

COLLABORATION & OPTION DEAL



CLINICAL DEVELOPMENT & EXCLUSIVE OPTION TO EXCLUSIVE LICENCE

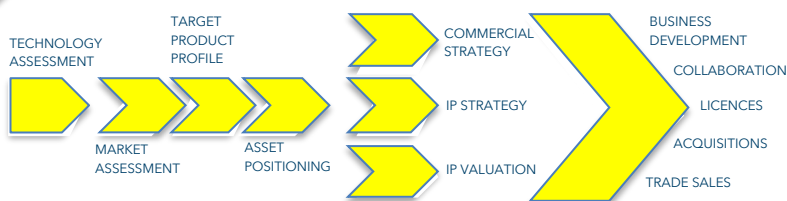
Our client was approached by a major international pharmaceutical company because the client owns patents covering the use of the pharmaceutical company’s proprietary compound in a particularly high value indication not covered by their own patents. Also, the pharmaceutical company’s patents were close to expiry and their compound had failed in a pivotal Phase III trial for another clinical indication. Our client was in a position to provide a means of stopping the pharma company’s drug from going generic for a significant period of time into the future if it proved to be efficacious in the clinic for the client’s patented indication. Without IP coverage, the pharma would not risk any further clinical development of their compound.

We were engaged to advise on the structure of a commercial relationship in which our client would apply their proprietary knowledge of a specialised area of medicine and grant rights under their intellectual property rights. The pharmaceutical company would provide the compound and background preclinical and clinical data. A key aspect of this deal was to arrive at appropriate valuations for various separate transactions in what promised to be a complex deal with a variety of different stages at which the pharmaceutical company might acquire a full commercial licence.

Using insights into the relative importance (and value) of both parties’ IP and data, we structured the deal and negotiated fee and options to allow for a fluid working relationship.



The workplan:



CASE STUDY NOTES

Everything in IP is contextual. Normally it is composition-of-matter claims that carry the value in pharma patents. Here, a “use” claim proved to be the more valuable because that claim would outlast the original composition-of-matter claim and, due to the nature of that use, the claim could be policed.

CONTACT