

Managing Your Agreement: What to Do When Things Don't Go According To Plan!

Welcoming remarks will begin at
11:55 a.m. Eastern Time.

The formal presentation will begin at Noon Eastern

For audio, dial in by phone:

+1-866-365-4406

Access code 5627649

For a list of **international** toll-free numbers check your confirmation email for the direct link.

The following presentation reflects the personal views and thoughts of Ken Levin, Hassan Naqvi and Sharmila Shearing, and is not to be construed as representing in any way the corporate views or advice of the United States Department of Veterans Affairs, Vanderbilt University or NewSouth Innovations Pty Ltd, UNSW Australia and their Affiliates, Subsidiaries or Divisions, nor the views or advice of the Association of University Technology Managers (AUTM). The content is solely for purposes of discussion and illustration, and is not to be considered legal advice.



AUTM Professional Development Programs

www.autm.net/events

Managing Your Agreement: What to Do When Things Don't Go According To Plan!

Speakers:

Ken Levin, *US Department of Veterans Affairs*
Hassan Naqvi, *Vanderbilt University*
Sharmila Shearing, *NewSouth Innovations*

Sept 10, 2014



AUTM Professional Development Programs

www.autm.net/events

Thank you to our sponsor.





▶ AUTM Professional Development Programs

www.autm.net/events

Questions?

We look forward to answering your questions today.



▶ AUTM Professional Development Programs

www.autm.net/events

Operator Assistance

Audio difficulties: Dial 0 0

Other issues: +1-847-559-0846



▶ AUTM Professional Development Programs

www.autm.net/events

**Remember
to complete your survey
after the event.**

Thank You!



▶ AUTM Professional Development Programs

www.autm.net/events

www.autm.net





▶ AUTM Professional Development Programs

www.autm.net/events



Welcome AUTM Members

www.autm.net



▶ AUTM Professional Development Programs

www.autm.net/events

Discounted Pricing

- Professional development courses
- Annual Meeting
- Online courses
- Online job posting
- Membership mailing lists

• Access to AUTM Publications

- *AUTM Better World Report*
- AUTM Salary Survey
- AUTM Technology Transfer Practice Manual
- AUTM Licensing Activity Survey (currently for United States and Canada)
- AUTM Update

Member Benefits

Member Benefits

In-person and Online Networking

- Special Interest Groups (SIGS)
- Online Discussion Groups
- Volunteer committees
- Partnership Forum at Annual Meeting
- Meetings at national and regional levels

Additional Benefits

- Updates on legislative activity and how it affects you
- Meeting proceedings and presentations
- Member discount on the AUTM Licensing Activity Survey (currently for United States and Canada)
- Access to post data on the **Global Technology Portal**



Ken Levin, Ph.D.

*US Department of
Veterans Affairs*



Hassan Naqvi, Ph.D.

Vanderbilt University



Sharmila Shearing

NewSouth Innovations

Managing your Agreement

What to do when things don't go according to plan!

Title here

Learning objectives

- Greater awareness of post-deal contract management within an evolving scientific and commercial landscape
- Fresh perspective as a license negotiator that contracts should be considered 'living documents' that may need to evolve over time
- Increased knowledge of how to address lack of agreement compliance and facilitate effective agreement management

Overview

1. View the contract as a living document
2. What can go wrong, amiss or awry?
3. Monitoring your agreement - How will you know things are not going according to plan?
4. Managing terms to manage risk of non-compliance
5. Maintaining the business relationship

Part 1. View the contract as a living document

- **First and foremost a business agreement**
 - Describes the mutual expectations of two parties
 - What to do when the unexpected happens
- **What drives the business side of the license?**
 - For the licensee
 - For the licensor
- **What drives the strategic relationship?**
 - Revenue
 - Reputation
 - Next step in a research project
 - Long term collaboration

Part 1. View the contract as a living document

- Sets out agreed commercial terms and means of communication
 - Best guess at the start, but may not be best in the future.
- A legally binding document
 - Legal enforcement is the glue that holds the business terms together.
 - The contract memorializes the quid pro quo behind the business deal.
- Rarely a static or fixed arrangement
 - Nothing goes as planned. Recognize it. Allow for it.
- It can be amended
 - Inherent in a legal contract
 - You can always amend the contract, formally (best) or informally.

19

Part 2. What can go wrong, amiss or awry?

License is a snapshot of the hopes and expectations of both parties

- Product development failure
- Change of strategy by the licensee
- Not making financial payments, by choice or necessity
- Failure to understand or implement the contract on the part of a licensee
- Patent prosecution matters
- Changes in licensee status
- Action or failure to act by the TTO impacting on licensed rights
- Monitoring or engaging/communication between parties to ascertain how your asset is being dealt with
- Traditionally case manager – others have a dedicated compliance function

20

Part 3. Monitoring your agreement - How will you know things are not going according to plan?

Management of communication with the licensee

- The signed agreement is the beginning of the real work.
- The success of the deal is dependant on monitoring and managing the signed agreement after the 'ribbon cutting'.
- Communication with the licensee will be determined by formal contractual terms and informal TTO practices.
- A dedicated compliance program fosters certainty and consistency in dealings with licensees.

21

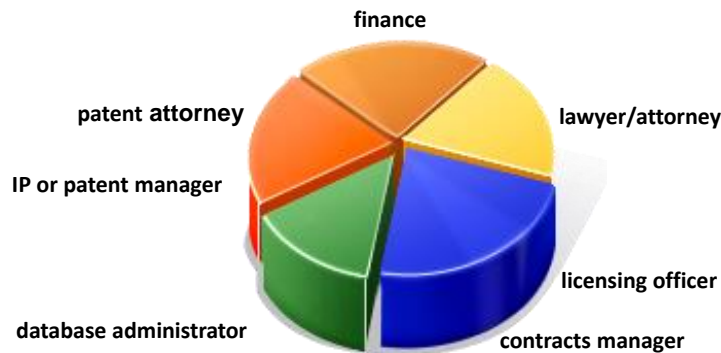
Part 3. Monitoring your agreement

A compliance program or system

- Value of a technology transfer software solution
- Content of a compliance program - review and record the contract terms
- Useful tools – Automated reminders, make use of existing office infrastructure, SOPs, guidelines, checklists, templates, Google Alerts

22

Part 3. Monitoring your agreement - Who is responsible for managing the agreement post-deal?



3. Monitoring your agreement

Summary - Managing contractual obligations

- Need for ongoing communication with the licensee
- Contract terms determine compliance requirements
- Maintain the relationship through formal and informal contact

4. Managing terms to manage risk of non-compliance

- Periodic reporting
- Financials
- Audit rights – Financial and Performance
- Termination – automatic and elective

25

Part 4. Examples of applying terms – termination provision

- When do you terminate?
- Using termination tools to facilitate discussion around continuing agreement
- Hostile termination is not advisable
- Bankruptcy of licensee

26

Part 4. Managing terms to manage compliance risk

- Assignment
- Amending the license
- Flexible terms

Part 5. Maintaining the business relationship

- Dealing with change from a strategic perspective
- Handling contractual terms that are not working
- If there is a breach negotiate first
- Protecting the strategic interests and objectives of the TTO/University
- Achieving a win-win outcome

Thank you!

Ken Levin

Hassan Naqvi

Sharmila Shearing

Questions? Comments?



Please type your question into the chat box on the lower left hand side of your screen.



▶ AUTM Professional Development Programs

www.autm.net/events

**Thank you for your
participation.**

Remember to complete
our online survey.



▶ AUTM Professional Development Programs

www.autm.net/events

**Thank you to our
sponsor.**



Webinar Recordings

Creating Value

Telling Our Story: Better World Project and Advocacy Videos

Federal Award Terms

Policymakers and Technology Transfer

Life Science Licenses: The Good, the Bad, and the Ugly

Clean up on Aisle 3!

Demystifying Government Use Rights

Royalty Monetization – Primer, Current Trends, and Best Practices

Royalties and Relationships – Keeping Current, Complete and Congenial

Taming the MTA Beast: Tips for Successfully Negotiating

Post-grant Proceedings under the AIA- How Do They Affect My University?

(More Added Monthly)

www.autm.net/onlinelearning

Register now for AUTM's next webinar

- **Innovation Funds**
- September 24

Watch the AUTM Website for upcoming webinars

- **Export Controls, MTA's, CDA's and LA's**
- October 1
- **To Tweet or Not to Tweet**
- October 9
- **Stakeholders I.D & Management**
- November 12
- **Basic Patenting 101**
- November 18

Many more to come!



Network with AUTM Online



http://twitter.com/AUTM_Network



Type "Association of University
Technology Managers" into the search
box on Facebook and click "like"



Search groups for AUTM at
www.linkedin.com



AUTM Professional Development Programs

www.autm.net/events

AUTM Region Meetings



AUTM Eastern Region Meeting

Sept. 18 – 19, 2014

Baltimore Marriott Inner Harbor
Baltimore, MD USA

AUTM Western Region Meeting

Date: Oct. 2 – 3, 2014

Seattle Marriott Waterfront
Seattle, WA USA



AUTM Professional Development Programs

www.autm.net/events

AUTM Courses

AUTM Essentials / TOOLS Courses

Oct. 13 – 15
Westin Denver Downtown
Denver, CO USA

Register Today!



AUTM Successful Practices in Small Technology Transfer Offices

Oct. 13 – 14
Westin Denver Downtown
Denver, CO USA



Save the Date!



AUTM Professional Development Programs

www.autm.net/events

AUTM Courses



AUTM Partnering Forum (Neuro/Ortho Medical Device Technology)

Sept. 23 – 24
Hosted by Wake Forest Innovations
Winston-Salem, NC USA

AUTM Business Development Course

Nov. 12 – 13
The Westin O'Hare
Rosemont, IL USA



Save the Date!



AUTM Professional Development Programs

www.autm.net/events

AUTM Annual Meeting



AUTM 2015 Annual Meeting

Feb. 22 – 25

New Orleans, LA USA



Save the Date!

