Numenta License Guide

Date: June 12, 2017

Overview

Numenta is a leading developer of machine intelligence technology called Hierarchical Temporal Memory (HTM). Our technology is provided both through an open source community (www.numenta.org) as well as through a commercial Intellectual Property (IP) licensing program. This document describes the current licensing program and will be updated as the program evolves.

Business Model

Numenta is a team of scientists and engineers focused on brain theory. We test and release algorithms based on our research. Although we have created example applications, we do not create go-to-market solutions for specific problem domains. Instead we license our IP and reference code to developers, whether they are individuals, research organizations or companies that aim to create products based on our research and technology.

Types of Licenses

We have three different license types, as detailed in this section.

1.   Open source license: AGPLv3
2.   Trial license: non-open source license for experimentation – no commercial rights
3.   Commercial IP license: fee-based license for our patents – includes reference source code

Open Source License – AGPLv3

Developers are encouraged to use our technology within the open source project called NuPIC (Numenta Platform for Intelligent Computing) using the AGPLv3 open source license (www.numenta.org). The AGPLv3 allows broad rights to use the technology with the requirement that any distribution or use as a service requires the developer to release code under the same license. This structure allows developers to explore our technology without any additional legal or license work, and thus to determine a fit with their problem domain.   The developer then has the option to stay within the open source structure or to apply for a commercial license. Open source developers may apply for a commercial license at any point in time.

Trial License (non-commercial)

For those companies who are interested in exploring the use of our HTM technology, but have internal prohibitions against using AGPL code, we have created a Trial License. The Trial License allows experimentation outside of the open source license, but does not confer any commercial rights. The text of the Trial License can be found here: https://numenta.org/licenses/trial/.

Commercial Intellectual Property License

HTM is a theoretical framework for both biological and machine intelligence; the NuPIC open source project is one implementation of HTM. Numenta's IP license, which includes a commercial license to the reference source code in NuPIC, is appropriate for anyone who wants to distribute or to use HTM technology in any form, but does not want to stay within the AGPLv3 structure.   Inquiries for IP licenses may be sent to licenses@numenta.com.

There are a couple important terms to understand about our commercial license.

1. Exclusivity – because of the breadth of potential applications of HTM, we generally do not offer exclusive licenses.
2. Support – we offer orientation and educational materials through our open source project. However, because we are not offering fully formed products, but rather IP for machine intelligence technologies, we do not provide software support. We also cannot guarantee when or what will be updated in our technology.

A note to researchers: We are excited to promote the use of HTM for research and exploration. Consequently, we want to make clear that we will not assert our intellectual property against developers who are using our technology, including our intellectual property, for research purposes. If you are working on a non-NuPIC HTM implementation, you only need to engage in an IP license if you plan to use the technology for production or commercial purposes.

Commercial Intellectual Property License Application

Because of the legal and marketing relationship we have with our commercial licensees, we have instituted an application process. Note that Numenta reserves the right to determine whether to accept an applicant.

If you are interested in obtaining a commercial license, you first must demonstrate how HTM will add value. Below are the steps we recommend to accomplish this.

1. Spend time with our technology and the proposed problem domain in order to ascertain whether there is a fit.
    - Several educational resources are available on www.numenta.org.
    - If you need help with your evaluation, we can provide a list of our open source community members that are available for consulting. These are people that have experience with installing and running HTM that have expressed an interest in offering HTM consulting services.

2. Schedule an inquiry with Numenta to discuss your interest. This can be done by phone or in person. Be prepared to provide an explanation of your desired usage, as well as the expected benefits of HTM.

3. Create a "Proof of Concept (POC)" if applicable.

   - If you want to find anomalies in single variable streaming data, and your data can be represented by scalar values, you can use HTM Studio for Anomaly Detection to do a POC. HTM Studio is a free desktop tool that allows you to explore HTM without doing any coding. Download HTM Studio, put your data sample into a CSV file with a supported format, and load it into HTM Studio. After HTM analyzes your data, you can view anomalies found by HTM in the results graph, or export the processed data.

   - If you have data that is not scalar, or you want to do more complex processing that HTM Studio does not support (multivariable analysis, prediction or classification), then you can work directly with our open source platform, NuPIC. You also can use NuPIC to further validate results from HTM Studio. Note that installing, configuring and running NuPIC takes some advanced programming skills.

   - There are multiple examples of HTM applications, encoders and other support libraries available in the open source that you can experiment with to demonstrate an understanding of HTM. Using this source code requires programming skills.

4. Join the HTM open source community, and post any questions you have on the HTM Forum. As a small company, Numenta cannot offer direct support on the use of HTM Studio or NuPIC, so we encourage you to leverage the community.

You can start the commercial license application process by sending the following information to licenses@numenta.com:
   - Name of company and names/contact info of principals
   - Resumes or LinkedIn pages of principals
   - Overview of company
   - Focus of expected HTM product
   - Two to four page business plan indicating capital structure, capitalization, investment levels, status of initial application development, distribution/marketing plans, and planned spending
   - At least two business references of people who have interacted with you on a professional basis in the last few years – preferably one who has been a customer

Numenta commits to reviewing applications and responding with initial thoughts within 7 working days to set up a meeting with you to review your application.

Following are the key criteria that will be considered to decide whether the application will be accepted:
   - Is HTM technology a good fit for the problem being addressed?
   - Does the company have a plan as to how to reach the intended market?
   - What is the data source, and does the company have access to it?
   - What is the history and capitalization of the company?
   - For a start-up company, are the principals proven entrepreneurs?
   - Is the business focus complimentary to other licensees?

FAQ

Why should I take a commercial license rather than use the open source license?

> You are welcome to use the open source license as long as you follow the requirements of that license, which requires you to release your own code under the same open source license if you distribute (or host) for customers. For many developers, this license is all you will need.

Can I negotiate a commercial license for software rather than IP?

> No, at this time, we are only offering commercial licenses for our patent portfolio. However, our IP license comes with the reference source code in NuPIC, which allows you to use the software for commercial purposes.

How much does the commercial IP license cost?

> This is a custom license, so costs will vary.

Do you have any geographical restrictions as to who can qualify for licenses?

> Other than compliance with US Export regulations, we do not restrict which geographies can apply, and our current licensee pipeline is from all over the world. We also should note that we have no geographic territories in our license. You may market anywhere in the world.

I am a researcher in a corporate research lab. Do I need a commercial license to use NuPIC or HTMs in my research?

> No. Researchers from academic institutions, research organizations and corporations may use NuPIC under either the AGPLv3 license or the Trial License. Researchers may publish results with an appropriate citation.