“Invention Disclosures, Patenting & Licensing”

Phil Dowd, Director of Intellectual Assets
Arizona Technology Enterprises
Mission

AzTE supports ASU’s education, research, public service, and economic development missions by:

- Accelerating use-inspired innovation from ASU to the marketplace for the benefit of society,
- Facilitating collaborations with industry for the development of next-generation technologies, and
- Promoting economic growth in Arizona through licensing and start-up company formation
What can AzTE do for you?

- File patents and copyrights
- Assist with intellectual property related agreements: Licenses, Industry Sponsored Research, Center agreements, Inter-institutional agreements, Material transfer, Secrecy, etc.
- Assist with faculty startup companies
Arizona Technology Enterprises – Bringing ASU Technology to the Commercial Market

- IP identification, development, and protection
- Commercial due diligence
- Marketing activities
- Licensing and other commercialization
- Spin-out ventures
- Corporate research collaborations
Engagement Opportunities

- **Sponsored Research**: managed through Industry Research Collaboration office, to further development of promising ideas prior to licensing.

- **Option Agreement**: secures background IP rights for a time-limited period for potential future commercialization.

- **License Agreement**: IP is an improvement or related to existing technology/product, where an existing company is well positioned to develop the technology.

- **Start-up**: where IP is disruptive to the market place – a new approach “contrary” to established industry or a new product not understood.
Technology Licensing

- Commercialization of university IP can be achieved through licensing.
- Managed through a legally binding license agreement.
- The owner (licensor) of IP gives another entity (licensee) rights to exploit the IP for commercial gain (make, use, and sell).
- Rights can be “exclusive” or “non-exclusive”.
- May specify a “field of use” or a “territory”.
- The licensee compensates the licensor for these rights.
- The licensee supports ongoing IP protection.
- Diligence terms – technology can’t sit on the shelf.
- Agreement specifies what happens if things go awry.
Licensing: Financial Terms

Licenses will typically include the following terms:
- Reimbursement of past and on-going patent/IP expenses.
- An upfront license fee or an equity stake.
- Industry-standard royalty rates.
- Milestone payments.
- Minimum annual royalty.
- Sublicensing fees.

Terms must be fair, reasonable and non-discriminatory - can’t give away technologies.
Business inputs are required in reaching acceptable terms.
A business plan will be required when seeking investment also.
AzTE – Key Contacts

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