

Technology Licensing Office

The mission of the Technology Licensing Office (TLO) is to facilitate the transfer to industry of technology from MIT, Lincoln Laboratory, the Broad Institute, and the Whitehead Institute, and 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 31 (15 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 with startup companies founded to develop our technologies. The TLO also manages the protection and licensing of MIT's trademarks.

In fiscal year 2006 we consummated 97 new technology licenses and 21 option agreements. Of these, 23 were to new startup companies. The total income to the TLO was \$49.6 million—the highest non-equity-related income of the TLO in history. This total compares with \$46.0 million in FY2005. As always, most of our income resulted from patents filed and licenses signed 5 to 10 years before. There was no revenue from liquidated equity reflecting a very poor market for IPOs.

With over 650 active technology licenses in house, of which over 100 are with 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. 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 (523 in this fiscal year), refilling the pipeline.

TLO staff are also active contributors to student activities at MIT. These include judging in the “100K” student business plan contest, providing guest lectures on patents and licensing in a number of management, engineering, and health sciences and technology courses, both undergraduate and graduate, and “open door coaching” for students thinking of starting a business, whether through an MIT license or not.

Members of the TLO are actively involved in disseminating our technology transfer and entrepreneurship policies and practices to other universities, research institutes, and governments throughout the world. TLO senior staff have served, usually pro bono, as advisors to over a dozen university or governmental technology transfer offices in a number of countries and to the International AIDS Vaccine Initiative and the Center for the Management of IP for Health Research in Developing Countries. The TLO also hosts dozens of visits from other such organizations, government agencies, universities, and corresponding company departments. Senior TLO staff also serve 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/>.