

# U-M Tech Transfer

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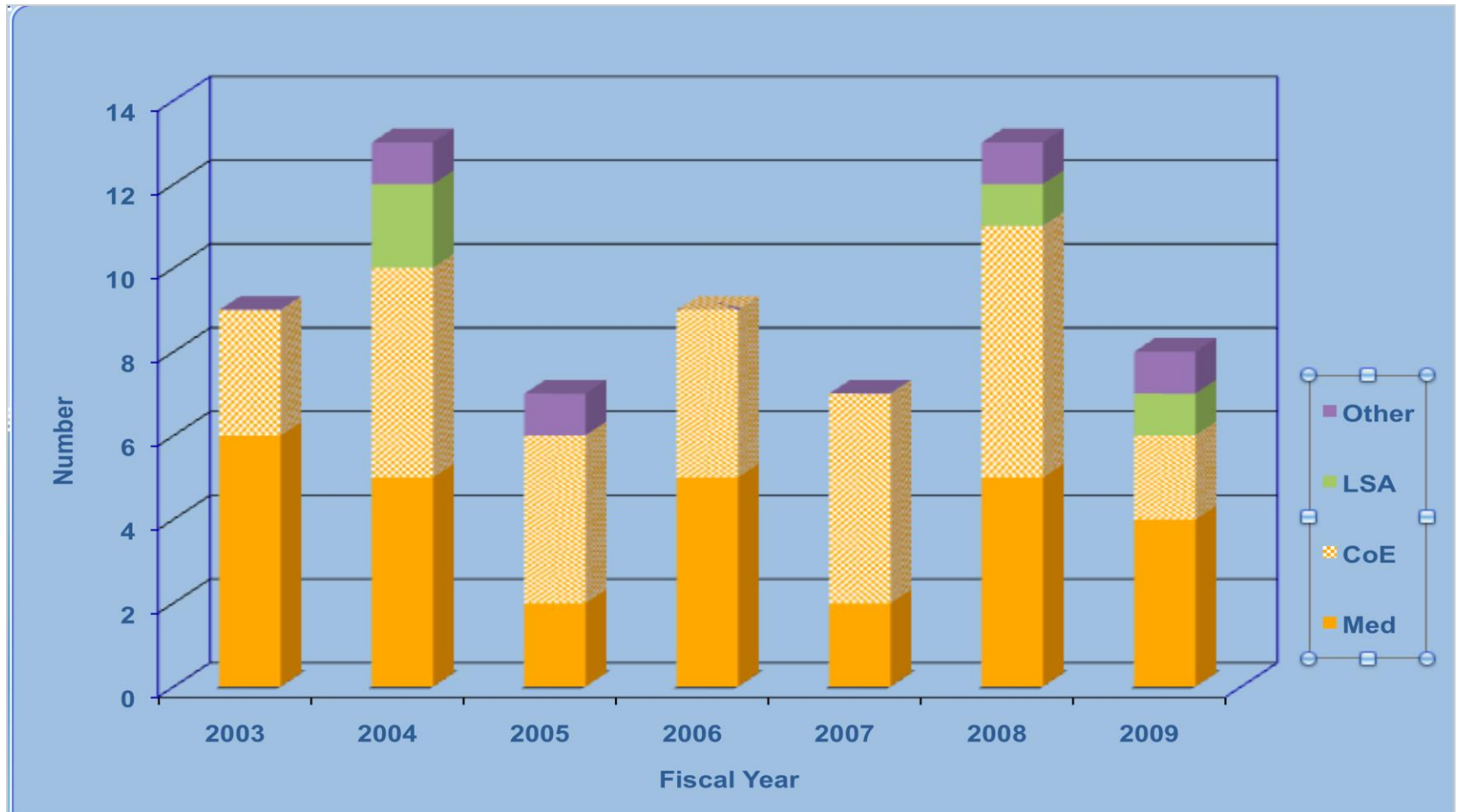
# UM Tech Transfer Mission

To generate benefits for the University, our community, and society through the transfer of University innovations

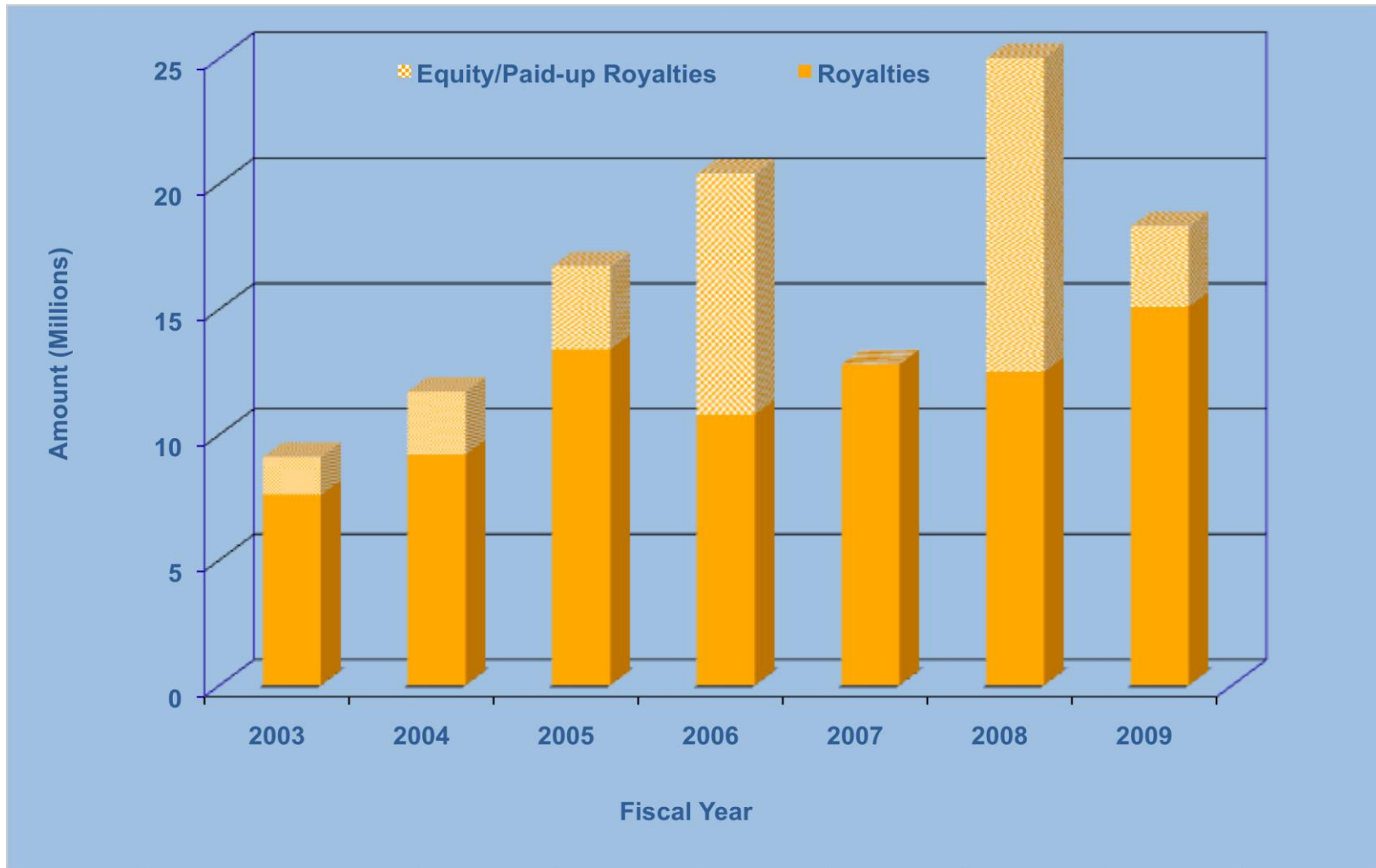
# Tech Transfer Organization

- Licensing Function
  - Disclosure, Protections, Agreements, COI
- New Business Development
  - Business Formation Consultants, link to resources
- Legal Assistance
  - OGC resources for patenting, agreements, litigation
- Business Support
  - Marketing, Data support, Revenue Disbursements

# U-M Tech Transfer Startups



# U-M Tech Transfer Revenues



# 2008 Tech Transfer Benchmarking

Invention Reports		New Patent Apps		Issued Patents		New Agreements		Startups		Annual Revenue \$MM		Licensing Staff		Total Staff	
MIT	522	JHU+APL	500(?)	MIT	122	U Wash	205	MIT	20	MIT	89.1	U Wisc	19	U Wisc	69
Stanford	400	U IL	367	U Wisc	85	Stanford	107	UCB	14	U MN	83.3	MIT	18	Stanford	43
U IL	363	MIT	282	U-M 2008	75	MIT	98	U-M 2008	13	Stanford	62.5	U Wash	16	U MN	42
U-M 2009	350	U Wisc	270	U-M 2009	72	JHU+APL	92	Duke	12	UCSF	62.4	U MN	14	U Wash	41
U Wisc	350	U Wash	226	U Wash	56	U-M 2008	91	JHU+APL	12	U Wash	47.0	JHU + APL	13	U IL	36
U Wash	349	Cornell	222	Cornell	54	U-M 2009	78	Stanford	12	UCLA	32.8	Cornell	12	UCLA	32
UCSD	330	UCLA	221	U IL	54	U Wisc	68	U CO	11	U-M 2008	25.0	Penn	12	MIT	31
UCLA	314	U CO	188	UCSD	45	Cornell	65	U IL	11	UCSD	22.7	UCD	12	Cornell	30
U-M 2008	306	UCSD	180	UCLA	42	U MN	64	U Wash	9	U-M 2009	18.3	UCSF	11	Penn	29
JHU+APL	305	U-M 2009	151	JHU+APL	40	U IL	61	U-M 2009	8	JHU+APL	11.2	OSU	10	UCSD	29
Pitt	244	U-M 2008	132	U MN	37	Pitt	58	Cornell	5	U IL	10.3	Stanford	10	U-M 2009	27
Cornell	242	UCB	102	Pitt	36	U CO	58	Pitt	3	UCD	8.0	UCLA	10	U-M 2008	27
U CO	237	Pitt	100	UCB	36	UCSF	49	U MN	1	Cornell	6.8	U IL	9	JHU+APL	24
U MN	217	UCD	93	UCSF	35	UCSD	43	OSU	n/a	Pitt	6.7	UCSD	9	Duke	21
UCSF	200	UCSF	76	U CO	28	UCLA	38	Penn	n/a	U CO	6.1	U-M 2008	8	UCD	20
UCD	181	U MN	58	UCD	21	UCD	24	Penn State	n/a	UCB	5.2	U-M 2009	8	UCSF	18
UCB	155	Duke	n/a	Duke	n/a	UCB	23	U Wisc	n/a	Duke	n/a	Duke	7	Pitt	18
Duke	n/a	OSU	n/a	OSU	n/a	Duke	n/a	UCD	n/a	OSU	n/a	Pitt	7	OSU	17
OSU	n/a	Penn	n/a	Penn	n/a	OSU	n/a	UCLA	n/a	Penn	n/a	UCB	7	U CO	16
Penn	n/a	Penn State	n/a	Penn State	n/a	Penn	n/a	UCSD	n/a	Penn State	n/a	U CO	5	Penn State	11
Penn State	n/a	Stanford	n/a	Stanford	n/a	Penn State	n/a	UCSF	n/a	U Wisc	n/a	Penn State	4	UCB	10

# University Objectives in a License

- Primary Goal: Making the technology available to the public
- Milestones are included to verify diligence by licensee toward commercialization
- UM desires a fair commercial return; timing and form of the return can be tailored appropriately
- Licensee must pay associated patent costs and costs of doing business (eg., liability insurance, enforcing patents, etc.)

# Role of the Inventor

- They are all different; they may want:
  - Additional research funding
  - \$\$
  - Consulting
  - Glory
  - Benefit the public
- Some are hands-off; some are engaged
- Some are entrepreneurial
  - Form their own companies
  - Take leave of absences
- All get a share in the revenues

# Things We Argue About the Most

- Surprisingly, it isn't necessarily financial terms. Often a lot of time is spent on:
  - Diligence Milestones
  - Scope of Field to be Licensed
  - Improvements
  - Certain legal language associated with reps/warranties, insurance, patent control and enforcement

# How does the University obtain value in a license?

- Upfront payments (cash, stock, research support, past patent costs)
- Reimbursement of ongoing patent costs
- Milestone payments
- Annual minimum royalties
- Sublicense income sharing
- Earned royalties

# Mix of Medicine v Engineering

## Medicine

- Disclosures typically by disease state
- Devices, therapeutics, diagnostics, with some more basic
- Somewhat easier to define market, use, and potential licensee
- Often higher value

## Engineering/Physical Sciences

- Disclosures often incremental improvements in technology, processes
- Need to be combined with other technologies
- Rarely a single product
- Somewhat harder to identify market, licensee

# Pros and Cons of Patent Sales from Univ. Perspective

## Pros:

Stop paying patent expenses

No more worries re: prosecution/enforcement/liability issues

Unload patents in difficult markets

## Cons:

How to value the patent?

Loss of control

Will product be developed? What if others want access to patent/research?

Will inventor/students still be involved in product development?

What happens if buyer sues one of University's partners? (in particular, what if they sue another university?)

# Extras

# U-M Tech Transfer Results

