Isis Software Incubator, Oxford University Hospitals NHS Trust

Oxford Expertise

Consulting, Services

Isis Consulting Business

Technology Transfer and Innovation Management

Isis is ranked 9th in 2014 Global University Venturing TTO league table; Europe's top TTO

Technology Transfer – an overview

Disclosure

- Invention
- Software
- Technology

Evaluate

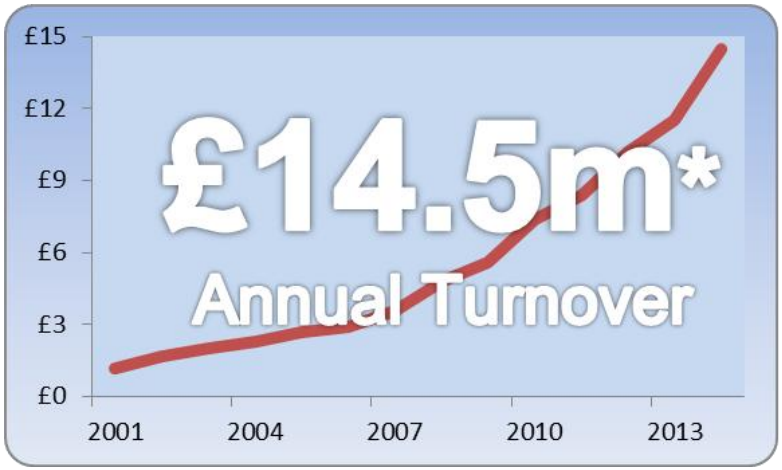
- Assess IP
- Viability
- Protect

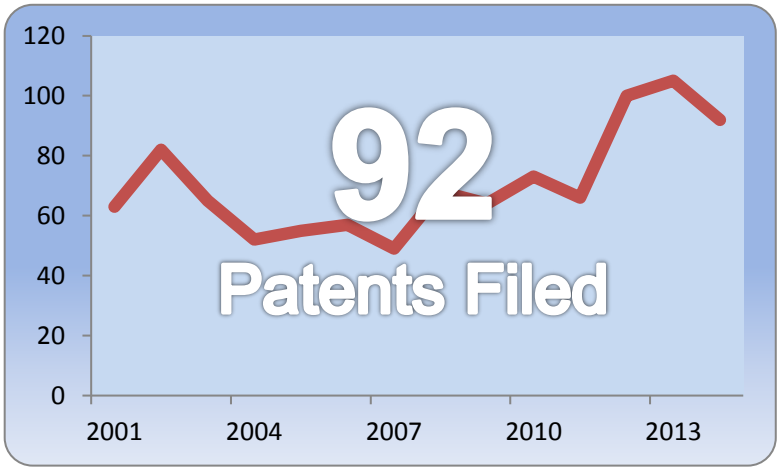
Commercialise

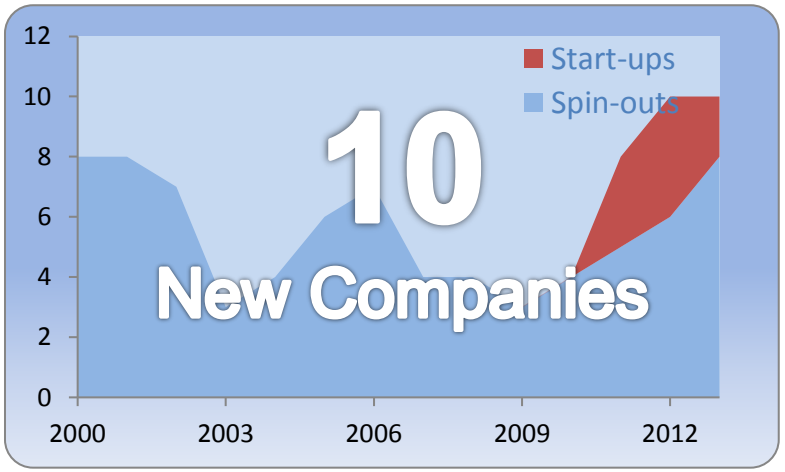
- Licensing
- Spin-out
- Start-up

PATENTING

Isis Innovation, year-ending March 2014







* NB. 2014 financial data is unaudited

Technology Licensing

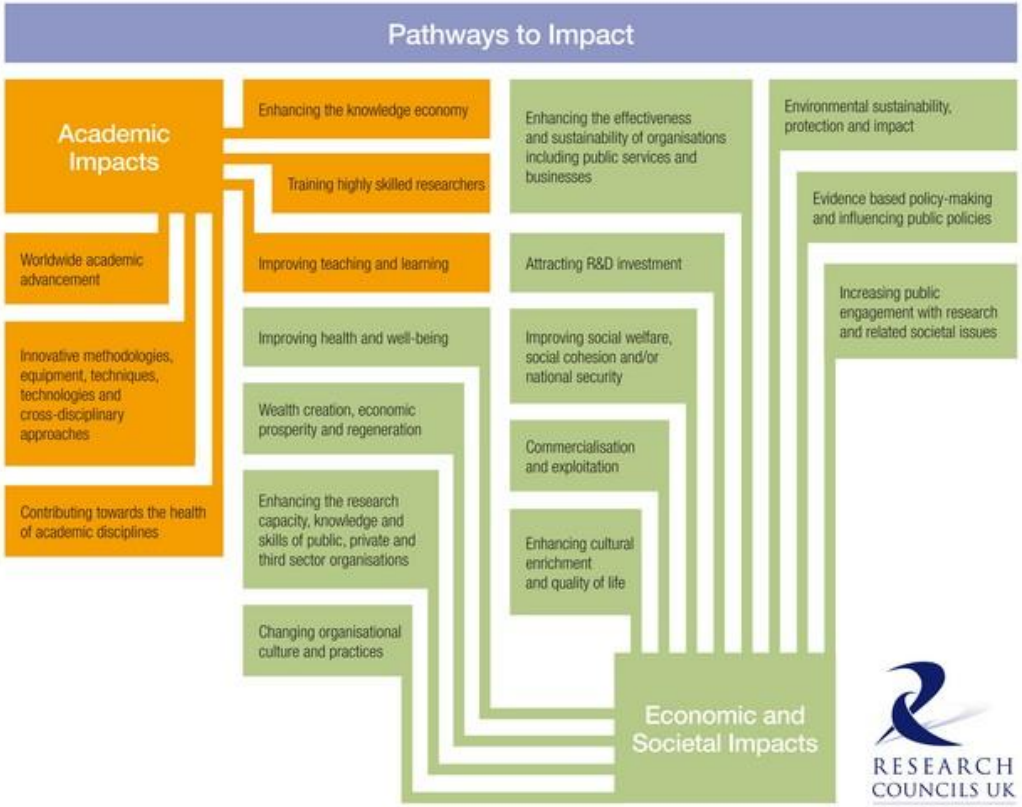
Why do we license University inventions?

- Revenue?
- Impact?
- Parental influence?

Technology Licensing

Why do we license University inventions?

- Revenue?
- Impact?
- Parental influence?



Technology Licensing

Why do we license University inventions?

- Revenue?
- Impact?
- Parental influence?

"Carrot" vs "Stick"

- Early stage high risk –selling potential rather than product
- We tend to license applications rather than granted patents
- Academic expertise can be as important as IPR

Technology Licensing

Why do we license University inventions?

- Revenue?
- Impact?
- Parental influence?

"Carrot" vs "Stick"

- Early stage high risk –selling potential rather than product
- We tend to license applications rather than granted patents
- Academic expertise can be as important as IPR

No trolls!

No trolls!

The ideal Licensee

- Licensees selected on
  - Resources and intent
  - In healthcare, awareness of access of final products to developing countries
  - Reputational integrity

Or…….

What do we look for in a patent?

- Can we achieve robust protection?
- Can we achieve robust protection for something that solves a relevant commercial problem?
- Leverage. Can we create a critical mass of IP around a technology?
- Is patent simply a means to an end? The most valuable IP may be generated subsequently by licensee

Image copyright:Stuart Miles c/o FreeDigitalPhotos.net

What do we look for in a patent?

- Can the main commercial application of the technology be predicted at the point of filing?
- Can be difficult to determine for certain platform technologies with applications in different fields
- Can the patent be drafted in a manner which lends itself to divisionals focused on different applications? Are unity objections likely in due course?

Choose the right approach

- Deploy an array of instruments to build a relationship
  - Research collaborations
  - Options
  - Consultancy
  - Easy access IP/Smart IP scheme
  - Licences (excl vs. non-excl)
  - Risk sharing e.g. joint ventures

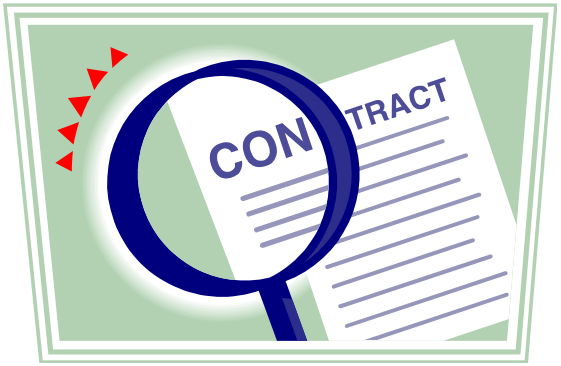
- Packaging technologies? Nice in theory….

- Plan for changes in direction, especially with platforms and spin outs
  - Is patent still fit for purpose if focus changes?

What makes a durable contract?

- Clarity on commercial intent and spirit of agreement

- Provisions supporting effective post-deal management
  - Appropriate diligence obligations
  - Audit rights
  - Litigation provisions (Who controls? Who pays? How are damages treated?)
  - Termination – who gets what in the divorce?
  - Dispute resolution



And remember…..

- A licensee is often accessing a living package of IP + academic
- Planning for change is always sensible