

## Case Study – IP Licensing Setup

<b>Subject:</b>	IP Licensing Setup
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<b>Client:</b>	A young, VC-backed high-technology medical device company.
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<b>Background:</b>	The company had “accidentally” produced (ie: as a byproduct) a novel technology that would be applicable to a multitude of software applications in a wide variety of different industry sectors.
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<b>Objective:</b>	Widely licensing the technology was selected to be the most appropriate way to generate maximum ROI. But the sheer variety of applications and applicable industries meant that the breadth of licensing models would have to be similarly varied (eg: a model for electronic FMCG, and a separate model for high capital value industrial machines). The true objective was thus to implement a series of licensing structures that were all clear, robust, commercially valid, as complementary as possible and with minimum management/maintenance overhead.
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<b>Result:</b>	The principal result was a decision to invest in order to allow the company to further establish a very compelling portfolio of IP (patents,
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	<p>trade marks, trade secrets) around the technology, thus making it plain to potential licensees that taking a licence was eminently preferable to attempting to compete in this new space. All negotiations were conducted under robust and comprehensive NDAs, thus precluding the possibility of potential licensees deciding, rather than licence, to attempt to frustrate.</p> <p>The licensing structures, once implemented, were managed by a 3<sup>rd</sup> party reporting system, as was the relevant document management, both of which were specifically designed to be exportable to licensees in order for them in turn to manage (via template agreements, contracts, reporting protocols) their own pools of sub-licensees. The initial investment thus led to a transparent and accountable cascade of royalties back to the company.</p>
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<p><b>Value</b></p> <p><b>Result:</b></p>	<p>An initial \$1.2m investment has resulted in royalties currently exceeding \$0.8m (and growing) per annum.</p>
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