

Technology Licensing Office

The mission of the Technology Licensing Office (TLO) is to facilitate the transfer to industry of technology from MIT, thereby to benefit the public good through the development and subsequent sale of commercial products. A secondary goal is to generate unrestricted funds to motivate inventors and to support research and education at MIT. The TLO staff of 35 (19 licensing professionals and 16 administrative and support personnel) are responsible for identifying marketable technologies, managing the patenting and copyrighting of these technologies, finding licensees to develop the technologies, and negotiating licenses, including to startup companies founded to develop our technologies. TLO also manages the protection and licensing of MIT's trademarks and use of the MIT name.

We consummated 57 new technology licenses and 34 option agreements. Sixteen of these were to new startup companies.

The total income to TLO was \$78 million. We distributed a net of \$44.7 million to MIT departments, centers, and the general fund, and \$1.1 million to the Whitehead Institute. As always, most of our income resulted from patents filed and licenses signed 5 to 10 years earlier. There was only \$1.1 million in revenue from liquidated equity from startups in previous years. A total of \$7.2 million came from our share of infringement litigation settlements brought by one of our licensees. With over 600 active technology licenses in house, of which more than 100 are still-extant startup companies (with equity in several dozen of them), we can expect that royalty streams will continue to mature and companies will reach equity liquidity, but the timing is unpredictable. The current economic climate has affected liquidity in our equity holdings with an absence of IPOs and few acquisitions. Studies by others have shown that the average university license that matures into products takes eight years to do so. The stream of new inventions continues at over 500 per year refilling the pipeline.

TLO staff are also active contributors to student activities at MIT. These include judging in the MIT 100K Entrepreneurship Competition (a student business plan contest), guest lectures on patents and licensing in a number of School of Engineering, Harvard-MIT Division of Health Sciences and Technology, and Sloan School of Management subjects, both undergraduate and graduate, and "open door coaching" for students thinking of starting a business, whether through an MIT license or not. We also participate actively as Deshpande Center for Technological Innovation advisors and in the Venture Mentoring Service.

Members of TLO are actively involved in disseminating our technology transfer and entrepreneurship policies and practices to other universities, research institutes, and governments throughout the world. Senior TLO staff have served, usually pro bono, as advisors to over a dozen university or governmental technology transfer offices in a number of countries. TLO also hosts dozens of visits from other such organizations,

government agencies, other universities, and corresponding company departments. Senior TLO staff also served pro bono on the boards or senior committees of a number of national, state, and local entrepreneurial and tech transfer organizations.

Lita Nelsen
Director

More information about the Technology Licensing Office can be found at <http://web.mit.edu/tlo/www/>.