Technology Transfer: Licensing

Celebrating over 150 years serving every American
Every Day, Every Way
Why grant licenses?

• Facilitates technology transfer:
  ✓ Allows broader use
  ✓ Incentive for investments by private sector
  ✓ Increase research impact

• Direct technology use by others

• Expand use in foreign countries

• Enhance U.S. economic development, global competition, & sustainable economic security
What can be licensed?

- Patents & patent applications
- Plant patents & plant variety protection certificates
- Biological materials (cell cultures, microbial isolates, plants cultivars, etc.)
Licensing Partners

- Existing large or small companies
- Start-up businesses
- Universities
- Non-profit institutes
- Research institutions

Technologies are not licensed to brokers.
Role of Licensee

• Make investments to enable the commercialization of the technology

• Make licensed products and/or services widely available

• Provide complementary assets required for commercialization (regulatory approval experience, manufacturing facilities, marketing, and distribution capacity)
Role of Licensing Section

- Negotiate and monitor license agreements
- Collect and disburse payments
- Manage international patent filings and patent cost reimbursements from licensees
Licensing Specialist Teams

Life Sciences
• Brian Nakanishi
• Diana Halsey
• John Gaudet

Chemical
• Diana Halsey

Engineering
• John Gaudet

Contact information:
Role of Scientist

Because of conflict of interest, scientists must not promote their inventions to potential licensees, nor participate in business negotiations.

- Refer potential licensees to the licensing section
- Discuss technical aspects of the invention with potential licensees
- Provide insight into the industry to the licensing section
- Scientists may enter into a research agreement with the licensee to support the development of the technology
License Business Terms

• License execution fee
• Minimum annual royalty payments
• Running royalties, usually based on net sales
• Milestone payments
• Patent cost reimbursements
Who Benefits from a License?

• USDA Inventors
  ✓ Research impact
  ✓ Incentive award from royalties

• Licensees
  ✓ New processes or products
  ✓ New business creation

• Public
  ✓ Job creation and/or retention
  ✓ Consumer access to new and/or improved products or services
Thank you!

To learn more about licensing in ARS:

http://www.ars.usda.gov/business