

Basic Licensing Course

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Collaboration  
& Technology  
Transfer



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# Collaboration agreements

- Why?  $1+1=3$
- Use different party's perspective, knowledge and expertise.
- It is important to recognize each party's perspective, knowledge and expertise.
- Different scenarios:
  - Work closely together to create new results
  - Separate contribution of complementary expertise and knowledge to come to a results, without any close collaboration
  - License in from a third party or development service

# Collaboration agreements

## Finding a partner

- Clearly determine who or what you are looking for you are:
  - a research partner within a certain domain, knowledge, expertise or a specific infrastructure?
  - Do you want effective work together or do you just need access?
  - Are you willing to share your knowledge and expertise?
  - Do you want to exploit your knowledge and expertise yourself?
  - Did you search the knowledge contained in patents?
  - Check academic partners
- *Setting the scene:*
  - *Know your counterpart*
  - *Needs vs wants*

# Collaboration agreements

## Finding a partner

- Is there willingness from both parties to inspect and to contribute to each other's expertise, also to be open about the conditions of the collaboration?
- Report and document conversations and the exchange of information and documents.
- Be clear on the status of the collaboration project: what will be achieved to avoid misunderstandings.
- Staged approach: first evaluation or feasibility study
- Find friendly ways to walk away



# Collaboration agreements

## Preparation:

- If any, describe each party's background (existing intellectual property)
- List confidential information that will be shared
- Is your IP sufficiently protected before starting a collaboration?
- Is there third party IP/material from another party needed?
  - Software
- Sufficient rights?
  - Have an NDA (non-disclosure agreement) in place
- Concept note / termsheet



# Collaboration agreements

If software is used:

- Under which license rights?
- Open source? Impact?
- Software developer: check assignment



# Collaboration agreements

A collaboration agreement ideally consists of:

- legal arrangement of a number of specific items and agreements made
- the concrete interpretation of this included in the annexes to the agreement (such as the description of the project,...).

Think about the set-up and consider non-financial terms first.



# Intellectual Property

- Who *gets* the property? What does this mean?
  - Full assignment of ownership to one party? Or access rights/licenses?
  - Inventorship or contractual: the party that generated the results, is the owner? Or arrange in the agreement
- Is ownership necessary or is a right of use sufficient?
- Be careful with copyright and software, explicit assignment needed.
- Which party can or may exploit the results?
- With or without fair compensation to the other side?
- With or without the other party's permission?
- But don't forget the background (pre-existing IP): is it needed to have access for the exploitation? Conditions?

# Access rights

- What is the subject of the license?
- Does this include a patent or a technology package (which also includes knowledge)?
- Is this right limited in time, to a geographical area or a specific domain?
- Is it an exclusive or non-exclusive right?
- Will there be a financial compensation provided? How? Lumpsum, milestone based?
- What will be the fee for a background license?
- Moment of payment



# Confidentiality

- What will be the process?
- Please note that some parties (for example universities or research organizations) want or even need to publish.
- Publication instead of taking a patent can also be a strategic choice.



# Academic/research organization

- Collaboration between an SME and an academic partner or research organization can provide added value:
  - it can have a positive effect on the duration of the development process and therefore on costs and time-to-market
  - gains access to certain knowledge and technologies.
- Research carried out by an academic partner (and/or knowledge institute) typically has a threefold mission:
  - Education
  - (Free) research
  - Scientific and social services



# Academic/research organization

- The principle of fair return:
  - fair in relation to the knowledge it has made available and of which it has left rights to the valorization of the results to the partner
  - services remunerated
- Only an obligation of means (“inspanningsverbintenis of middelenverbintenis”), not an obligation of results (“resultaatverbintenis”)

no guarantees regarding the outcome of the research expect, but undertakes to conduct the research in accordance with the rules of the art.

### LES Benelux License Termsheet 2023

<b>I. Background / whereas</b>	
<i>Rationale behind this termsheet</i>	
<b>II. Parties</b>	
<b>III. License</b>	
<i>License object</i>	
<i>License scope</i>	
<i>Sub-licenses?</i>	
<i>Other?</i>	
<b>IV. Commercials</b>	
<i>Consideration / royalty</i>	
<i>Tax considerations?</i>	
<b>V. Intellectual Property</b>	
<i>IP Management</i>	
<i>Other?</i>	
<b>VI. Risk allocation</b>	
<i>Representation and warranties</i>	

<i>Liability</i>	
<i>Indemnities</i>	
<i>Other?</i>	
<b>VIII. Term and termination</b>	
<i>Term</i>	
<i>Termination</i>	
<b>IX. Miscellaneous</b>	
<i>Status of termsheet</i>	
<i>What if negotiations fail?</i>	
<i>Governing law and jurisdiction</i>	
<i>Confidentiality</i>	
<i>Other?</i>	

Thus signed in \_\_\_\_\_ on \_\_\_\_\_, 2023 by:

\_\_\_\_\_  
by:  
title:

\_\_\_\_\_  
by:  
title:



# Contract set-up

- Title
- Parties
- Recitals / Whereas: story
- Definitions
  - Affiliates
  - Background: all relevant pre-existing intellectual property rights and know-how. Also Sideground?
  - Foreground or Results: outcome of collaboration
  - Technology: clearly define to be understood by person skilled in the art but also layman
  - Field of use / product: clarity!
  - Confidential information / trade secrets



# Contract set-up: Scope and objectives

- The technical contribution of each party in the implementation of the project in terms of deliverables, services and/or products.
- Resources: The designation of persons and technical resources made available for implementation of the project.
- Possibility of subcontracting: When is this permitted and under what conditions?
- The implementation schedule in view of tasks that are related to each other and planning of these tasks.
- The expected cooperation, maximum expected performance.
- The procedure in case of adjustments





# Contract set-up: Intellectual property

- Results:
  - Who has the ownership rights?
  - The exploitation of foreground knowledge (individually or jointly), sharing of revenue?
  - In case of co-ownership: with or without accounting?
  - Access rights towards other parties?
  - Terms and conditions of access rights?
    - Exclusive/non-exclusive
    - Term
    - Field of use limitation
    - Sublicense?
- Background
  - Ownership remains unchanged
  - Access rights needed? Under which terms?
- Management:
  - How is the knowledge protected and for what period, who is responsible for this?
  - How are the costs for knowledge protection divided among the parties?

# Contract set-up: confidentiality- publication

- Confidentiality
  - Process: label or not. Make summaries.
  - Exceptions
  - Right to refuse
  - Term
- Publication
  - Upon consent? Of all results?
  - Delay possible?
  - Timing: the moment when project results be announced



# Contract set-up

- Financial terms
- What happens in case of early termination?
  - Licenses continue or lapse?
  - Ownership of results
  - Return confidential information
- Term: collaboration ends but IPR's have long term commitment
- Applicable law
- Warranties-liability-indemnification



# Inspiration

- [Leveraging Innovation Through Collaboration: IP Challenges And Opportunities For SMEs In The Context Of EU-Funded Collaborative Research Projects \(lesi.org\)](http://lesi.org)
- [Collaboration in intellectual property: an overview \(wipo.int\)](http://wipo.int)
- Example framework collaboration agreement



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