

AUTM Royalty and Deals Database

Preview

AUTM has created the Royalty and Deals Database, a powerful comprehensive database of transactional terms and conditions that only AUTM could amass. This database is comprised of a full record of de-identified licensing agreements that subscribers can use as comparables in negotiations, can rely on for pricing or deal structure alternatives, and can confirm fair market value for their transactions. This new database provides substantial advantages in term of information relating to transactional structures, terms, scope, and other relevant details that are more useful and more specific than any other source that's out there.

The purpose of this initiative is to:

- inform the market of comparable transactions
- allow not-for-profit licensors and licensees to confirm Fair Market Value for their transactions
- aid small entities that may not have access to comparables or may not have a high volume of transactions with which to aid in valuation of intellectual property
- increase the speed of academic/industry transactions

In addition to providing value to technology transfer professionals, the AUTM Royalty and Deals Database may also prove useful to offices of general counsel or other university administrators who are concerned with fair market value and anti-kickback regulations. The ability to compare deal terms to fair market value should provide some assurance that deals do not include additional considerations in return for hidden preferences.

Login Information

Go to <https://autm.client.peerfocus.com> and set your password. This is a simple and fast process. However, the email you will be sent immediately as one step in the process might end up in your spam or junk folder. If you do not get the email with a password setting link in a minute in your inbox, check your spam and junk folders. If you still don't see it, email help@peerfocus.com and we will assign a temp password for you.

After you have set your password you can log in. You will need to accept the **End User License Agreement** in order to proceed to the home page (this is just a one time step). On the home page click the link to the Royalty & Deals Database. At the top of the data entry form you need to click the box indicating your institution is going to complete the "survey." That will open it for data entry.

To add an agreement, simply assign it a name that let's you identify it. Once you save the name, the sections where you enter the agreement data will appear.

Please be aware that other AUTM members at your institution may have access to this database too and care should be taken to avoid entering duplicate deals.

The following images contain an **example** of a hypothetical agreement being entered into the AUTM Deals and Royalty Database. This example is for **demonstration purposes only**, to show the types of questions asked by the database, and is not to be construed as actual data from a real agreement. Nor is this example intended to provide any guidance as to what terms should be offered for any particular technology. These sample images do not contain all questions or demonstrate all potential options for responses.

Ongoing Royalty & Deals Database

Agreement: Test

A. General Characteristics

Name of Agreement - The name you give this agreement will never be made public or released to other users. The name is only for your internal tracking purposes. However, as a best practice, we advise you to use an agreement name that does not reveal or suggest the actual parties to the agreement.

Your Name - The name of the person entering the agreement data will never be made public or released to other users. The name will only be used for your internal tracking purposes, for instance to allow a technology transfer office to track which of their own staff members have submitted agreements to the database.

1.a. Name of agreement	Unique Internal Identifier
1.b Your name	

2. Year of Execution (YYYY)	2013
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	Term	If "Defined number of years," what was the term in years?	Was the term renewable?
3. Agreement term	<input type="radio"/> Expiration of intellectual property rights <input checked="" type="radio"/> Defined number of years <input type="radio"/> Indefinite <input type="radio"/> Other	10	<input type="radio"/> No <input type="radio"/> Yes

4. Was a startup formed under the licensing agreement?	<input type="radio"/> No <input type="radio"/> Yes	Did any of licensing institution faculty maintain involvement as Directors or Executives or hold separate equity stake in startup?
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5. How large was the licensee company at time of license execution?	<input type="radio"/> 500 Employees or less <input checked="" type="radio"/> More than 500 employees
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	Ownership	Located in the US?
6. Licensee characteristics at time of license execution	<input checked="" type="radio"/> Private <input type="radio"/> Public	<input type="radio"/> No <input checked="" type="radio"/> Yes

7. Who owns the licensed technology?	<input type="radio"/> Institution alone <input checked="" type="radio"/> Institution and licensee <input type="radio"/> Institution and third party <input type="radio"/> Multiple Parties
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	Check All That Apply
8. What source(s) of funding were used to develop the technology?	
-- Federal	<input checked="" type="checkbox"/>
-- State	<input type="checkbox"/>
-- Foundation	<input type="checkbox"/>
-- Industry	<input checked="" type="checkbox"/>
-- Internal	<input checked="" type="checkbox"/>
-- None	<input type="checkbox"/>

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The first section of the database questionnaire is intended to capture basic information about the agreement – information that might be found in the header of the agreement or is otherwise factual information about the licensee and licensed technology.

Questions 1.a and 1.b are for your internal use to track which agreements have been entered, and by whom, and answers to these questions are never revealed by any query of the database.

Ongoing Royalty & Deals Database

Agreement: Unique Internal Identifier

B. Licensing Rights

Please select all Intellectual Property Rights that were included in the agreement and complete all information for each selected IP Right. If the agreement covered multiple Applications and/or Application Categories, please use the primary Application and/or Application Category for the purposes of this section.

1. Patent Rights

Application Category	A. Human Health Care
Application	Therapeutic/Drug: Small molecule
Development Stage	Preclinical - animal data available

2. Tangible Materials

Application Category	Preclinical - animal data available Not Applicable Preclinical - no lead candidate Preclinical - lead candidate identified Preclinical - animal data available IND/IDE filed Clinical - Phase I submitted Clinical - Phase II submitted Clinical - Phase III submitted Clinical - NDA/PMA submitted
Application	Approved

3. Plant Variety Protection

Application Category	Not Applicable
Application	Not Applicable
Development Stage	Not Applicable

4. Know-How / Data

Application Category	Not Applicable
Application	Not Applicable

Section B of the Questionnaire is where you identify what type of rights have been included in the agreement. You may choose all that apply from Patent Rights, Tangible Materials, PVP, Know-how, Trademarks, and Software and Non-Software Copyrights. Each type of rights has an Application Category which can be chosen from:

1. Human Health Care
2. Veterinary
3. Engineering & Physical Sciences
4. Agriculture
5. Research Reagents/Tools
6. Energy & Environment
7. Consumer Products
8. Education

This can be further refined by describing the type of Application, which detail the various sub-categories of each Application Category. In addition, stage of development of the technology can be included, if applicable.

Ongoing Royalty & Deals Database

Agreement: Unique Internal Identifier

C. Grant-Related Elements

1. Was the agreement exclusive?	<input checked="" type="radio"/> Exclusive <input type="radio"/> Non-exclusive <input type="radio"/> Mixed (some grants exclusive, others not) <input type="radio"/> Co-exclusive or Semi-exclusive
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2. Was the grant of rights limited to certain fields of use?	<input type="radio"/> No <input checked="" type="radio"/> Yes
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3. Were there any territorial restrictions?	<input type="radio"/> No <input checked="" type="radio"/> Yes
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	Check All That Apply
If there were territorial restrictions, please indicate the continent(s) in which rights ARE granted.	
-- Africa	<input type="checkbox"/>
-- Asia	<input type="checkbox"/>
-- Australia/New Zealand	<input type="checkbox"/>
-- Europe	<input type="checkbox"/>
-- North America	<input checked="" type="checkbox"/>
-- Central/South America	<input type="checkbox"/>

		Were rights automatically included in the license or does licensee include an option to negotiate for such future rights?	Was additional consideration provided by licensee for future rights?
4. Were future rights included?	<input type="radio"/> No <input checked="" type="radio"/> Yes	<input type="radio"/> Rights automatically included in existing license <input checked="" type="radio"/> License includes option to negotiate future rights	<input checked="" type="radio"/> No <input type="radio"/> Yes

If "No" above in Question 4, skip ahead to Question 6 below.

	Check All That Apply
5. If future rights were included in the license, were any of the following limits on technology included in the future rights?	
-- Improvements dominated by existing rights granted under terms of the license agreement	<input checked="" type="checkbox"/>
-- Improvements made by any of the same inventors	<input checked="" type="checkbox"/>
-- Improvements in the same field of use granted under terms of the license agreement	<input type="checkbox"/>
-- Improvements developed within scope of work under a Sponsored Research Agreement, Collaboration Agreement, CRADA or the like	<input checked="" type="checkbox"/>
-- Other limitations	<input type="checkbox"/>
-- No limitations	<input type="checkbox"/>

		If Yes, did Licensor receive copy of Sublicense?
6. Was right to sub-license included in the grant?	<input type="radio"/> No <input checked="" type="radio"/> Yes	<input type="radio"/> No <input checked="" type="radio"/> Yes

If "No" above in Question 6, skip ahead to Question 8 below.

	Audit Sublicensee?	Approve Sublicenses?
7. Does licensor have right to...	<input type="radio"/> Yes, can audit Sublicensee directly <input checked="" type="radio"/> Yes, can require Licensee to audit Sublicensee <input type="radio"/> No right to audit	<input type="radio"/> No <input checked="" type="radio"/> Yes

-- What happens to Sublicenses if License is terminated?	<input type="radio"/> Automatic Termination <input type="radio"/> Licensor takes over Sublicenses with revisions <input type="radio"/> Licensor takes over Sublicenses without revisions <input type="radio"/> Licensor takes over sublicense without revisions, subject to execution of a standard Consent to Substitution agreement <input checked="" type="radio"/> Sublicensee receives right to negotiate with Licensor
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Section C of the Database explores the grant-related elements of your agreement, to determine the level of exclusivity and overall scope of the rights granted.

Ongoing Royalty & Deals Database

Agreement: Unique Internal Identifier

D. Financial Considerations

1. Were there any upfront cash payments required under the License(s)?	<input type="radio"/> No <input checked="" type="radio"/> Yes
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If "No" above in Question 1, skip to Question 4.

If there were upfront payments...

	Please report in US Dollars \$
2. What was the total amount of cash received upon execution (including payments due upon execution and payable within 90 days of the Effective Date)?	1,000,000
3. What was the total amount of cash received in installments (including payments due upon execution and payable greater than 90 days after the Effective Date)?	

4. Was there any Equity (including warrants, options, etc.) received as consideration under the License(s)?	<input checked="" type="radio"/> No <input type="radio"/> Yes
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If "No" to Question 4 above, skip to Question 10 below.

If equity was part of the consideration...

	Amount
5. What percentage of the company did this equity stake represent? Amount in %	
6. Was there anti-dilution protection?	<input type="radio"/> No <input type="radio"/> Yes
7. Were there buyback provisions?	<input type="radio"/> No <input type="radio"/> Yes
8. Were there pre-emptive rights?	<input type="radio"/> No <input type="radio"/> Yes
9. Was an exit fee specified? If Yes, how much? Amount in \$	<input type="radio"/> No <input type="radio"/> Yes

10. Did the license include language specifying any future research funding for your institution from the Licensee for further development of Licensed Products?	<input checked="" type="radio"/> No <input type="radio"/> Yes
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	Aggregate Amt. of All Cash Payments	Aggregate Amt. of Equity (incl. shadow equity as % of Total Equity)
11. Did your license include any Performance Milestone Payments (payments from the Licensee that are contingent upon some technical or market milestone being achieved)?	<input type="radio"/> No <input checked="" type="radio"/> Yes 75,000,000	

	If % of Net Sales, what kind of rate?	If Single, what was the percentage?
12. Did the license include a running royalty component? (Licensee makes payments to Licensor directly based on sales of products covered by the License.)	<input checked="" type="radio"/> Yes, percent of net sales <input type="radio"/> Yes, Other <input type="radio"/> No	<input type="radio"/> Single rate <input checked="" type="radio"/> Tiered rates

If "No" to Question 12 above, skip to Question 16 below.

If Tiered Rates, complete the following table...

Please enter the royalty rates applicable to each tier, along with the tier criteria and limits on the range of the tier. For dollar value tiers, please enter the upper and lower dollar amount limits for such tier, entering only a lower limit amount for the top tier. For "Field of Use" or "Products or services" tiers, please enter a brief text description in the lower limit field.

	Running Royalty Rate Percent of Net Sales	Criteria for All Tiers	Lower Limit	Upper Limit
Tier 1	3.0	Annual net sales	0	500000000
Tier 2	5.0		500000001	
Tier 3				
Tier 4				
Tier 5				

If Royalty Rates were set by other methods, complete the following table...

	Describe Method
Other method 1	
Other method 2	
Other method 3	

Section D takes an extensive look at the financial considerations captured by the deal.

Rather than reporting on only one or two terms, the AUTM database will provide the full set of terms to enable users to see the true value of the deal.

Not all deals have a single royalty rate, and the AUTM database allows you to see the rates at different tiers, and what criteria is used to create the different tiers.

The database also allows for royalties that are not based on a percentage of Net Sales, but are rather based on other units of measure.

13. Did your license allow for a reduction in your running royalty as a result of Licensee's royalty obligations to third parties?	<input type="radio"/> No <input checked="" type="radio"/> Yes
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14. Was there a floor below which running royalty rates will not fall?	<input type="radio"/> No <input checked="" type="radio"/> Yes	What was the maximum portion allowed to be deducted? <input type="radio"/> Up to 25% of base rate <input checked="" type="radio"/> 26 to 50% of base rate <input type="radio"/> Greater than 50% of base rate
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15. Was there a royalty reduction for combination products?	<input checked="" type="radio"/> No <input type="radio"/> Yes
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16. Did your license include an obligation for the Licensee to pay License Maintenance Fees?	<input type="radio"/> No <input checked="" type="radio"/> Yes	What was the max \$ amount charged in any one year for License Maintenance Fees? <input type="text" value="20,000"/>
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17. Did your license include an obligation for the licensee to pay Minimum Annual Royalties (MAR)?	<input type="radio"/> No <input checked="" type="radio"/> Yes
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If "No" in question 17 above, skip to Question 18 below.

If "Yes," please complete the following table.

	N Years After Effective Date	\$ Amount
Year 1 MAR	<input type="text" value="3"/>	<input type="text" value="50,000"/>
Year 2 MAR	<input type="text" value="4"/>	<input type="text" value="75,000"/>
Year 3 MAR	<input type="text" value="5"/>	<input type="text" value="100,000"/>
Year 4 MAR	<input type="text" value="6"/>	<input type="text" value="200,000"/>
Year 5 MAR	<input type="text" value="7"/>	<input type="text" value="200,000"/>

Typical deductions from royalties can also be captured, as well as maintenance fees and minimum annual royalties.

AUTM Royalty & Deals Database Preview

If your agreement did not include Sublicensing Rights, please skip to the bottom of page and hit Save. You are done with this section of the survey.

18. What consideration did you receive for Net Sales of Licensed Products when the sales are made by a Sublicensee?	<input checked="" type="radio"/> Pass through royalty (same royalty on Net Sales as Licensee) <input type="radio"/> Same percentage as non-royalty payments
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Details on Sublicensing terms are also captured by the database.

How did your license address non-royalty Sublicensee payments (payments made from Sublicensee to Licensee not related to sales of Licensed Products by Sublicensee, i.e. up-front fees or milestone payments contained in the Sublicensing agreement)?

19. Form of non-royalty sublicense payments	<input type="radio"/> Fixed % <input type="radio"/> Time varying <input checked="" type="radio"/> Event varying	If Fixed %, what is %?
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If you answered "Time varying" trigger points in Question 19 above, please complete the following Timed Trigger Points table as appropriate.

	Non-Royalty Sublicensing Percentage	N Years After Effective Date
Timed Trigger 1	<input type="text"/>	<input type="text"/>
Timed Trigger 2	<input type="text"/>	<input type="text"/>
Timed Trigger 3	<input type="text"/>	<input type="text"/>
Timed Trigger 4	<input type="text"/>	<input type="text"/>
Timed Trigger 5	<input type="text"/>	<input type="text"/>

If you answered "Event varying" trigger points in Question 19 above, please complete the following Event Trigger Points table as appropriate.

	Non-Royalty Sublicensing Percentage	Describe Event
Event Trigger 1	<input type="text" value="40.0"/>	Prior to filing of IND
Event Trigger 2	<input type="text" value="30.0"/>	After filing of IND but prior to initiation of Phase I clinical trials
Event Trigger 3	<input type="text" value="20.0"/>	After initiation of Phase I but prior to initiation of Phase II clinical trials
Event Trigger 4	<input type="text" value="15.0"/>	After initiation of Phase II but prior to initiation of Phase III
Event Trigger 5	<input type="text" value="10.0"/>	After initiation of Phase III

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E. Other Elements

1. Who controls patent prosecution? <i>(if Patent Rights selected)</i>	<input checked="" type="radio"/> Licensor <input type="radio"/> Licensee
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2. What portion of patent costs is licensee responsible for reimbursing?

	Check All That Apply
All past patenting costs	<input checked="" type="checkbox"/>
Partial past patenting costs	<input type="checkbox"/>
All future patenting costs	<input checked="" type="checkbox"/>
Partial future patenting costs	<input type="checkbox"/>
One-time fixed fee	<input type="checkbox"/>
No obligation to pay patenting costs	<input type="checkbox"/>

	No	Yes
3. Did the agreement include non-financial diligence milestones that represent important steps in the commercialization of the technology?	<input type="radio"/>	<input checked="" type="radio"/>
4. Did the agreement include mandatory sublicensing provisions?	<input checked="" type="radio"/>	<input type="radio"/>

	Check All That Apply
5. If your agreement included patent rights, please select the type or types of provisions that were included in the agreement that address the MedImmune ruling:	
-- Advance notice before taking action to challenge patent rights	<input checked="" type="checkbox"/>
-- Jurisdiction control	<input checked="" type="checkbox"/>
-- Coverage of legal fees for defense	<input checked="" type="checkbox"/>
-- Automatic conversion to non-exclusive license during challenge	<input checked="" type="checkbox"/>
-- Automatic termination	<input type="checkbox"/>
-- Automatic conversion to non-exclusive license upon successful defense of challenge	<input type="checkbox"/>
-- Increase in royalty rate during challenge	<input type="checkbox"/>
-- Increase in royalty rate upon successful defense of challenge?	<input checked="" type="checkbox"/>
-- Other	<input checked="" type="checkbox"/>

6. Did your agreement allow for any kind of arbitration?	<input type="radio"/> Yes, binding <input type="radio"/> Yes, non-binding <input checked="" type="radio"/> No
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7. What is the first step of dispute resolution as outlined by your agreement?	<input type="radio"/> Arbitration <input type="radio"/> Mediation <input checked="" type="radio"/> Court <input type="radio"/> Other
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As your agreement was written, was assignment of the license ever allowed for any reason? (Select "Yes" below if you have any provision included in your agreement that provided the licensee with a pathway to potentially assign the license, even if such a pathway required your approval or meeting with certain conditions before it was allowed.)

	Was approval from Licensor required?	Were conditions placed on the assignment?
8. Was assignment of the license allowed? <i>(If Yes, please answer questions to right)</i>	<input type="radio"/> No <input checked="" type="radio"/> Yes	<input type="radio"/> No <input checked="" type="radio"/> Yes

The final section of the database looks at other elements of the agreement that may affect value of the overall deal, such as payment of patenting costs, the existence of diligence provisions, handling of patent challenges, arbitration and dispute resolution.

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