

How to Sell IP?

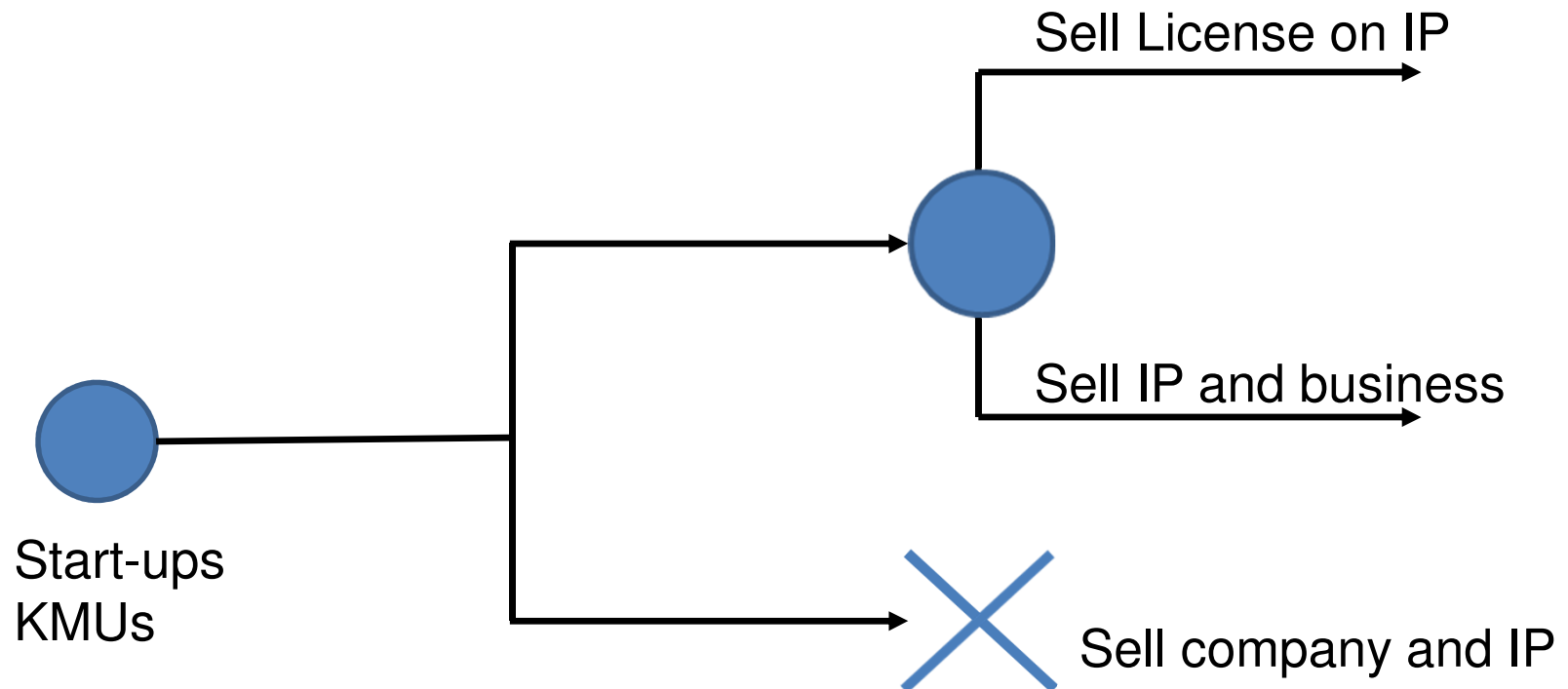


Swiss Medtech Day 2017, 13 June 2017, Kursaal Bern
Breakout Session “Intellectual Property & Market Protection”

Agenda

- Scenarios
- Implement your invention
- Definition of the IP strategy
- Plan B1 - IP-Selling
 - Licence
 - Sales
- IP-Selling - Preparations
- IP-Selling – Process
- Summary

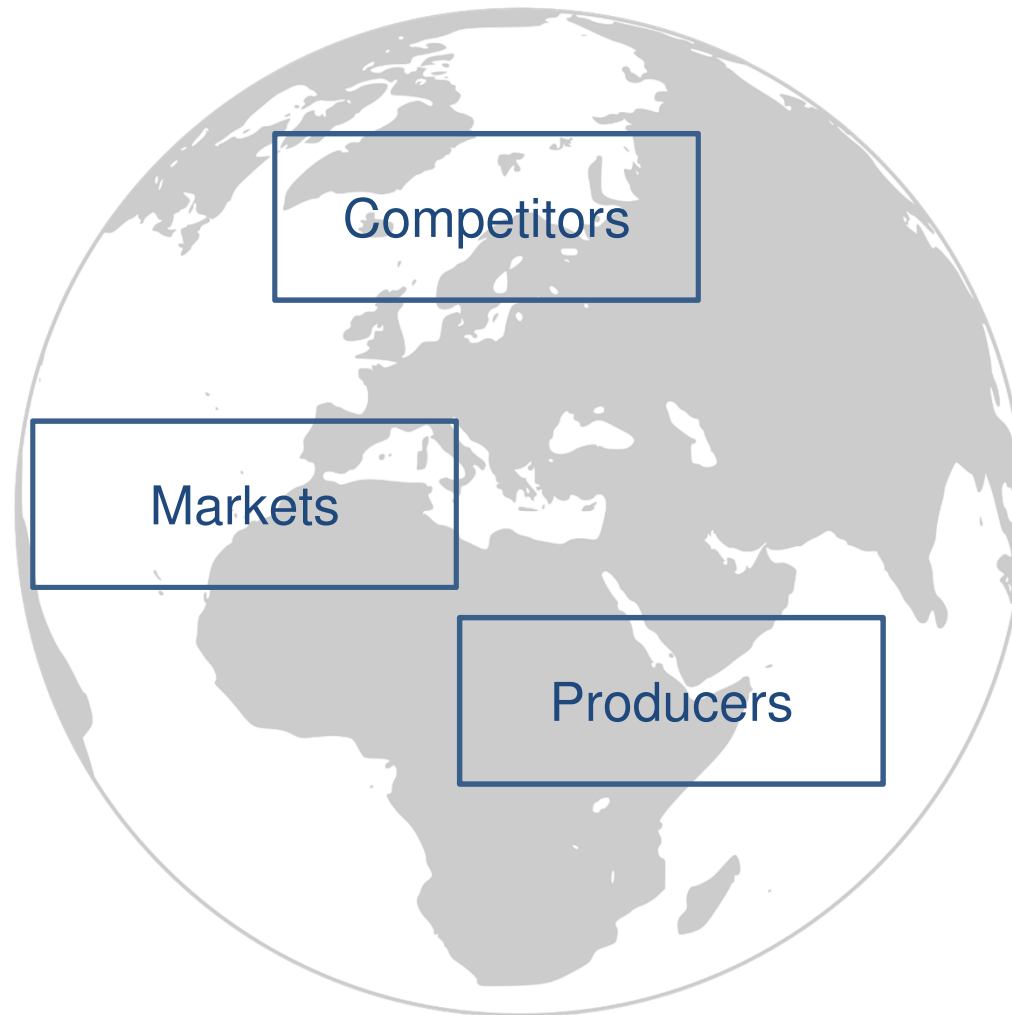
Scenarios



Implement your invention

- Prototyping for the Proof-of Concept.
- Protect your invention.
- Carry out qualified studies for the intended application. Find the right, well-known and qualified partners (university or laboratory).
- If the study is carried out and written in German, please think of an **English translation**.
- Obtain the necessary approvals
- **Stay focused and do not run opportunity jumping.**
- Build a **systematic study / know-how database**.

Definition of the IP strategy - Regions



Definition of the IP strategy - Process

- Decide with your patent attorney where you place the first patent application.
- An examination of the application and a first examination report are essential for the implementation of the IP strategy
- Does a trademark application make sense in your marketing strategy?
- **Use the maximum deadlines** for your IP applications.
- Define the timelines when which application should be placed.
- Budget the patent protection costs for the future with your patent attorney and incorporate them in your financial planning.
- Always **keep an eye on your liquidity planning** and the cost of your IP strategy.
- **Have a plan B ready in time.**

Plan B1 - IP-Selling

Licence

- Licensing is a common method to market a technology and IP world wide quickly.
- Benefit for the licensee, he saves R & D expenses, has fast access to the technology and can focus entirely on marketing.
- For the licensor, it is a variant to refinance his R & D costs faster.
- This is suitable for the regions where your own business is not active or where high customs or other restrictions counteract a more rapid market development.
- Licensing is also beneficial if the same IP can cover other market segments that are not in the focus of your company.

Plan B1 - IP-Selling

Licence - financially

The licensee pays

- Upfront:
 - One-time payment,
 - Covers incurred costs cover such as IP, contract costs, expenses
- And a royalty:
 - Depending on the quantities or turnover
 - Basis for negotiations often 25% of the earnings through the licensed technology
 - Corrections due to high marketing expenses of the licensor
 - Status regarding product life cycle

The market regulates the price!

Plan B2 - IP-Selling

Sales

- The determination of the value of the IP is difficult.
- Basically three methods are differentiated:
 - Cost method
 - Market method
 - Yield method
- All have their advantages and disadvantages
- The following factors have a decisive influence on IP sales:
 - Size of the patent family
 - Period of validity of the patent
 - Number and quality of the claims
 - Result of appeals against the patent
- In principle, we can say from experience that **the market decides on the amount of the transaction.**
 - Number of bidders
 - Motivation of the buyer

Plan B - IP-Selling

- **Perfect preparation** is essential for a good transaction sum.
- Let **experts support you** here and start your preparations **at an early stage**.
- We will show you briefly, how we basically proceed at InvenComm in the basics of IP-selling. But this is certainly only a possible approach.
- The procedure is identical in the basic features for licenses or IP sales.

IP-Selling - Preparations

Marketbased Dossier

- Flyer as a teaser structured in 3 sections,
 - What problem do we want to solve,
 - How is the problem solved today,
 - What does the new solution look like with the unique selling points.Maximum 2-pager with at least 2 appealing images, which clearly communicate the problem and the solution to the reader.
- A detailed presentation of the technology based on the flyer with all selling points.
- Extension of the presentation including the IP range with presentation of the patent family / s
- Summary study and know-how database
- Attractive cover letter for prospective buyers

IP-Selling - Preparations

Marketbased Dossier

- Example



Product novelty
- IP-rights reserved -

Fit-Roll

Sport / therapy device for relaxing the back muscles and mobilizing the spine

Problem Description
Back pain due to overloading in work and everyday life as well as postural damage is a known problem of our society.



Current solution
Special spinal gymnastics or back exercises with aids such as ligaments, balls or rollers are widely used both as therapy and for prevention.

The new solution - Fit-Roll
The Fit-Roll is used to relax the back muscles and mobilize the spine. Another possibility is to relax all other connective tissue structures.

Description of application:
Due to the elliptical-shaped mid-section of the fit-roll, the user has the possibility to apply the roller INDIVIDUALLY to the vertebral column (much or little pressure on the vertebra / spine extensions).




Patent Buyer wanted!
<http://www.invencomm.com/>

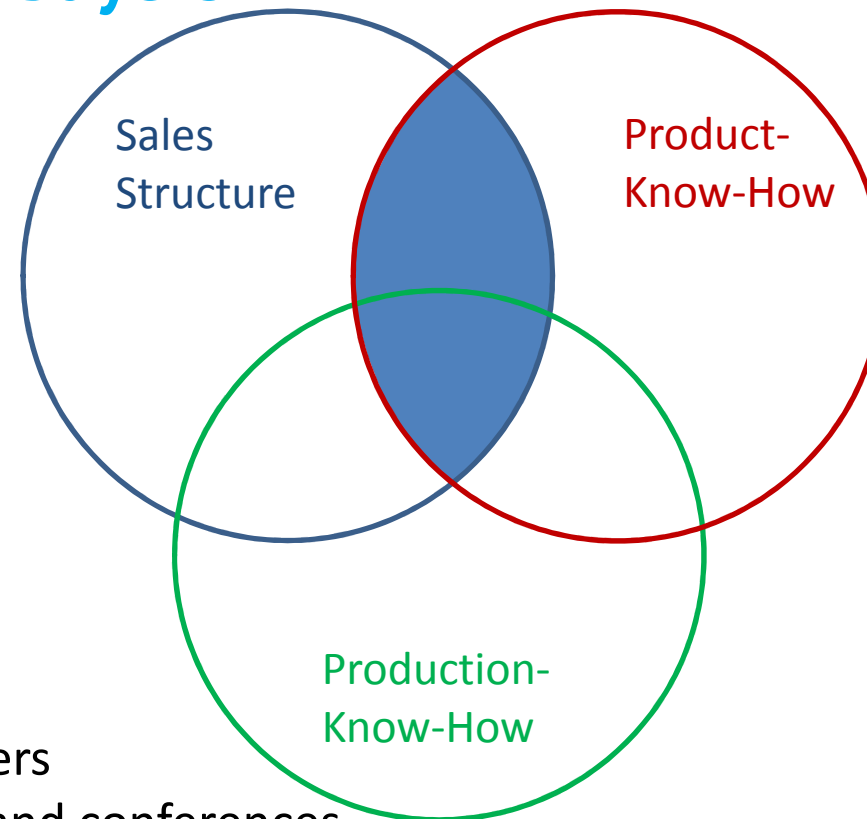


IP-Selling - Preparations

Database «prospective buyers»

Criteria:

Match of industries and region



Database entries:

- Existing contacts
- Interviews with industry insiders
- Internet searches, trade fairs and conferences

IP-Selling - Preparations

Database «prospective buyers»

Example:



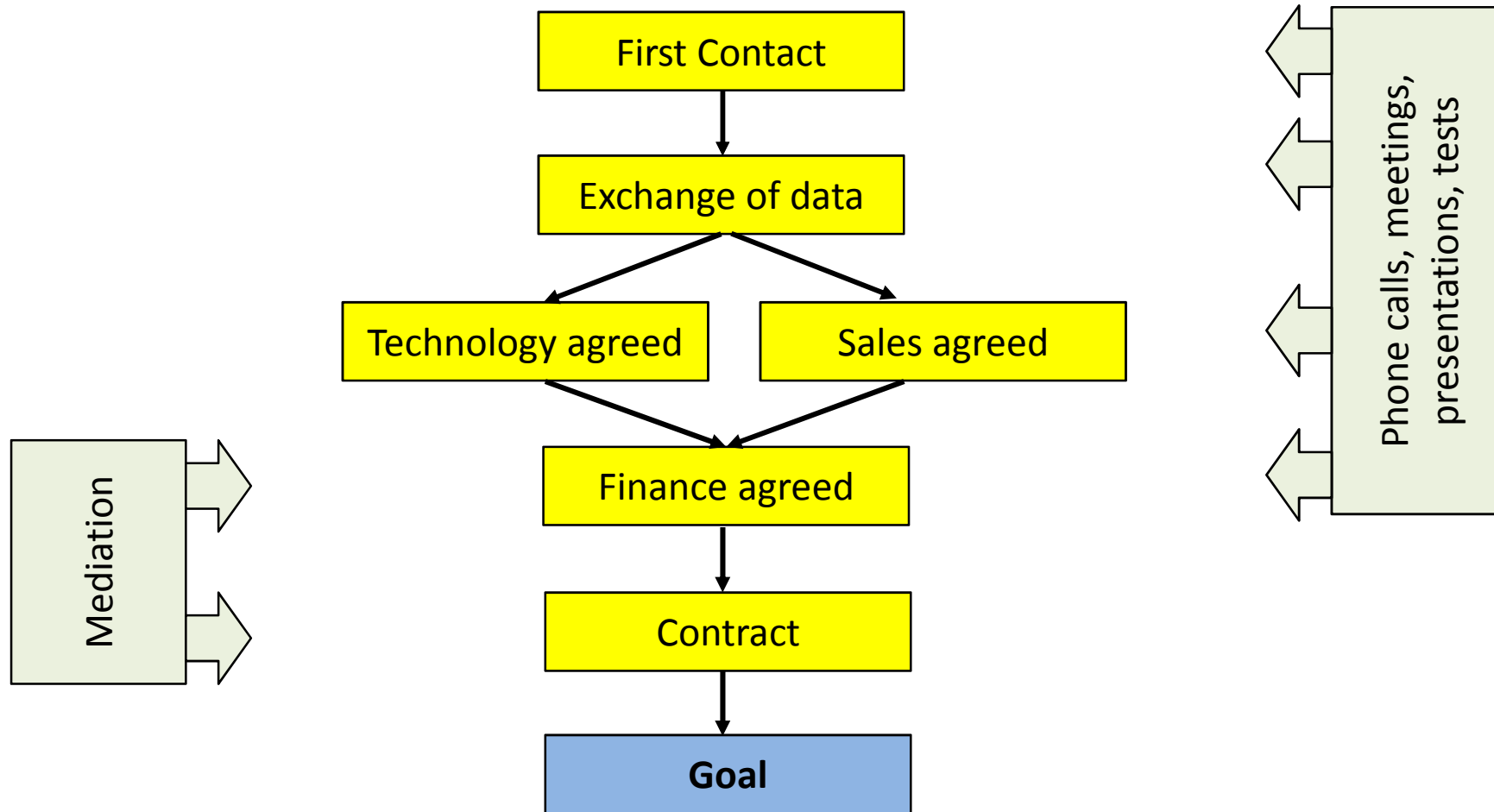
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IP-Selling - Process



Summary

- Start at an early stage with your process and be prepared.
- Watch your IP-expenses and your financial figures.
- IP-Selling is a possibility to gain money and to recover R&D expenses.
- Keep Focused on your target.
- Take external support.