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# Licensing from Labs & Universities

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MIT Office of Strategic Alliances & Tech Transfer (OSATT)  
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# About me...

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**Myron Kassaraba**

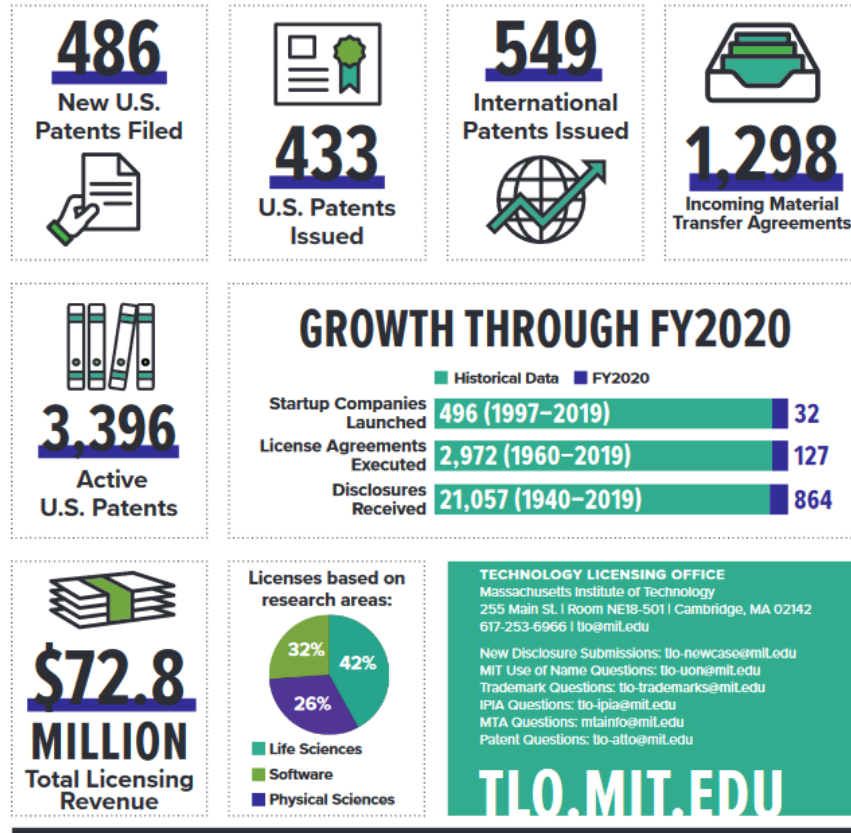
- Technology Licensing Officer – Software AI/ML, Graphics/Imaging, Communications, etc.
- Former Strategic IP Transaction Advisor (MJK Partners, Pluritas LLC)
- Led technology licensing at Mitsubishi's Research Labs (MERL) and Kodak (color management technology)
- Management team of multiple startups (InfoPlus, Howtek, Edsun Labs, Trellix, Lanthorn Tech., etc.), advised dozens more.

# About the TLO....

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- The Technology Licensing Office's (TLO) mission is to move innovations and discoveries from the lab to the marketplace for the benefit of the public and to amplify MIT's global impact.
- Staff of 50+ in the heart of Kendall Square that manage the protection and licensing of intellectual property (copyright, patents & trademarks) for MIT's campus as well as Lincoln Lab.
- Similar groups at other local institutions (Harvard OTD, MGB/Partners Innovation, Northeastern CRI etc.)

# MIT TLO Stats



- TLO receives over 800 invention disclosures per year
- MIT's portfolio consists of over 4,000 patents and 2,000 pending applications.
- FY2020 – 127 licenses, 39 options, 32 startups formed, 486 US patent application filed, 433 US patents issued.

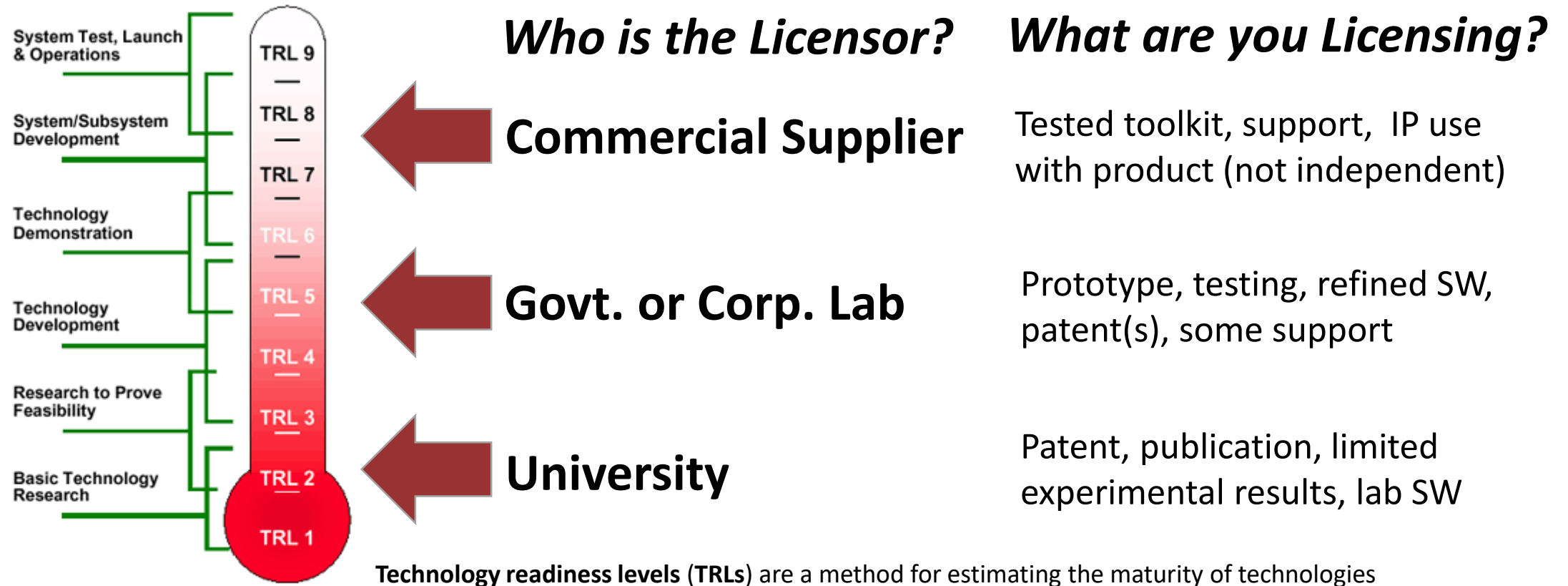
Data current as of December 2020



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# Technology/IP Licensing



# Elements of a University License.....

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Licenses encourage **COMMERCIALIZATION & USE** of MIT technologies/IP

## Exclusive Patent

- Business Plan for commercialization
  - Milestones and revenue projections
- Financial:
  - License Issue Fee
  - Equity
  - Annual Maintenance Fee
  - Running Royalties
  - Patent Cost Reimbursement
- Other: sublicensing, enforcement

## Non-exclusive Patent

- Rights to use patent rights in company's products & services.
- Royalty-bearing and one-time licenses depending on technology.

## Software Copyright

- Royalty-bearing and one-time licenses depending on technology.

# What TLO Looks for in a Licensee

*A plan for success...*

- Capital
- Production Capability
- Supply Chain
- Intellectual Property
- Certifications

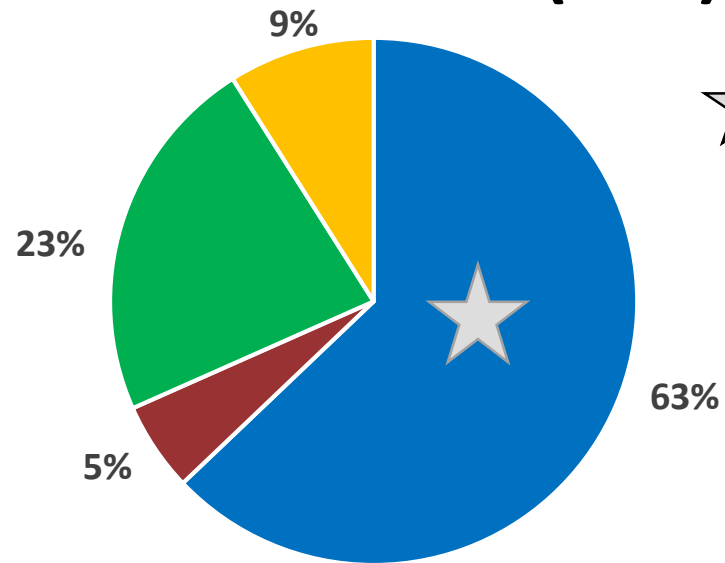


- Proposed Solution addresses Market Need
- Business model
- Potential for sustainable profitability
- Channel/Access to Market

- Business
- Technical
- Experience
- Realism

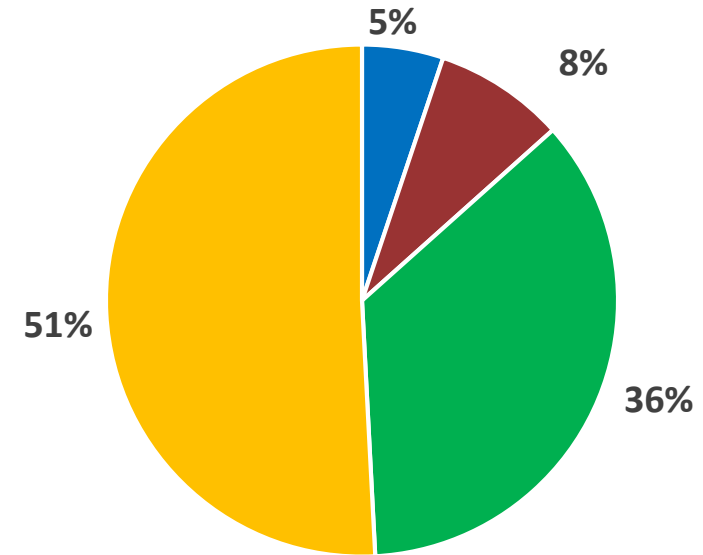
# Exclusive and Non-Exclusive Licenses (2010- 2020)

## Exclusive Licenses (256)



★ Many faculty or  
Inventor-led

## Non-Exclusive Licenses (545)



- Startups
- Sponsors of R&D
- Non-sponsors, small cos.
- Non-sponsors, large cos.



# Other options to acquire IP

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- License from a lab or corporation
  - Corporate research labs often out-license non-core technologies
  - IBM licenses ~\$1B of their tech/IP annually
- M&A
  - Merge with or acquire the assets of a competitor
- Secondary Market/Distressed
  - Typically sourced from brokers or liquidators

# Closing thoughts.....

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- IP can be very useful and at times a necessary tool to establish and grow your business.
- Investors value IP for competitive differentiation.
- Large corporate customers/partners can require IP to do business with a startup.

>>> in the end it is **customers and revenue** that will determine your venture's success!