COMMERCIALISATION OPPORTUNITIES

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YOUR FUTURE: COMMERCIAL SUCCESS

Where you are

Nature of know-how and information:

- can be **reproduced** (technically) by everyone, usually at moderate costs
- **not possible (technically) to exclude** others from using the knowledge and know-how once it is made available

Where you want to be

USE INTELLECTUAL PROPERTY RIGHTS AS PART OF YOUR BUSINESS STRATEGY

Used by the IPR owner: For own products and services

Used by the someone else who is entitled

- Transfer
- Licence

LICENCES

Licensor/IPR owner

Permission to use the intellectual asset

Compensating measures, e.g. royalties

Licensee, e.g. other company

- Licence agreement: specifies the terms under which the licensee can use the licensor's intellectual asset, e.g. a technology protected by a patent
- Licensor remains the owner of the intellectual asset

See also: B. Heiden & T. Bereuter, Licensing-Based Business Models, 2022; J. Cosmopoulos et al., Empowering the Licensing Capabilities of EIC-Funded Startup Companies, 2024;

MAIN COMMERCIALISATION ROUTES: PROS AND CONS

	Sell/offer your products and services	License the technology	Create a spin-off	Transfer IP rights ('sell technology')
Advantages	+ potential for high and long-term economic return + control over pace of innovation, quality and customer experience + customer loyality + branding	+ monetarisation of intellectual property without substantial own investments and risks associated with the production and selling/offering of products and services	+ flexibility (focused R&D development and market entry) + tailored team (technical and business experts) + facilitates access to investment (due to clear business focus)	+ fast way to create income in case the IP owner has no means or interest in exploiting the technology + access to resources for other activities, such as R&D or other investments
Disadvantages	- significant investments necessary (production, marketing, distribution, support services) - market risks (competition, liability, dynamic market environment) - resource-intensive - difficult to scale rapidly without contributions by others	- waiving control over commercialisation of technology - poor performance of the licensee(s) may result in below-average yields of technology	- need for management expertise, investment and business development competence - difficult to become successful on competive markets, without good networks and reputation (branding) - governance problems may occur in case parent entity retains control, e.g. of IP rights	- permanent loss of rights on the technology - cut off from future revenue potential of the technology - diligent process for technology transfer may tie up a lot of resources