****

9B17M012

note on international licensing

Professor Paul Beamish wrote this note solely to provide material for class discussion. The author does not intend to provide legal, tax, accounting, or other professional advice. Such advice should be obtained from a qualified professional.

*This publication may not be transmitted, photocopied, digitized or otherwise reproduced in any form or by any means without the permission of the copyright holder. Reproduction of this material is not covered under authorization by any reproduction rights organization. To order copies or request permission to reproduce materials, contact Ivey Publishing, Ivey Business School, Western University, London, Ontario, Canada, N6G 0N1; (t) 519.661.3208; (e)* [*cases@ivey.ca*](mailto:cases@ivey.ca)*;* [*www.iveycases.com*](http://www.iveycases.com)*.*

Copyright © 2017, Richard Ivey School of Business Foundation Version: 2017-01-17

Licensing is a contractual arrangement whereby the licensor (selling firm) allows its technology, patents, trademarks, designs, processes, know-how, intellectual property, or other proprietary advantages to be used for a fee by the licensee (buying firm). Licensing is a strategy for technology transfer. It is also an approach to internationalization that requires less time or depth of involvement in foreign markets, compared with export strategies, joint ventures, and foreign direct investment (FDI).

A closely related contractual arrangement to licensing is franchising. Franchising is an organizational form where the franchisor (parent company/owner) of a service, trademarked product, or brand name allows the franchisee to use the same in return for a lump sum payment and/or royalty, while conforming to required standards of quality, service, and so forth.

Most international licensing agreements are between firms from industrialized countries. As well, licensing occurs most frequently in technology-intensive industries. It is not surprising, then, that the overall use of licensing varies greatly from country to country. For example, of the top 50 global licensors, 41 are from the United States, one from Canada, six from Europe, and two from Japan. Over half of retail sales are made by the top 10 licensors.

A great deal of international licensing also occurs in industries that may not be technology-intensive. These industries range from food to sports teams to publishing. Annual retail sales of licensed merchandise exceeds $250 billion.[[1]](#footnote-1) The popular press is replete with announcements regarding international licensing (see Exhibit 1).

From a global perspective, nearly 800 franchisors have sold franchises abroad, accounting for tens of thousands of overseas locations. For example, three quarters of KFC’s more than 17,000 locations are outside the United States, and of these, the majority are via franchise.

Much of the licensing discussion that follows assumes a technology transfer. This would generally constitute a more complex form of licensing than that involving trademarks, for example.

The term “licensing” is also used internationally in reference to national governments, which provide licenses for foreign banks or insurance companies to operate in their market, for resource companies to undertake exploration, and so forth. This is a different form of permission than the focus here.

WHEN IS LICENSING EMPLOYED?

The strategic advantages to be gained by licensing depend on the technology, firm size, product maturity, and extent of the firm’s experience. A number of internal and external circumstances may lead a firm to employ a licensing strategy. From the perspective of the licensor these would variously include:

1. A firm wants to earn additional profits but lacks the capital, managerial resources, or knowledge of foreign markets required for exporting or FDI.
2. A desire to test and proactively develop a market that can later be exploited by direct investment.
3. The technology involved is not central to the licensor’s core business. Not surprisingly, single—or dominant—product firms are typically reluctant to license their core technology, whereas diversified firms are much more willing to license peripheral technologies.
4. Prospects of “technology feedback” are high (i.e., the licensor has been contractually ensured of access to new developments generated by the licensee and based on licensed knowledge).
5. The licensor wishes to exploit its technology in secondary markets that may be too small to justify larger investments; the required economies of scale may not be attainable.
6. Host-country governments restrict imports or FDI, or both; or the risk of nationalization or foreign control is too great.
7. The licensee is unlikely to become a future competitor.

The pace of technological change is so rapid that the licensor can remain technologically ahead of the licensee, who is a potential competitor. As well, if the technology may become obsolete quickly, there is pressure to exploit it fully while the opportunity exists. Similarly, if there is a desire to create an industry standard, there is pressure to quickly license technology out broadly.

From the perspective of the licensee, the main advantage of licensing is that the licensee’s existing products or technology can be acquired more cheaply, faster, and with less risk from third parties (licensors) than by internal research and development. Another advantage is that the licensee can gain product designs for a desired diversification, to complement other assets it possesses such as production or marketing capability.

RISKS ASSOCIATED WITH LICENSING

The most important risk associated with licensing (or franchising) is that the licensor risks the dissipation of its proprietary advantage, since the licensee acquires at least a portion of the advantage via licensing. Thus, any licensor should try to ensure that its licensee will not be a future competitor or act opportunistically. Not surprisingly, many license agreements are made between firms from different countries so as to reduce the likelihood of creating a competitor in the domestic market. Other approaches include limiting the licensee’s market and insisting on technology feedback or flowback clauses.

Licensed trademarks remain the licensor’s property in perpetuity, whereas licenses normally have a finite lifetime. A licensor may retain considerable bargaining power in proportion to the perishability of the licensed technology and the licensor’s ability to provide a supply of new technology in the future.

A second risk with licensing is that the licensor jeopardizes its worldwide reputation if the licensee cannot maintain the desired product standards and quality or if it engages in questionable practices. Because the licensor will typically become aware of licensee questionable practices only after the fact, this suggests the need to devote more time during the original negotiations to understanding the character of the licensee.

Another consideration with licensing is that profits to the licensor may not be maximized. This is because (a) their involvement in the licensed markets is indirect, (b) exchange rates change, (c) some countries limit the amount of outward payments for licenses, and so forth.

Some of the standard elements of a license agreement are more difficult than others for the licensor to enforce. These would include (a) guaranteeing flowback of actual improvements, (b) sublicensing, (c) diligence that the terms are being honored, and (d) quality control. As a result, sometimes licensing may not provide even the minimum expected benefits.

INTELLECTUAL PROPERTY RIGHTS

In many countries intellectual property legislation either does not exist or is not fully enforced. Not surprisingly, a major issue for many companies is infringement of their intellectual property rights. With billions of dollars at stake, this issue has also become a key element in national trade negotiations.

Some companies have deemed it necessary to enter into license agreements as a means of offsetting trademark piracy. The logic behind such “reluctant licensing” is that by licensing a local firm the local firm will, in turn, take the necessary steps to stop unlicensed domestic competitors from using the intellectual property.

There are numerous implications with such a scenario. For example, many organizations are feeling pressure to internationalize their operations sooner than they were expecting. As a consequence, they view licensing as a defensive solution, rather than an opportunity.

COSTS OF LICENSING

Licensing is sometimes incorrectly viewed as a one-time transaction involving little in the way of costs for the licensor. In reality, there are costs associated with (a) the protection of industrial property, (b) establishing the license agreement, and (c) maintaining the license agreement.

Protection costs are not solely the costs of registering one’s patents or trademark, but potentially entail defending one’s intellectual property in a court of law. Establishment costs would include expenses for searching for suitable licensees, communication, training, equipment testing, and so forth. Surprisingly, some companies with strong technologies do not even have a single full time employee responsible for technology licensing. Some products/technologies lend themselves to licensing, while others do not. The greater the cost and complexity of modifying the underlying intellectual property, the more difficult it is to effectively employ a licensing strategy.

Maintenance costs might include backup services for licensees, audit, ongoing market research, and so forth. These are nontrivial expenses. For example, Seattle-based consultants from Starbucks Coffee visit each foreign store (licensee) at least once a month. Monitoring costs will directly and significantly affect the willingness of companies to license or franchise internationally.

To all of these out-of-pocket expenses must be added opportunity costs. Opportunity costs are made up of the loss of current or prospective revenues from exports or other sources.

UNATTRACTIVE MARKETS FOR LICENSING

A number of conditions directly impact “real” licensing returns and make a particular country an unattractive market for licensing. The first of these conditions occurs where there is a regulatory scheme governing licensing. In some countries—such as France, Ireland, and Spain—licenses are not valid until government approval or registration is completed.

A second condition occurs when licenses granting exclusive rights to certain products or territories are not allowed. In some cases, governments may prohibit them because competition will be substantially lessened. Also, some countries place limits on the allowable duration of agreements.

Another condition occurs when there are foreign exchange controls or other restrictions on royalty payments (license fees). Frequently, a withholding tax on royalty payments to nonresident licensors may be applied. In Europe, the combined withholding tax and VAT (value-added tax) can range up to about 50 per cent.

Finally, some countries impose royalty and fee limits. Some use a 10 per cent limit, while others employ a more stringent three per cent limit. Any of these government-set rates can, and frequently do, change over time.

Overall, licensing tends to be more attractive when agreements formed in the country enjoy the benefit of freedom of contract. Here the parties may, for the most part, create their own legal framework by the manner in which the contract is written.

MAJOR ELEMENTS OF THE LICENSE AGREEMENT

The license agreement is the essential commercial contract between licensee and licensor, which specifies the rights to be granted, the consideration payable, and the duration of the terms. The licensed rights usually take the form of patents, registered trademarks, registered industrial designs, unpatented technology, trade secrets, know-how, or copyrights. The license agreement should make explicit reference to the product as well as to the underlying “intangible” or “intellectual” property rights.

Although no definitive standard form exists for license agreements, certain points are typically covered. In many cases, licensors will have developed standard forms for these contracts, based on their past experiences in licensing. Typically, a license agreement will include the following:

1. A clear and correct description of the parties to the agreement, identifying the corporate names of each party, its incorporating jurisdiction, and its principal place of business.
2. A preamble or recitals describing the parties, their reasons for entering into the arrangement, and their respective roles.
3. A list of defined terms for the purposes of the particular contract to simplify this complex document and to eliminate ambiguity or vagueness (e.g., definitions of the terms licensed, product, net profit, territory, and so forth).
4. A set of schedules, in an exhibit or appendix, where necessary, to segregate lengthy detailed descriptions of any kind.
5. The grant that is fundamental to the agreement and explicitly describes the nature of the rights being granted to the licensee. This grant may be based on promotion methods, trade secrets, list of customers, drawings and photographs, models, tools, and parts; or know-how. Know-how, in turn, may be based on invention records, laboratory records, research reports, development reports, engineering reports, pilot plant design, production plant design, production specifications, raw material specifications, quality controls, economic surveys, market surveys, etc.
6. A description of any geographical limitations to be imposed on the licensee’s manufacturing, selling, or sublicensing activities.
7. A description of any exclusive rights to manufacture and sell that may be granted.
8. A discussion of any rights to sublicense.
9. The terms relating to the duration of the agreement, including the initial term and any necessary provisions for the automatic extension or review of the agreement.
10. Provisions for the granting of rights to downstream refinements or improvements made by the licensor in the future.
11. Provisions for “technological flowback” agreements where some benefit of improvements made by the licensee reverts to the licensor. The rights to the future improvements by either the licensor or licensee are often used as leverage in negotiations.
12. Details regarding the royalties or periodic payments based on the use of licensed rights. The percentage rate of the royalty may be fixed or variable (based on time, production level, sales level, and so forth), but the “royalty base” for this rate must be explicitly defined. Some methods of calculating royalties include percentage of sales, royalties based on production, percentage of net profit, lump-sum payments, or payment-free licenses in cross-licensing arrangements. Aulakh et al. found that the “licensor’s monitoring of the licensee and interfirm interaction are significantly higher in a royalties-based agreement, and that licensor firms prefer lump-sum fee agreements when faced with uncertainties related to intellectual property protection and ability to repatriate earnings from foreign markets.” (p. 417)

There are no hard-and-fast rules for establishing royalty rates. One arbitrary rule (see Contractor in Supplementary Reading) is the “25 per cent rule of thumb,” which suggests that the licensor aim for a 25 per cent share of the licensee’s related profits and then convert this profit level to a certain royalty rate. Others suggest that licensors will often specify a minimum or target absolute compensation. This can be derived from technology transfer cost considerations or a judgment of how much it may cost the prospective licensee to acquire the technology by other means or from an “industry norm.” Royalty escalation clauses and the currency of payment should also be specified.

It is often quite difficult for the licensor to accurately estimate the market potential for its property. As a consequence, the licensee, with its greater knowledge of local conditions, is often in a stronger position when the royalty rate terms are being negotiated.

1. Specification of minimum performance requirements (e.g., minimum royalty payments, unit sales volumes, employment of personnel, minimum promotion expenditures, and so forth) to ensure the “best efforts” of the licensee so that the license potential is fully exploited. For example, most license agreements that confer exclusive selling rights in a given area to the licensee also require either a sizable down payment or a minimum annual royalty payment. Otherwise, the licensee may “sit on” the license and block the licensor from entering the market in question.
2. Other clauses common to most license agreements include those to protect the licensed rights against licensees and third parties and those regarding title retention by the licensor, confidentiality of know-how, quality control, most-favored-licensee status, the applicable language of the contract, and any provisions with respect to the assignability of rights by the licensee.

The above list of elements common to most license agreements is by no means exhaustive. For a more detailed checklist for license agreements, see Stitt and Baker in the Supplementary Reading. Any potential license agreement should be reviewed by company counsel. It must be noted that every license agreement is unique in some way so great care should be taken in its negotiation and formal documentation.

SUPPLEMENTARY READING

Licensing

Anand, Bharat N., and Tarun Khanna. “The Structure of Licensing Contracts.” *The Journal of Industrial Economics* 48, no. 1 (2000): 103-135.

Arora, Ashish, and Andrea Fosfuri. “Wholly Owned Subsidiary versus Technology Licensing in the Worldwide Chemical Industry.” *Journal of International Business Studies* 31, no. 4 (2000): 555-572.

Atuahene-Gima, Kwaku. “International Licensing Of Technology: An Empirical Study of the Differences between Licensee and Non-Licensee Firms.” *Journal of International Marketing* (1993): 71-87.

Aulakh, Preet S., Marshall S. Jiang, and Sali Li. “Licensee Technological Potential and Exclusive Rights in International Licensing.” *Journal of International Business Studies* 44, no. 7 (2013): 699-718.

Aulakh, Preet S., S. Tamer Cavusgil, and M. B. Sarkar. “Compensation in International Licensing Agreements.” *Journal of International Business Studies* 29, no. 2 (1998): 409-419.

Business International Corporation. *International Licensing Management*. New York: Business International Corporation, 1988.

Clegg, Jeremy. “The Determinants of Aggregate International Licensing Behaviour: Evidence from Five Countries.” *MIR: Management International Review* (1990): 231-251.

Contractor, Farok J. “A Generalized Theorem for Joint-Ventures and Licensing Negotiations.” *Journal of International Business Studies* 16, no. 2 (1985): 23-50.

De Werra, Jacques, ed. *Research handbook on intellectual property licensing*. Cheltenham, UK, Edward Elgar Publishing, 2013.

Ehrbar, Thomas J. *Business International’s Guide to International Licensing: Building a Licensing Strategy for 14 Key Markets Around the World*. New York: McGraw-Hill, 1993.

Hill, Charles WL. “Strategies for Exploiting Technological Innovations: When and When Not to License.” *Organization Science* 3, no. 3 (1992): 428-441.

Khan, Uzma, and Ravi Dhar. “Licensing Effect in Consumer Choice.” *Journal of Marketing Research* 43,

no. 2 (2006): 259-266.

Lichtenthaler, Ulrich. “The Drivers of Technology Licensing: An Industry Comparison.” *California Management Review* 49, no. 4 (2007): 67-89.

Mottner, Sandra, and James P. Johnson. “Motivations and Risks in International Licensing: A Review and Implications for Licensing to Transitional and Emerging Economies.” *Journal of World Business* 35, no. 2 (2000): 171-188.

Mulotte, Louis, Pierre Dussauge, and Will Mitchell. “Does Pre‐Entry Licensing Undermine the Performance of Subsequent Independent Activities? Evidence from the Global Aerospace Industry, 1944–2000.” *Strategic Management Journal* 34, no. 3 (2013): 358-372.

Papageorgiadis, Nikolaos, Constantinos Alexiou, and Joseph G. Nellis. “International Licensing

Revisited: The Role of Copyright and Trademark Enforcement Strength.” *European Journal of Innovation Management* 19, no. 2 (2016): 261-275.

Reza Saeedi, Mohammad, Hossein Dadfar, and Staffan Brege. “The Impact of Inward International Licensing on Absorptive Capacity of SMEs.” *International Journal of Quality and Service Sciences* 6, no. 2/3 (2014): 164-180.

Root, Franklin R. *Entry Strategies for International Markets*. Lexington, MA: Lexington Books, 1987.

Schuett, Florian. “Field-of-use Restrictions in Licensing Agreements.” *International Journal of Industrial*

*Organization* 30, no. 5 (2012): 403-416.

Sherman, Andrew J. ***Franchising & Licensing: Two Powerful Ways to Grow Your Business in Any***

***Economy.*** 4th ed. New York: American Management Association, 2011.

Simon, Danny, and Gregory J. Battersby. *Basics of Licensing*: International Edition. Kent Press, 2014.

Stitt, Hubert J., and Samuel R. Baker. *The Licensing and Joint Venture Guide*. 3rd ed. Toronto, Ontario: Ministry of Industry, Trade, and Technology, 1985.

Teece, D.J., P. Grindley, and E. Sherry. *Understanding the Licensing Option*. New York: Oxford University Press, 2000.

Werra, Jacques De., ed. *Research Handbook on Intellectual Property Licensing*. Cheltenham, UK:

Edward Elgar, 2013.

**Yang, Deli. *Understanding and Profiting from Intellectual Property: Strategies Across Borders.* 2nd ed.**

Basingstoke: Palgrave Macmillan, 2012.

Franchising

Alon, Ilan. *The Internationalization of U.S. Franchising Systems*. New York: Garland Publishing, 1999.

Alon, Ilan. *Franchising Globally: Innovation, Learning and Imitation.* Basingstoke:Palgrave Macmillan,

2010.

Alon, Ilan. *Global Franchising Operations Management: Cases in International and Emerging Markets*

*Operations*. Upper Saddle River, N.J.: FT Press/Pearson, 2012.

Fladmoe-Lindquist, Karin. “International Franchising: A Network Approach to FDI.” In *Globalization of Services*, edited by Yair Aharoni and Lilach Nachum, 197-216. New York: Routledge, 2000.

Hartenstein, Jim. “Common Errors in International Franchising.” ***Franchising World,* September 1, 2015.**

**Hero, Marco, ed. *International Franchising: A Practitioner’s Guide.*** London: Globe Law And

Business, 2010.

Hoy, Frank, and John Stanworth, eds. *Franchising: An International Perspective.* London:

Routledge, 2003.

Konigsberg, Alex S. *International Franchising*. 3rd ed. Huntington, NY: Juris Pub., 2008.

Merrilees, Bill. “International Franchising: Evolution of Theory and Practice.” *Journal of Marketing Channels* 21, no. 3 (2014): 133-142.

Paik, Yongsun, and David Y. Choi. “Control, Autonomy and Collaboration in the Fast Food Industry A Comparative Study between Domestic and International Franchising.” *International Small Business Journal* 25, no. 5 (2007): 539-562.

Shane, Scott A. “Why Franchise Companies Expand Overseas.” *Journal of Business Venturing* 11, no. 2 (1996): 73-88.

Exhibit 1: SAMPLE International Licensing Announcements

As of November 2016, more than 60,000 7-Eleven stores were either franchised or licensed in 18 countries.

In January 2014, Samsung Electronics and Google Inc. announced the signing of their global patent license agreement. The agreement covers existing patents and future patents over the next 10 years.

National Geographic in February 2013 signed a multi-year licensing agreement with IMG Licensing. Under the agreement IMG will represent the National Geographic brand and develop luggage and travel bags for the international market.

A $70 million licensing agreement was announced in September 2016 to bring cricket to the USA. The multiyear agreement is between United States of America Cricket Association and Global Sports Ventures, LLC to create a professional cricket league in the USA.

In August 2012, Janssen Biotech Inc. (part of the Johnson & Johnson group of companies) announced a global license and development agreement with Genmab A/S. Under the agreement, Janssen will receive an exclusive worldwide license to daratumumab, an anti-cancer compound.

AstraZeneca in July 2016 announced a global licensing agreement and an exclusive license agreement for Europe with LEO Pharma in the skin diseases.

Hasbro Inc. and PEZ International signed a global licensing agreement in October 2014. The agreement will enable a My Little Pony line of PEZ dispensers to be created.

An exclusive multi-year agreement was signed by Sony Music Entertainment and Enterprise of Recordings and Musical Editions (EGREM). Starting in September 2015, through this agreement, EGREM’s catalog of Cuban music will be distributed internationally.

Licensing Industry Merchandiser’s Association (LIMA) is the worldwide trade organization for the licensing industry. LIMA’s main objective is to work together with licensors and licensees for the advancement of professionalism in licensing through research, national and international seminars and trade events as well as publications. LIMA offers a coursework in Licensing Studies (CLS) program, an educational course specifically designed to prepare licensing professionals to succeed in the ever-changing licensing industry. (see [www.licensing.org](http://www.licensing.org)).

NBC signed a $7.65 billion deal in May of 2014 to continue broadcasting the Olympics through 2032. NBC also paid a signing bonus of $100 million to promote the Olympics movement.

Since 1970, FIFA (Fédération Internationale de Football Association) and adidas have had a long-term partnership granting adidas licensing and marketing rights for the FIFA World Cup. In November 2013, the agreement was extended until 2030.

In December of 2015, Ericsson and Apple settled their patent-infringement litigation and signed a global patent license agreement. The exact terms of the agreement are confidential; however, Apple will make payments to Ericsson including an upfront amount and on-going royalties.

Exhibit 1 (continued)

Perry Ellis International extended their licensing agreement with Callaway Golf in November of 2016. Across North America, South America, Europe, the Middle East and Africa, Perry Ellis International will oversee the line of men’s and women’s golf-lifestyle apparel, from design to distribution.

In January of 2016, Disney and Mattel renewed their agreement regarding Disney Pixar’s Cars. Disney and Mattel are respectively #1 and #27 on the list of The Top 150 Global Licensors for 2015.

Technicolor, formerly Thomson, the French TV and video equipment manufacturer, holds 40,000 patents which it licenses to other companies.

In February of 2016, Qualcomm Inc. and Lenovo announced a 3G and 4G patent license agreement for China. The agreement includes both Motorola and Lenovo devices.

Blackberry and Cisco in June of 2015 announced a long-term patent cross-licensing agreement. It will cover their products and technologies and Blackberry will receive a license fee from Cisco.

Throughout 2016, Microsoft announced a number of licensing agreements. Microsoft and Wistron renewed their Android patent licensing agreement. A worldwide patent cross-licensing agreement was signed with Rakuten Inc. Microsoft renewed their patent cross-licensing agreement with Funai Electric Co. for consumer audio-visual products. Lenovo and Microsoft strengthened their strategic relationship and included a patent cross-licensing agreement which covers Lenovo and Motorola devices.

Art licensing accounts for an estimated $3.9 billion in retail ($134 million in royalties) in 2012. Art licensing is a direct result of the need for manufacturers to provide product offerings to the growing needs of their discriminating consumers. Cause-related licensing, catalog, business premiums, consumer premiums, and Internet marketing are emerging niche channels for art licensed images.

In December 2016, Warner Bros Consumer Products which licenses the intellectual properties for Warner Bros. Entertainment had more than 3,700 active licenses worldwide. Warner Bros. Entertainment includes DC Comics, Harry Potter and many other icon brands.

McDonald’s announced in December 2016 that the majority of royalties from their licensing deals outside the United States would be received by a new holding company located in Britain.

Typical titles of individuals managing major licensing programs include: Executive Vice President, Global Licensing; Vice President, Consumer Products Licensing; Vice President, Global Licensing; Head of Global Licensing; Director, Licensing; Director, Global Licensed Products; Vice President, Licensing; and Director, Brand Licensing. Over half the individuals hold the position of vice president or higher.

In March 2016, Ferrari signed an agreement to license the design, construction and operation of a Ferrari theme park in China with Beijing Automotive Group Co., and BAIC Eternaland Property Co.

The Pokémon Company International of Japan is one of the most diverse entertainment franchises in the world with exclusive licensed items through retailers such as Toys ‘R’ Us and Target and a toy license with TOMY International.

CHECKLIST FOR LICENSE AGREEMENTS

**Parties**

Name of licensor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Principal office \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Incorporated in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Short title \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Name of licensee \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Principal office \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Incorporated in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Short title \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Recitals**

Licensor owns inventions \_\_\_\_\_ patents \_\_\_\_\_ patent applications \_\_\_\_\_

industrial designs \_\_\_\_\_ trademarks \_\_\_\_\_ know-how \_\_\_\_\_

Licensor represents that it has the right to grant a license relating to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Licensee represents \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Licensee desires license relating to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Definitions**

Define “the products” covered by a limited license. If certain types of inventions only are covered, define “the inventions”. Define “patents,” “trademarks,” “registered designs,” “copyrights,” “know-how,” “net sales,” “territory.” Adopt other defined terms as needed.

**Date of Agreement**

From date hereof \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ From some specific date \_\_\_\_\_\_\_\_\_\_\_\_\_

Effective date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ When approved by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Grant**

Patents \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Trademarks \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Registered designs \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Copyright \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Know-how \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Existing/future \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Improvements by licensor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In licensed inventions or know-how \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In same field or for similar applications \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

All rights to use know-how and practice inventions \_\_\_\_\_ and to make, use, and sell products \_\_\_\_\_

Exclusive\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Exclusive except as to licensor\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Exclusive for \_\_\_\_\_ years and nonexclusive thereafter

Nonexclusive \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Irrevocable \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

With right to grant sublicenses \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

To make (manufacture) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

To have made for own use \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Unlimited \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

To use \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ To sell \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ To lease \_\_\_\_\_ rent \_\_\_\_\_\_

CHECKLIST (continued)

**Nature of know-how**

Invention records Production plant design

Laboratory records Production specifications

Research reports Raw material specifications

Development reports Quality controls

Engineering reports Economic surveys

Pilot plant design Market surveys

Promotion methods

Trade secrets

List of customers

Drawings and photographs

Models, tools, and parts

Other (specify)

Know-how not confidential

Know-how confidential

Employees to be bound

Subcontractors and sublicensees to be bound

If patents held invalid:

Know-how payment stops

Know-how payment continues

**Territory**

All countries \_\_\_\_\_; all countries except \_\_\_\_\_ (specify)

**Restrictions**

Limited to specified field \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Limited to specified territory \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Subject to prior license \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Subject to licensor’s right to make \_\_\_\_\_ have made \_\_\_\_\_ use \_\_\_\_\_ sell \_\_\_\_\_

**Sublicenses**

To any other party \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

To nominees of licensor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

At specified consideration \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Limitations \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Consideration to be shared with licensor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Copies to be furnished to licensor \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Term**

For \_\_\_\_\_ years

Until (specify date) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Until some future event (specify) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For the life of any patent \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Until specified notice of termination \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Extension of term \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Automatic unless notice of termination \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Automatic if minimum performance achieved \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Automatic except for terms (e.g., royalty rate) to be negotiated or arbitrated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Good faith negotiations to extend \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CHECKLIST (continued)

**Consideration**

Lump-sum payment \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Single payment \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Installments \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Royalty, per cent of profits \_\_\_\_\_

gross sales

net sales, specific amount (specify) \_\_\_\_\_

per unit (specify) \_\_\_\_\_ other \_\_\_\_\_

Payment in dollars:

At then current rate of exchange

At rate of \_\_\_\_\_ dollars for \_\_\_\_\_ (foreign currency)

If exchange rate decreases or increases by five per cent, the payments shall decrease or increase by a like amount: Yes\_\_\_\_\_ No \_\_\_\_\_

Exchange rate shall be that published in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Payment in currency other than above \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Stock of licensee (specify)

Stock of existing company \_\_\_\_\_ new company \_\_\_\_\_

Value of the shares of stock shall be market value at date of agreement \_\_\_\_\_

shall be book value \_\_\_\_\_

Stock shall have full voting rights \_\_\_\_\_ non-voting \_\_\_\_\_

Stock shall have value not less than $ \_\_\_\_\_

Stock shall represent not less than \_\_\_\_\_ of the issued shares

Licensor shall have the option to acquire additional shares at market value \_\_\_\_\_

book value \_\_\_\_\_

Licensor shall have option to appoint directors:

with full voting rights \_\_\_\_\_

non-voting \_\_\_\_\_

**Minimum Royalty**

Amount per calendar year \_\_\_\_\_ per 12-month period \_\_\_\_\_

Payable in advance \_\_\_\_\_

Payable at end of calendar year \_\_\_\_\_ at end of 12-month period \_\_\_\_\_

Credited against earned royalties:

Yes \_\_\_\_\_ No \_\_\_\_\_

Inspection of Licensee’s Accounts

Not permitted

Permitted:

at any time during business hours at specified times

by licensor’s authorized representatives by accountants

**Acknowledgment of Licensor’s Title**

Not admitted \_\_\_\_\_

Admitted by licensee \_\_\_\_\_

If patents held invalid, then:

Licensee may terminate:

as to invalid claims \_\_\_\_\_ entire agreement \_\_\_\_\_

CHECKLIST (continued)

**Statements of Earned Royalty**

Quarterly, within \_\_\_\_\_ days of end of quarter

Annually, within \_\_\_\_\_ days of end of year

Other periods(specify) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In writing and certified before notary public

With names and addresses of sublicensees

With copies of sublicensees

Together with payment of royalty accrued

**Improvements by Licensee**

Not included

Included for products (specify)

Automatically owned by licensor

Licensed to licensor automatic

Licensor’s option-free royalty

For term of agreement \_\_\_\_\_ for specified term \_\_\_\_\_

First territory of license \_\_\_\_\_ for specified territory \_\_\_\_\_

**Diligence by Licensee**

No obligation

Licensee will use its best efforts

Licensee agrees to:

produce \_\_\_\_\_ or sell \_\_\_\_\_ specified units

produce \_\_\_\_\_ or sell \_\_\_\_\_ specified products

invest specified amount

satisfy demands of trade

refuse no reasonable request for sublicense

Penalty for lack of diligence:

License converted to non-exclusive

License may nominate licensees

Licensor may terminate upon \_\_\_\_\_ days’ notice in writing

**Infringement**

A. Licensed rights

Past infringement by licensee:

forgiven \_\_\_\_\_ not forgiven \_\_\_\_\_

forgiven for payment of \_\_\_\_\_

If infringed by others:

Who will notify

Who will file suit

Who is in charge of suit

Costs: borne by \_\_\_\_\_ divided \_\_\_\_\_

CHECKLIST (continued)

B. Rights of others

No indemnity by licensor

Licensor indemnifies licensee

Who will notify

Who will defend

Who will pay costs

Costs: borne by \_\_\_\_\_ divided \_\_\_\_\_

C. Damages

Retained by \_\_\_\_\_ divided \_\_\_\_\_

D. Right to settle suit:

by licensor \_\_\_\_\_ by licensee \_\_\_\_\_

by licensor only with consent of licensee \_\_\_\_\_

**Right of Inspection**

Licensee shall have the right to inspect licensor’s:

research laboratory \_\_\_\_\_ development laboratory \_\_\_\_ engineering laboratory \_\_\_\_\_

pilot plant \_\_\_\_\_ production plant \_\_\_\_\_ department relating to product \_\_\_\_\_

Number of visits permitted per year

Number of persons

Licensor shall have reciprocal rights of inspection \_\_\_\_\_ shall not have \_\_\_\_\_

**Technical Personnel**

Licensor shall provide technical personnel to deliver know-how:

At licensor’s expense \_\_\_\_\_ at licensee’s expense \_\_\_\_\_

Not more than \_\_\_\_\_ persons for not more than \_\_\_\_\_ days

At a fee which shall be the salary, plus \_\_\_\_\_ per cent

Travel expenses \_\_\_\_\_

Living expenses \_\_\_\_\_ borne by licensor \_\_\_\_\_ borne by licensee \_\_\_\_\_

Number and duration of stay of technical personnel determined by:

Licensor \_\_\_\_\_ licensee \_\_\_\_\_ mutually \_\_\_\_\_

**Confidentiality**

No obligation \_\_\_\_\_ licensee obligated \_\_\_\_\_ both parties obligated \_\_\_\_\_

Without limitations as to time \_\_\_\_\_ life of agreement \_\_\_\_\_ until published by owner \_\_\_\_\_

Obligations of confidentiality of employees \_\_\_\_\_ sublicensees

**Arbitration**

No right of arbitration

Parties will use their best efforts

Parties agree to arbitration by:

Specified body \_\_\_\_\_

Three persons, one selected by each party and a third by the selected persons \_\_\_\_\_\_

Appeal from arbitration decision:

Not permitted, decision final and binding

Permitted to (specific tribunal)

CHECKLIST (continued)

**Termination**

By licensor:

If certain person incapacitated (name)

If certain person terminated connection with licensee (name)

At specified time

Only upon breach after \_\_\_\_\_ days’ written notice

By licensee:

At any time upon \_\_\_\_\_ days’ written notice

On any anniversary date

At any specified time

Only upon payment of penalty of $ \_\_\_\_\_

Only upon breach after \_\_\_\_\_ days’ written notice

Upon termination, licensee assigns to licensor:

Trademarks \_\_\_\_\_ patents \_\_\_\_\_ sublicenses \_\_\_\_\_

As to any specified patent or applications

As to any specified country

Of exclusive license with right to continue as nonexclusive

Whenever any essential claim held invalid

Upon bankruptcy of either party

**Force Majeure**

Licensor has right

Licensee has right

Both parties have right

Nature of force majeure

Natural events: fire, floods, lightning, wind-storm, earthquake, subsidence of soil, etc.

Accidents: fire, explosion, failure of equipment, transportation accidents

Civil events: commotion, riot, war, strike, labor disturbances, labor shortages, raw material and equipment shortages.

Governmental: government controls, rationing, court order

Any cause beyond control of party

**Assignment of Agreement and License**

Not assignable by either party

Assignable by licensor, without consent of licensee \_\_\_\_\_ with consent \_\_\_\_\_

Upon merger

By either party:

To successor of entire business

To any company of which a majority of stock is owned

To any company of which a controlling interest is owned

Binding upon heirs, successors, and assigns

**Most Favored Licensee Clause**

Licensor required to notify licensee of similar license Notices and Addresses

Licensee has option to take term of similar license By registered air mail

License changed to terms of more favorable license Licensor’s legal address for notice

Licensee may terminate Licensee’s legal address for notice

Provision for deemed notice

CHECKLIST (continued)

**Integration**

This instrument is the entire agreement between parties

No modification effective unless written and signed by both

This agreement supercedes:

all prior agreements between the parties, the agreement dated

Language

The official language shall be English \_\_\_\_\_ other \_\_\_\_\_ (specify)

Copy in \_\_\_\_\_ language shall be official \_\_\_\_\_ unofficial \_\_\_\_\_

**Law Applicable**

To be construed according to the laws of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Signatures**

For individual: For corporations:

“Hand and seal” By officer

Title shown

Corporate seal

**Schedules**

Patent list (inventor, number, issue date, official title)

Patent applications (inventor, serial number, filing date, official title)

Industrial designs (registration number and date)

Copyrights (description, registration number, and date)

Trademarks (description, registration number, and date)

Descriptions or copies of official documents, such as sublicenses, assignment, prior license, etc.

Accounting procedures, if any, for determining sales, net sales, sale value of stock, or other property

**Trademark Supplement**

If the agreement is to include a trademark license, check the following items:

Licensed trademarks

Trademark application number and date

Trademark registration and date

Classes of goods (specify)

Goodwill of business (specify)

The Grant to Use

Exclusive \_\_\_\_\_ nontransferable \_\_\_\_\_

Country’s trademark registration number date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Term of license**

Consideration

Royalty: % of profits \_\_\_\_\_ of gross sales \_\_\_\_\_ of net sales \_\_\_\_\_

Single sum of $ \_\_\_\_\_ Annual minimum $ \_\_\_\_\_

Included in know-how fee \_\_\_\_\_ not included \_\_\_\_\_

Stock of licensee (name company) at market value \_\_\_\_\_ “book value”

CHECKLIST (continued)

**Product Quality Control**

Mark to be used only on goods (specify)

Made under written specifications:

attached to be supplied by licensor \_\_\_\_\_

No other trademarks to be used on same goods

Samples to be furnished upon request:

quarterly \_\_\_\_\_ annually \_\_\_\_\_

Inspection of product manufactured by licensor permitted:

when requested \_\_\_\_\_ quarterly \_\_\_\_\_ annually \_\_\_\_\_

Liability for misuse:

Licensor liable \_\_\_\_\_ licensee liable \_\_\_\_\_

**Trademark Use Control**

Licensor has right to approve, in advance, use of mark in:

Advertising \_\_\_\_\_ Labels \_\_\_\_\_ Containers \_\_\_\_\_ Registration notice \_\_\_\_\_

Exhibits \_\_\_\_\_ Speeches \_\_\_\_\_ Publicity \_\_\_\_\_ Corporate signature \_\_\_\_\_

Registration in Trademarks Office

Entire agreement

Separate Registered User Agreement

Source: This checklist is reproduced with the permission of the Ontario Government, Ministry of Industry, Trade and Technology, and is from The Licensing and Joint Venture Guide.

1. All currency in US$ unless specified otherwise. [↑](#footnote-ref-1)