

British Invention Show

RT Coopers Solicitors

Licensing of Intellectual Property Rights

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The logo for RTCoopers Solicitors. It features the letters '(RTC)' in a blue, stylized font inside a blue circle. Below this, the text 'RTCoopers' is written in a large, bold, blue sans-serif font, and 'Solicitors' is written in a smaller, blue sans-serif font underneath.

INTRODUCTION

- Who We Are
- What is Meant by Licensing
- Difference between Licensing and Assignment
- What can you Licence?
- Distribution and Agency
- Legal Issues
- Contractual Issues
- Risk Management

WHO WE ARE

WHO WE ARE

- Commercial Law firm
- Work closely with inventors, SME's, start-ups, universities, spin-outs, charities, corporate organisations
- Office in London. Expanding into other jurisdictions as part of our growth
- Working with a number of organisation that advise and assist inventors
- Network of investors
- Packages for Businesses

Sectors

■ Key Sectors

- E-Business and Internet
- Information Technology
- Food
- Healthcare
- Leisure
- Life Sciences and Biotechnology
- Media and Entertainment
- Pharmaceuticals
- Property

Practice Areas

■ Key Practice Areas

- Biotechnology
- Commercial Litigation
- Corporate Commercial
- Corporate Finance
- Data Protection
- Employment
- Information Technology
- Intellectual Property
- Media and Entertainment
- Sports
- Pharmaceuticals
- Private Equity and Venture capital
- Technology Transfer

Practice Areas

■ Intellectual Property

- Assignments and Licensing
- Branding
- Brand Acquisitions
- Copyright
- Designs
- Domain Names
- IP Audits
- IP Disputes
- IP Insurance
- IP Securitisation
- Know-How
- Passing Off
- Patents
- Patent Applications and Prosecutions
- Trade Marks

Practice Areas

■ Business Consultancy

- Commercial Contracts
- Confidentiality Agreements
- Advising on Business Plans
- Designing Brands, Logos and Letterheads
- Business Coaching
- Business Consultancy Advice
- Business Mentoring
- Helping to assemble the right Management Team
- Marketing and Promotions
- Project Management

What is meant by Licensing?

OPTIONS - TECHNOLOGY

- License
 - Assignment
 - Mortgage
 - Set up company - manufacture
 - Alliance - JV, collaboration, partnering

Overview of IPRs

- Intangible commercially valuable assets
- Getting the best value for your IPRs
- ‘Registered’ and ‘Unregistered’ rights
- IP protects an ‘expression of an idea’ - not the actual idea
- Must be ‘recorded in tangible form’
- Various IPRs in one piece of work
- Territorial Protection

Overview of IPRs

REGISTERED RIGHTS

- ♦ **Patents** = inventions, processes & products
- ♦ **Trade marks** = badge of business, logos, names, smells, sound
- ♦ **Registered designs** = **functional designs** including whole or parts of products e.g. graphic symbols or packaging + **features** of lines, contour, shape, materials or textures of the product itself or its ornamentation e.g. logos

UNREGISTERED RIGHTS

- ♦ **Know-how** - trade secrets
- ♦ **Copyright** - literary, including digital work, research notes, software
- ♦ **Design rights** - product shape and configuration
- ♦ **Database rights**
- ♦ **Brands** - goodwill and reputation

What is Meant by Licensing?

- Authorising a third party to license your product, trade mark, patent, know how or design:
 - Market
 - Sell
 - Manufacture
 - Distribute
- Quality provisions in Licence – e.g trade marks, how product to be manufactured?
- Find Licensee/distributors or agents
- Franchise
- Royalties
 - Negotiate levels of royalties
 - No fixed royalties

What can you License? Assignment?

What can you License?

- In return for royalties - third party to license your product, IPR's (trade mark, copyright, design, patent, know how):
 - Licence Agreement – include all terms and conditions of licence
- Assignment – sale or outright transfer of your intellectual property rights in return for a fee
 - Valuation of IPR's
 - Agreement

What Can you License?

- Intellectual Property Rights
 - Trade Marks – e.g logos, names and brands
 - Patents and Know-how – processes, trade secrets
 - Registered Designs – shape or contour of design applied to product
 - Copyright e.g. copyright in software
- Products

Distribution and Agency Agreements?

Distribution Agreements

- Form of licensing
- Finding the right distributor
- Distribution Agreement
- Terms and Conditions of Supply
- Distributor is independent of Supplier
 - Manufacture in Asia and/or Europe
 - Export Costs
 - Registering name of product/brand in the UK/globally – if name is available
- Product Manufacture
- Performance criteria – distributor
- Terms of Distribution Agreement

Agency Agreements

- Form of licensing
- Finding the right Agent
- Agency Agreement
- Terms and Conditions of Supply
- As Principal responsible for actions of agent
 - Manufacture in Asia and/or Europe
 - Export Costs
 - Marketing and/or sales – signing contract – principal/agent
 - Registering name of product/brand in the UK – if name is available
 - Trade Marks – e.g. logos, names and brands
- Payment of Commission
- Termination of Agency
 - Compensation
 - Indemnity

Legal Issues?

Legal Issues

- Confidentiality Agreements
- Head of Agreements – non binding
- Exclusive or non-Exclusive Agreements
- Registration of IPR's
- Scope of the Licence
 - Terms
 - Termination
 - Warranties
 - Indemnity
 - Limitation of Liability
 - Infringement of IPR's
 - Improvements
 - Competition Law
 - Taxation
 - Territory
 - Jurisdiction

Commercial Issues?

Commercial Issues

- Who is going to be appointed?
- Finding a lawyer
- Royalty payments –distribution or licensing agreement
- Distributor
 - Payment Structure
 - Quarterly payments
 - Statements
 - Audits
 - Samples
 - Quality controls
 - Performance Criteria
- Agent
 - Performance Criteria

Risk Management

- Ownership of IPR's
- Packaging – register as design, trade mark
- Names and logos – register as trade marks, logo as a design
- Patents – Obtain patents before going into territory
- Use Symbols - ®, ™, ©
- Websites – Terms and Conditions drafted; notices; Assignment of IPR from designer to your business
- Insurance
- Insurance of IPRs

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Why Specialist Insurance Policies?

- IP important assets
- Financial Muscle
- Protection and enforcement of IPRs
- High costs of IP litigation
- Increase in IP and domain name disputes
- Protects a company's balance sheet

Specialist IPR Insurance

Specialist types of legal expenses insurance for safeguarding and defending against:

- Infringement of IPRs; or
- Actual or alleged breach of contract; or
- Defending a challenge to the validity of the insured's IPRs e.g. the validity of a patent.

Premiums vary widely - policy limit.

Audit - Some insurers may only insure companies with established businesses and may require an **IP Audit** to obtain an independent opinion on the validity and scope of the IPRs and the value of the market covered by IPRs.

IP Audit

IP Audit

- Scope of Company's risk
- Can it be controlled?
- In-house risk management measures?
- Extent of insurance coverage
- Independent opinion on validity, scope of IP and value of the market covered by IP
- Damages which may arise from the infringement

Conclusion?

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Specialist Law Firm Creating Practical
Solutions to complex Commercial issues

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