

UNDERSTANDING THE DIFFERENT LICENCE TYPES

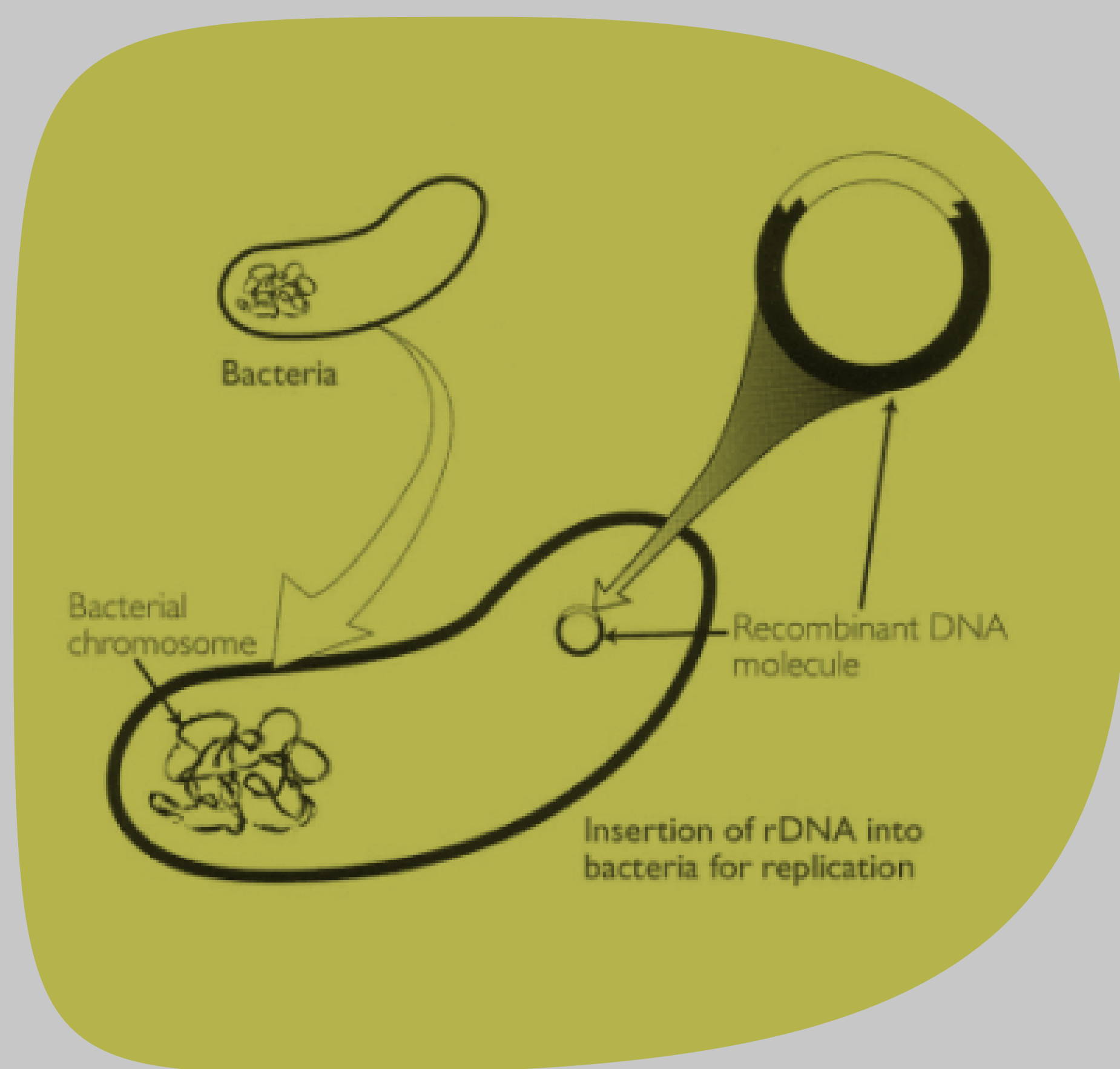
An IP licence is a contract between an IP owner (licensor) and another party (licensee), allowing the licensee to use the licensor's intangible assets for a price (usually a recurring payment known as royalty) under specific conditions.

Main IP Licence Types

NON-EXCLUSIVE LICENCE

The licensor transfers to **several licensees** the right to exploit the IP under specific conditions while **conserving** the right to exploit the licensed IP.

Cohen-Boyer's rDNA patent was licensed to **468** companies over 17 years and generated **\$254 million** in royalties.



EXCLUSIVE LICENCE

The licensor transfers to a **unique and exclusive licensee** the right to exploit the IP under specific conditions and **renounces** the right to exploit the licensed IP.

Football club Inter Milan has an **exclusive licensing deal** with videogame publisher Konami for its eFootball series. The team can't be featured in any other game for the duration of the contract.

SOLE LICENSE

The licensor transfers to a **unique and exclusive licensee** the right to exploit the IP under specific conditions while **conserving** the right to exploit the licensed IP.

NFL team Kansas City Chiefs has a **sole licence** deal with clothing brand Kansas City Apparels. Both can sell the team's swag and apparel.

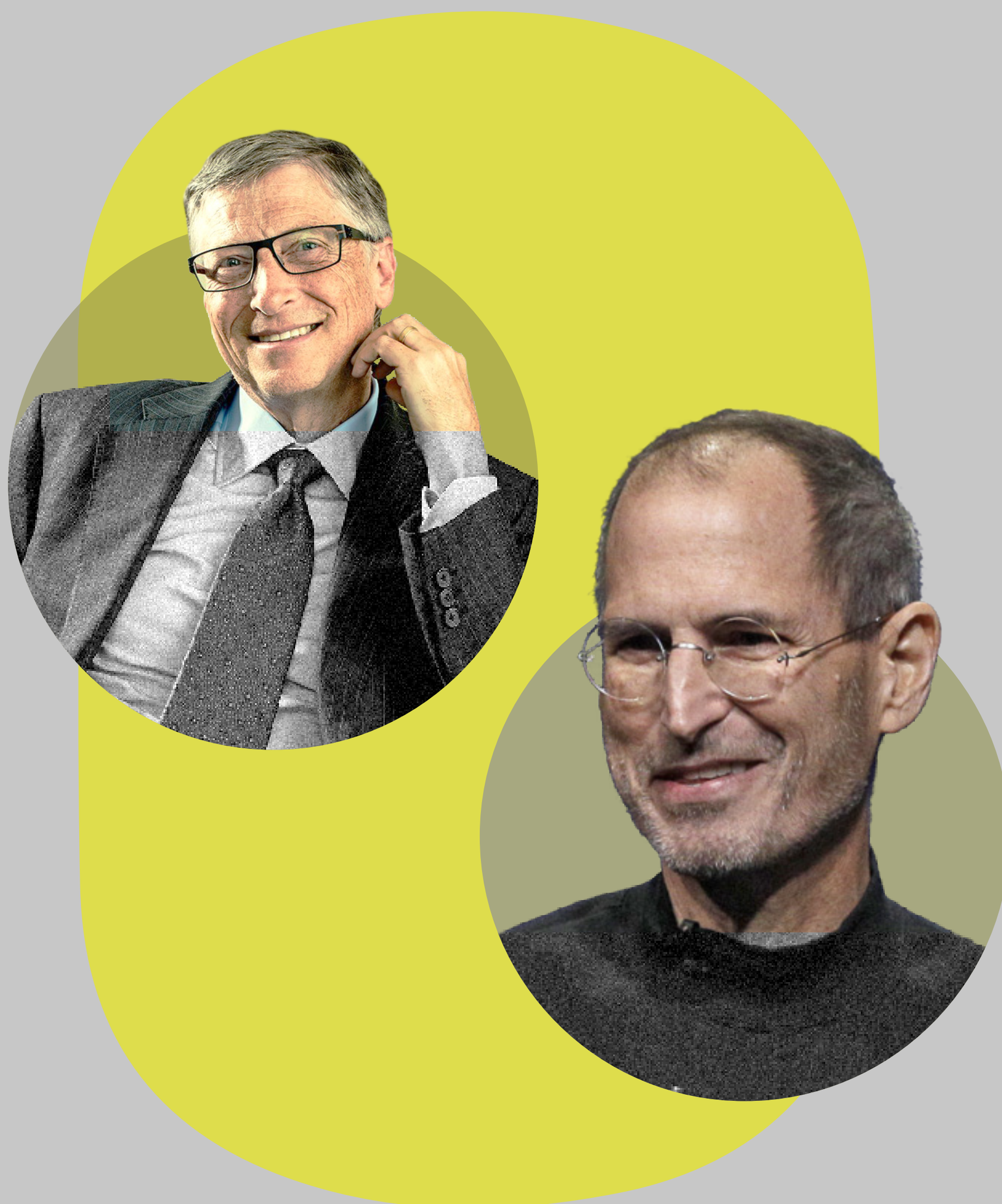


Other IP Licence Types

CROSS LICENSING

Each party grants the other the right to exploit their respective IP under specific conditions.

Apple and Microsoft have had cross-licensing agreements since the 1990s, covering **design patents, technical software features**, and more.



FRANCHISING

The franchisor allows the **replication of the business concept** in another location and provides continuous support and training to the franchisee. The business belongs to the franchisee who runs it for the franchisor against a standard fee. Typically applies to services and can include IP rights licenses like trademarks.

McDonald's, Subway, Ace, and many other corporations have massively successful franchises around the world.



TECHNOLOGY LICENSE

Any of the other types of licence as soon as technological know-how, patents, industrial designs, etc. are part of the agreement.

Microsoft Windows is one of the most famous and successful examples of technology (software) licensing.



Innovate with Confidence.
Protect your IP.

