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With over half a billion dollars in patent deals under his belt, Mark S. Holmes is the founder and CEO of PatentBridge LLC, a privately held technology development firm in Silicon Valley that specializes in bringing to market select patented technologies covering extraordinary software and Internet-related breakthroughs. Recently, PatentBridge sold a single patent for more than $4,000,000.

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Preface

The simplest of patent licenses and patent purchase agreements can involve a myriad of conceivable clauses and provisions. Because of this complexity, the practitioner benefits from having a store of illustrative provisions and language.

For those who do not yet have in their files an extensive stock of patent license and patent purchase provisions to rely upon, this book provides hundreds of examples. And even for those who are experienced drafters of license and purchase agreements, the clauses that appear here can offer useful alternatives and suggestions.

The challenge here has been to extract specific provisions from complete license and purchase agreements and present them in a distinct and understandable fashion apart from their context. The intent has been to ease the lawyer’s task by presenting in one location a sufficient variety of provisions in language to spark counsel’s imagination and suggest possibly unconsidered clauses to better represent his or her clients’ interests.

Caveat: Just as there are no archetypical business terms in a license or purchase agreement, there can be no “standard” or “universal” license agreement or patent purchase agreement. Though the license and purchase provisions are sorted by topic and presented in relatively generic form, they are neither blindly interchangeable nor susceptible to being randomly fitted together for an all-purpose license or purchase agreement. In short, no matter how many useful clauses are found in this book, the patent license or patent purchase agreement that your clients need will require your careful analysis and synthesis.

I hope this work assists fellow attorneys in their drafting, reviewing, and negotiation of patent licenses and patent purchase agreements.
How to Use This Book

Each chapter begins with an overview of the strategies and negotiating points that will typically concern the parties who want to enter into a patent license. Use the Table of Contents and the Index to locate subjects of interest.

The Examples section of each chapter contains sample license provisions. Each example has a word or phrase that identifies it (in boldface). Use the Table of Examples at the back of the book to get an overview of all of the examples.

The examples are numbered sequentially within each chapter (chapter 5 has Example 5:1, Example 5:2, etc.). Many of the examples contain sections and subsections that require their own numbering systems. To avoid any possible confusion, the examples employ a scheme using the letter “N” in place of a number (for example, [N.], [N.1], [N.2], and so on).

In the Examples section of each chapter, to avoid the inadvertent transposition of “licensor” and “licensee,” the parties to a license are identified as the “OWNER” and the “LICENSEE.”

Many license provisions appearing in this book have words and phrases underscored. Those words and phrases are worthy of special attention, usually because they are the key operative words—the words that achieve what is distinctive about the particular provision.