

## Licensing and Negotiation

UTEN Portugal Regional Workshops

At

Universidade de Lisboa, December 14-15, 2009

Universidade do Porto, December 17-18, 2009

## Introduction

The University Technology Enterprise Network (UTEN), in collaboration with the University of Texas at Austin Office of Technology Commercialization, Universidade de Lisboa, Universidade do Porto, and the International Partnerships Program of the Science and Technology Foundation (FCT) held two regional workshops on licensing and negotiation. The first was held December 14-15 at Universidade de Lisboa and the second was held December 17-18 at Universidade do Porto. Each workshop had the same program content. The main topics were:

- Negotiation Fundamentals
- Negotiation Stakeholder Groups and Favorable Outcomes
- Preparation for Negotiation
- Communications and Negotiations To Enhance Relationship Building
- Analyses of Licensing and Start-Up Cases
- Role Playing in Negotiations

## Executive Summary of Participants' Assessments

To improve future regional workshops, UTEN staff administered an electronic survey to solicit feedback from participants. Twenty-eight of 33 participants from the two workshops answered the survey. At each workshop, a large majority of participants attended all sessions and most were university officials in technology transfer offices or GAPIs. A small number of the participants attended only the morning sessions at each event. Ultimately, 23 responses were received from those attending all sessions and five responses were provided by individuals attending only a morning session.<sup>1</sup>

Table I summarizes participants' opinions about the two workshops.<sup>2</sup> Evaluations for sessions on both days of the workshops were highly favorable. Nearly 90% percent of respondents said the sessions on the first days were extremely or very useful and all but 4% said they were useful. Evaluations for the second days also were very high with 86% of respondents rating the sessions extremely useful or very useful. The second days had more responses which were "extremely useful."

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<sup>1</sup> To enable comparisons with prior UTEN events and because the primary target audience(s) attended all sessions of each workshop, most ratings in this report will be restricted to the 23 respondents. For several questions, responses and comments also will be included from the five individuals who attended only the morning sessions in either Lisbon or Porto. Except for responses to one question, there were no discernible differences in replies between the group of 23 and the group of five. The one exception was about future advanced training and is described later.

<sup>2</sup> In general, ratings were higher at the Porto workshop than at the Lisbon workshop. Because the same program was provided at each location, all responses were counted equally as if a single program event had occurred.

**Table I. Summary of Participants' Views about Regional Workshops On Licensing and Negotiation**

<b>Please rate each of the major sessions during the workshop.</b>					
	<b>Extremely Useful</b>	<b>Very Useful</b>	<b>Useful</b>	<b>Somewhat Useful</b>	<b>Not At All Useful</b>
Day One:	49%	38%	8%	4%	0%
	<b>Extremely Useful</b>	<b>Very Useful</b>	<b>Useful</b>	<b>Somewhat Useful</b>	<b>Not At All Useful</b>
Day Two:	61%	25%	9%	5%	0%
<b>How would you rate this workshop (compared to your expectations)?</b>					
	<b>Far Exceeded</b>	<b>Exceeded</b>	<b>Met</b>	<b>Did Not Meet</b>	<b>Was Very Disappointing</b>
	9%	43%	39%	9%	0%
<b>Would you be interested in attending a more advanced training session on the same topics?</b>					
	<b>Yes</b>	<b>Maybe</b>	<b>No</b>		
	78%	17%	4%		
<b>In terms of improving your own skills, how useful was the workshop?</b>					
	<b>Extremely Useful</b>	<b>Very Useful</b>	<b>Useful</b>	<b>Somewhat Useful</b>	<b>Not At All Useful</b>
	48%	26%	13%	9%	4%

<b>Please indicate your level of agreement or disagreement with each of the following statements about the workshop.</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
Workshop objectives were clearly stated.	52%	43%	4%	0%	0%
The structure of presentations and discussions was good.	65%	30%	4%	0%	0%
The workshop provided information new to me.	50%	45%	4%	0%	0%
I will be able to use the workshop information in my job.	48%	43%	4%	0%	0%
The workshop included training I will recommend to others.	52%	39%	4%	0%	0%
There were useful opportunities to network with others.	43%	52%	0%	0%	0%
The workshop will help me strengthen my technology transfer capabilities.	70%	17%	4%	4%	0%

Note: 4% of respondents had “no opinion” on each of the last four statements; therefore the percentages above for those questions add to 95%-96% rather than 100%.

For the two workshops, slightly over half (52%) of the participants said their expectations had been exceeded, and 39% said their expectations had been met. Two participants (9%) said the workshops did not meet his/her expectations. In terms of improving their own skills, an extraordinarily high 48% of the workshop participants thought these workshops were extremely useful. Another 26% thought they were very useful, and 13% felt they were useful.

Nearly all (95%) of respondents felt the workshops provided information new to them and the structure of presentations was good (95%). The large majority of participants (91%) said they would be able to use the information in their jobs and they will recommend the training to others (91%). Most participants (87%) agreed that the workshops will help strengthen their technology transfer capabilities, and this statement received an unusually high 70% for “Strongly Agree.”

More detailed information is provided on the following pages, including specific, verbatim comments from participants about new concepts and techniques acquired in the training sessions, priorities for future training sessions, suggestions about curriculum content and teaching formats, expectations for the workshops, and future UTEN activities.

## **Detailed Response Information for Regional Workshops on Licensing and Negotiation**

### **Respondents**

Overall, 28 of 33 potential respondents provided information. All but five of the respondents attended both days (five respondents attended only the initial morning sessions). More than two-thirds of the respondents were university officials in technology transfer offices or GAPs, with smaller numbers of government officials and incubator staff.

### **Sessions**

Evaluations for sessions on both days of the workshops were highly favorable. Nearly 90% percent of respondents said the sessions on the first day were extremely or very useful and all but 4% said they were useful. The highest rated sessions on the first days were:

- (1) Communications and negotiations to enhance relationship building;
- (2) Analyze first case study on licensing and prepare for second day of program; and
- (3) Identify your definition of a favorable outcome for a negotiation, core licensing practices of your institution, and stakeholder groups involved in licensing and negotiations

Evaluations for the second day also were very high with 86% of respondents rating the sessions extremely useful or very useful. The second day had more ratings which were “extremely useful.” Three of the four sessions were rated approximately the same, with only the Roundtable Wrap-Up Session scoring lower.

## **General Characteristics of the Workshop**

Nearly all (95%) of respondents felt the workshop provided information new to them, the structure of presentations was good (95%), workshop objectives were clearly stated (95%), and there were useful opportunities to network with others (95%).

The large majority of participants (91%) said they would be able to use the information in their jobs and they will recommend the training to others (91%).

Most participants (87%) agreed that the workshop will help strengthen their technology transfer capabilities, and this statement received 70% for “Strongly Agree,” the highest rating for this statement in a UTEN workshop/conference to date.

More than half of the participants (52%) said their expectation had been exceeded and 39% said their expectations had been met. Two participants (9%) said the workshop did not meet his/her expectations.

## **Personal Benefits and Skills**

In terms of improving their own skills, a very high proportion (48%) of workshop participants thought the workshops were “extremely useful” while 26% thought they were “very useful,” and 13% felt they were “useful.”

Participants were asked to list new concepts or techniques, if any, they learned in the workshops. Three individuals said they did not learn any new concepts or techniques while the others learned:

*Pull back fields of use on rights granted for all fields; provisions for overcoming possible future dilution of equity on a company; defining sublicensing terms (possibility of linking them to the respective technology development milestones)*

*Active Listening (4)*

*Resistance price; opening price; targeting price (2)*

*Negotiation skills (5)*

*Some new tricks on licensing negotiations*

*Some licensing and sublicensing concepts (3)*

*How to go around licensing conundrums*

*Approach to licensing based on case studies about the negotiation process*

*Enhancing negotiation and licensing deals made by other US universities, important for benchmarking*

*Royalty rates and calculations (2)*

*Equity fee*

*S&T commercialization know-how in USA; WHO ARE Portuguese entrepreneurs and technology transfer professionals in Portugal and UTEN-Texas; How to Organize Reactive Attitudes towards Upcoming Opportunities*

*Commercialization*

*Techniques to enhance relationship building*

### **Future Training Sessions**

Nearly four of five participants (78%) reported that they were interested in attending a more advanced training session on selected workshop topics. Most other participants (17%) said they might be interested in attending a more advanced training session.<sup>3</sup>

Participants identified a variety of subjects as their priority for a future training session:

*Structuring the deal terms (reviewing real past cases)*

*Agreements drafting according to Portuguese scenarios*

*Licensing IP for start-ups and spin-offs; Technologies Marketing Plan*

*Techniques of market research*

*Due diligence; Licensing/R&D contract evaluation and negotiation, thorough case studies and practical exercises*

*More on licensing, more examples, more role-playing, more on biotech and life sciences, more on sw*

*Technology assessment and competitive evaluation (2)*

*Structuring TTO activities to increase efficiency*

*Royalties % determination*

*Software licensing deals; biotech licensing deals; Open source licensing deals.*

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<sup>3</sup> These proportions are for the 23 respondents who attended both days. There was a noticeable difference with the five respondents who attended only the morning sessions on the first days. All of them said they might be interested in a more advanced session. If these five responses are added to the 23, the proportions become: Yes-63%; Maybe-33%; No-4%.

Participants also were asked about potential changes in curriculum content (complementary subjects) or teaching approaches (settings, formats, exercises) for future workshops. A variety of comments were received:

*Business development (definition of commercialization strategies); business intelligence; new approaches for technology marketing (strategies for generating increased interest in technologies)*

*UTEN must involve University top management for R&D in the training program.*

*Respecting time. We're in Portugal, therefore, UTEN should set the example that could help to change an awful Portuguese habit.*

*Maybe a similar session involving European Universities, more close to our reality and, more important, approaching the same issues and providing the same kind of support information.*

*Bring European trainers, give European perspective, learn from good European examples and business experience*

*Success cases are excellent learning materials, as well the worst cases!*

*Always include exercises and role play. Get companies to attend (big companies as well as SMEs) to give overview of negotiation difficulties and adapt to Portuguese reality*

*More practical cases*

*Hands-on-exercises*

*Technical-scientific (Business, Economics and Market/Management) Approaches and Methodologies*

*Technology based incubation*

*This workshop was just fine, what we need is more.*

Lastly, participants' verbatim comments are presented below for:

- Workshop expectations
- Other comments about the workshop and future UTEN activities

### **Participants' Comments About Their Workshop Expectations**

Participants provided the following comments in explaining how well the workshop had met their expectations. All are verbatim from the survey responses.

Positive Comments

*Nothing quite new, but it was very interesting for consolidate some concepts about licensing process.*

*An enlightening way of exposing subjects that called for the involvement of the participants.*

*The participants of the workshop had the opportunity to learn about the modus operandis of the TTO of UT as well as to get an insight of negotiation and licensing contracts issues through a hands on experience methodology.*

*The message transmitted in the workshop was perfectly clear and adequate for different types of professionals which also enhance the interest of discussions and networking.*

*Sessions "To conduct role-play for the negotiations," "Roundtable wrap-up session" and "the key to lead" gave me the important elements to improve my skills. The information provided was very focused and targeted at real situations that we (TTO) find in our offices.*

*Very interesting, gave me really good tips for licensing agreements and contracts.*

*As it was organised to a small and reasonably experienced group of trainees, I was satisfied with this workshop. It really met my expectations!*

Other Comment

*No particularly useful new concepts acquired*

**Participants' Other Comments About the Workshop and Future Activities of UTEN**

*Keep on training!*

*Plenty of junior people in an advanced skills workshop is not a good idea. The level was quite advanced, I just wonder how much they got from it.*