

LICENSING GUIDE

1. File a solid provisional or utility application to lock your date (clear drawings, variants).
2. Define the “offer”: a short claims summary (if you filed a utility application) and a non-confidential benefit statement.
3. Create simple pitch assets: one-page sell sheet, 60-second demo video, basic ROI math.
4. Build a target list (20–40 companies) and identify real decision-makers by title.
5. Do a light landscape/freedom-to-operate scan to avoid obvious landmines. I.e. a patent clearance check to see whether making, using, or selling your product in a given country would likely infringe any live patents.
6. Send concise outreach emails and ask for a 20-minute call.
7. Pitch manufacturer-first (this feels counterintuitive) but focus on **their** P&L, how your invention benefits them, not how “great” your invention is. E.g. higher margin, lower cost, faster launch, brand differentiation, improvements to existing products, etc.
8. Offer a time-boxed evaluation path: this is a fixed-duration test period (usually 60–120 days) that lets a potential licensee try your invention under a limited agreement (an evaluation license or an option agreement) before committing to a full license. Use an NDA only if needed for non-public details.
9. Run quick feasibility with them: samples or reference design, Design for Manufacturing estimates, pilot plan, define Non-Recurring Engineering scope.
10. Term sheet basics: grant scope (field of use, territory), exclusivity, upfront payment, running royalty, annual minimums, milestones, improvements/grant-backs, sublicensing, enforcement, quality/brand, term and exit.
11. Negotiate and sign the full license agreement.
12. Implement: transfer know-how and assets, support integration, align tooling/certifications timeline.
13. Launch and manage: quarterly sales reports, royalty payments, milestone checks, channel policing/takedowns.
14. Expand as traction grows: add regions, fields of use, or SKUs via amendments.