

# **INL Licensing Process**

LICENSING AGREEMENTS

icensing INL technologies allows a business to reproduce, manufacture, sell or use INL-developed or owned intellectual property. INL licenses intellectual property on much of the same terms as universities, other research organizations and industrial firms. Our licensing opportunities are available to both small and large businesses — from startups to Fortune 500 companies.

#### **PROCESS**

The licensing agreement process includes seven steps.

INL is committed to working through these steps in a timely manner. Negotiation time is the most variable step of the process. Here is a basic flow of the process:

# 1. Identify and Qualify Opportunity

To identify an opportunity, a company can browse the technologies available for licensing. Contact information for INL's commercialization managers is also listed and can help you learn more about INL technologies. INL's commercialization managers can also assist you through the process.

INL may require the potential licensee to provide a commercialization plan to evaluate the opportunity for both parties. This plan typically contains details about the general business, opportunity, market, set of commercialization milestones and resources required to achieve those milestones. In many cases, the commercialization plan

provided by the licensee supports and justifies license terms such as the performance requirements of the license, the type of exclusivity and the scope of the field of use for the license.

If the licensing opportunity is deemed mutually beneficial, INL asks the potential licensee to review its mandatory license clauses to see if they are acceptable before investing time developing a license. If the company finds them acceptable, negotiations may begin.

# 2. Assess Need for Nondisclosure Agreement

At the beginning of the negotiation process, INL and the company will assess whether they need a nondisclosure agreement.



## 3. Negotiate Terms

The next step involves negotiating the business terms of the license, such as field of use, the intellectual property that is being licensed, fees, royalties, milestones and restrictions.

# 4. Develop Draft License **Agreement**

After the company and INL agree on the terms, INL will draft a license agreement and present terms and conditions that are appropriate for the technology.

# 5. Negotiate License Language

The company then reviews and comments on the license agreement draft. If needed, the company and INL negotiate the license's language. Many aspects of INL licenses are negotiable, but some are not. Nonnegotiable items include some provisions required under our operating contract with the U.S. Department of Energy. INL is also sometimes limited on flexibility with other items. The INL can provide a sample terms and conditions upon request.

#### 6. Execute License

When the negotiation process ends, INL and the company execute the license under the terms of the agreement.

### 7. Manage Commitments

Both INL and the company manage their performance milestones for achieving the license's commercialization goal.

# **TIMELINE**

The timeline varies greatly depending on the complexity of the license agreement and the types of grants desired. Our goal is to execute nonexclusive licenses within 90 days of the commencement of term negotiations.

### **SAMPLE AGREEMENTS**

A sample licensing agreement can be found here. Licensing terms may be negotiated or modified from the sample agreements. Terms will vary depending on the number of patents licensed, the demand for the technology and the exclusivity of the license.

#### **OMBUDSMAN**

INL strives to quickly resolve issues or concerns regarding its technology partnership agreement activities.

Email td@inl.gov for more information about INL's informal resolution process.

1. **Identify** and qualify opportunity

> Assess need for nondisclosure agreement

3. Negotiate terms

> Develop draft license agreement

5. Negotiate license language

> Execute license

7. Manage commitments

### FOR MORE INFORMATION

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