Working with MIT TLO

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## Who does what?

<table>
<thead>
<tr>
<th>CR</th>
<th>OSP</th>
<th>TLO</th>
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<tbody>
<tr>
<td><strong>EXPLORATION</strong></td>
<td><strong>NEGOTIATION</strong></td>
<td><strong>IP MANAGEMENT/COMMERCIALIZATION</strong></td>
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<tr>
<td>- Identifying Convergence/Overlap of Interests</td>
<td>- Contract Management</td>
<td>- Invention identification</td>
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<tr>
<td>- Focus in Departments, Labs, Centers</td>
<td>- Proposals</td>
<td>- IP protection</td>
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<tr>
<td>- Developing relationships with PIs</td>
<td>- Negotiation</td>
<td>- IP licensing</td>
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<tr>
<td>- Engagement Management</td>
<td>- Award Set-up</td>
<td>- IP exploration and options</td>
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<tr>
<td>- MIT Industrial Liaison Program</td>
<td>- Subaward Issuance &amp; management</td>
<td>- Available IP Database</td>
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<tr>
<td>- MIT Startup Exchange</td>
<td>- Award Management &amp; Closeout</td>
<td>- License MIT Trademarks</td>
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<tr>
<td>- Educational Opportunities</td>
<td>- Cost Analyses &amp; Audit</td>
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<td>- Philanthropic Opportunities</td>
<td>- Conflict of Interest Management</td>
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<td>- Recruiting</td>
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*Courtesy of Corporate Relations (CR/ILP)*
MIT TLO

- 43 staff
- 800 innovations annually
- ~300 issued US patents p/yr
- 51% of issued US patents licensed
- Investing $21M annually in IP protection
- Recovering >50% of IP costs through licensing
- Supporting industry engagement equal to 20% MIT’s total research funding
IP related MIT policies

• Ownership of inventions created with significant use of MIT facilities and funds

• Sharing of royalties

• Freedom of research, publication, confidentiality

• Limits on use of university resources by industry

• Encouragement of faculty and post docs to participate in spin-out companies, recognizing conflicts must be managed
  • But, faculty/post docs cannot influence terms /negotiate license agreements

• And..... encouragement of student entrepreneurship
Tech Transfer - more than one route…

• The graduating student
• Publications
• Collaborative/sponsored research with industry
• Outside consulting by faculty
• University seminars/courses for industry
• And… Intellectual Property licensing:
  • To research sponsor companies;
  • To spinout startup companies;
  • To other companies interested in MIT technology.
The Role of the TLO

- Receive and evaluate new inventions
  - Identify, protect, market and license
  - Transfer materials (into and out of MIT)
  - Manage NDA’s for existing MIT IP

- Establish IP terms in sponsored research and collaborations
  - Identify background IP in sponsored research proposals

- Manage trademarks and use of MIT name

- Assist in open source licensing

- Distribute royalty revenue

- Educate faculty, researchers and students
  - Seminars/workshops/programs

- Problem solve
Quid pro quo

Through employment at MIT (IPIA)

• MIT owns inventions created using funds and facilities

• MIT pays for patent costs up front prior to licensing

• MIT is responsible for how IP will be commercialized

• MIT distributes any net license revenue with:
  – Inventors
  – Joint Owners
  – Departments
  – Provost
Specifics- IPIA’s

• **Inventions and Proprietary Information Agreements**
  
  – *All members of the MIT community…must agree to the terms in MIT’s Invention and Proprietary Information and sign the agreement.**

• **Why?**
  
  – *It’s an official transfer of IP rights and must be signed (by law)*
  – *Research compliance*
  – *IP License diligence*
<table>
<thead>
<tr>
<th>Method</th>
<th>Frequency</th>
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<tbody>
<tr>
<td>E-mail</td>
<td>50 to 150 weekly</td>
</tr>
<tr>
<td>Mail/In person</td>
<td>25 to 200 weekly</td>
</tr>
<tr>
<td>Follow up reports on IPIAs not submitted</td>
<td>15 to 75 monthly</td>
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IPIA Guidance and Support

- **Technology Licensing Office**
  - Which form to sign
  - What are the implications
  - Discussions with employers/home institutions (visitor form)
  - Difficulty getting responses/engagement from inventor?
    - Discussions with advising faculty, Department Heads
    - Associate Provost
    - Vice President for Research
IPIA – Making it easier

- Simpler, more specific forms
- Guidance documents (e.g., who signs what and why)
- Collection portals (working with IS&T)
- Fully electronic workflow
Making Life Easier - generally

• Docusign adoption
• Ready to sign licenses [http://tlo.mit.edu/portfolios/ready-to-sign](http://tlo.mit.edu/portfolios/ready-to-sign)
  – Software
  – Material Transfer
  – Trademarks
  – Tangible Property
• Startup Option Template
• New IP database - process for selection of vendor underway
• Updated website
  – E-disclosure process - [http://tlo.mit.edu/discard-protect-your-intellectual-property/submit-your-disclosure](http://tlo.mit.edu/discard-protect-your-intellectual-property/submit-your-disclosure)
• New (first!) Communications Officer - Karen Baird
Reality of licensing University IP

• Licensing revenue is small relative to investment of federal and corporate sponsors
  – Blockbusters occur infrequently

• Products on the market and royalties take 8 -10 years from patent filings
  – Depending on market

• The inventor/s are the best source for leads for licensing

• Many startups still fail…
Income ($M) by Fiscal Year
2008 - 2017

Income ($M) by Fiscal Year
2008 - 2017

- Royalties and Fees
- Cashed-in Equity
- Patent Reimbursement
Digital TV License and Revenue History

- 1st invention to TLO
- 1st patent filed
- 1st patent issued
- Last patent filed
- Last patent issued
- 1st patent to expire
- Last patent to expire
Thank you.

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