

ACQUISITION



PRODUCT TO TREAT SYMPTOMS OF DEBILITATING AUTO-IMMUNE DISEASE

Our client had identified patents covering the treatment of symptoms associated with a surprisingly common but highly under-diagnosed auto-immune condition. At present there is no treatment for the disease or its symptoms. Our client wished to acquire these assets (and some others) and create a new company.

The key assets were owned by a spin-out company and its parent university. This is a fairly common situation: the university retains ownership of the IP; the spin-out takes a licence from the university. Often the inventors at universities share in a financial reward scheme if patents are successfully commercialised. In this case, the inventor was the founder of the spin-out company. The company had acquired licences from the university in exchange for equity and a deferred revenue stream.

In preparing for the acquisition we determined value ranges for the various assets involved: patents, patent applications, licences, and know-how. We also had to address potential loss of earnings for the inventor because if ownership of the patents were transferred away from the university he would lose out on the awards to inventors scheme. Finally, we had to establish access to future innovations related to the product.

We led the negotiations by the end of which we had executed four separate agreements: one to acquire all the assets from the university; a second to formally transfer licences from the spin-out to our client; a third to engage the spin-out company in a further research collaboration; and a fourth appointing the inventor as a consultant overseeing aspects of clinical development of the product.



The workplan:

CASE STUDY NOTES

This was a complex transaction. The trick was to secure various rights without leaving any gaps. Knowing how IPRs operate was crucial. A close working relationship with a team of excellent commercial lawyers was just as important.

CONTACT US