



# Agricultural Research Service Office of Technology Transfer

# 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

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- **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:

<http://www.ars.usda.gov/business/Docs.htm?docid=24717>

# 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

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- **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>**