This guide has been developed to clarify and simplify the process by which faculty and staff creators may start new companies based on technology created by them at Ohio State. It is intended to establish clear, fair and consistent practices and standards for the formation of an Ohio State creator startup company. It accounts for both creators who participate in the startup and those co-creators who do not. Certain sections contain information derived from “Stanford University Office of Technology Licensing Startup Guide.” This guide was written in July 2019 and may be changed in the future. It is not a contract nor an offer to enter into an agreement on these or other terms. Startups created prior to the formation of these guidelines are not eligible for renegotiation. Creators should refer to Ohio State’s Intellectual Property Policy and other policies for current guidelines on intellectual property, conflict of interest and other issues.
Creator Startup Program Overview

As part of its mission to facilitate commercialization of The Ohio State University’s intellectual property (IP), the Ohio State Innovation Foundation (OSIF) is committed to supporting the creation of startups, or newly-formed companies. As commercialization vehicles, startups offer essential flexibility to the development of early-stage technologies and the speed to enable market disruption. Ohio State encourages innovation and has established a variety of mechanisms to support creators in bringing their technologies to market through the establishment of startup companies.

The most successful startups are those that have a strong foundational team – consisting of a technology leader (the creator) and a business leader – as well as initial investment capital. Ohio State offers the option for creators to recruit and gather these resources on their own or to leverage the Corporate Engagement Office’s network.

These creator guidelines have been established to address the increasing number of entrepreneurial creators expressing interest in leading their own startup ventures and assembling the elements necessary for their success – sometimes referred to as the West Coast model. The guidelines have been benchmarked against market terms of the more efficient startup peer institution ecosystems on the coasts that do not offer the same services as OSIF.
Creator Startup Program Objectives

1. To facilitate the successful dissemination of technology created at Ohio State for the benefit of society, the State of Ohio, the creators of such technology, Ohio State and OSIF.
2. To make Ohio State an attractive environment for highly talented, entrepreneurial faculty, staff and students.
3. To assist in Ohio’s economic development.
4. To generate a reasonable financial return for the university.
5. To generate future revenues in the form of gifts and research collaborations from entrepreneurs and companies who have benefited from technology created at Ohio State.

A Pathway for Ohio State Startups

For some technologies, a startup company is the optimal way to bring the technology to market. Some factors that we consider include the development stage of the technology, the size of the problem the technology addresses and the impact the technology will have on the market.

1. INVENTION DISCLOSURE

As soon as a discovery is made, creators should submit an invention disclosure through Innovate. These confidential, internal, non-public disclosures help protect the intellectual property and serve as a formal communication to Corporate Engagement Office of a potential invention (see the university's Intellectual Property Policy). A licensing manager will be assigned to the technology within one week of receiving an invention disclosure.

2. FACULTY MEETING

The licensing manager will contact the creator to better understand the invention. Together, they will brainstorm ways to add value to the discovery as early in the commercialization process as possible. These could include identifying other applicable markets, non-traditional sources of technology advancement funding or ideas for validating and testing the technology. Licensing managers will outline initial action steps for both parties. A faculty meeting usually takes place within two weeks of an invention disclosure.

3. REVIEW AND ASSESSMENT

With the creator, licensing managers assess the invention for technical merit, maturity, intellectual property protection potential and market impact. This helps to determine what steps can further develop the technology before license. The licensing manager researches and identifies the best protection method for the technology and makes a preliminary assessment of the market landscape and dynamics to understand the invention’s commercial potential. Depending on the complexity of the technology, the assessment step can take several months.
4. INTELLECTUAL PROPERTY PROTECTION

In the event that the technology commercialization team determines that the invention is best protected by patent, the team makes initial patent filing decisions and identifies outside patent counsel with expertise in the relevant field. The creator works closely with the licensing manager and the patent counsel to draft relevant, valuable, and enforceable claims based on the nature of the invention, the relevant markets and anticipated business model for commercializing the invention. Any subsequent patent decisions are made in concert with the creator and the creator’s college research leadership team.

Non-patentable inventions, such as materials, copyrighted works, and certain software, can be protected by other means such as copyrights or contracts. Licensing managers will be able to guide you on the best way to protect non-patentable inventions.

This process begins as early as a month after the invention disclosure and can take up to several years before a patent is secured, depending on the complexity of the technology.

5. COMPANY FORMATION

The management team of a successful startup is comprised initially of a business leader and a technology leader (at a minimum). The faculty member, or another technology expert such as a post-doc or graduate student, is frequently the technology leader. Corporate Engagement’s new ventures team works diligently to find a business leader with relevant expertise and networks in the technology and/or market. The business leader is responsible for filing the incorporation documents, negotiating the license agreement, preparing a business plan, recruiting additional talent and raising capital for the startup.

6. TERMS OF A STARTUP LICENSE

The terms for a startup are designed to help the company launch, enable investment by third parties, and align the interests of Ohio State with those of the startup. The primary economic terms include a royalty rate paid upon sales and an equity stake in the startup. The startup is also expected to bear the costs of intellectual property protection. In certain cases, where the creator finds the business leader and raises capital, the creator is eligible for standard (non-negotiated) deal terms.

7. NEGOTIATIONS

Licensing managers lead license negotiations once a potential licensee is found and determine which type of agreement — such as a license or option — best fits the situation. To avoid conflicts of interest, creators are not directly involved in license negotiations. Once a business leader is identified, the negotiation process can begin with the business leader. The time necessary to complete a negotiation is determined by the partner and the unique characteristics of the deal.

8. PRODUCT SALES

Ideally, the commercialization process leads to a product sold on the market returning royalties and other revenue to the university that is used for additional research, education and inventive activity. Through the life of the license, Corporate Engagement monitors compliance with any agreement and continues to manage all intellectual property activity.
Steps for Forming a Successful Startup Company

Launching a successful startup company requires commitment, dedication and perseverance.

Many companies fail even if the core technology is innovative and promising. However, when the right technology is implemented at the right time, it has the potential to significantly benefit society. Components of a successful startup include a compelling concept or technology, a strong market opportunity, a competitive advantage, a sound business and financial plan and an experienced management team. Luck and timing are also important. Entrepreneurs spearheading the new company formation will be the key champions for the technology and the startup. In addition to navigating the standard technology transfer process, they are responsible for a variety of tasks such as identifying the market opportunity, developing a business plan and pursuing financing. Every startup follows its own unique path. There are many common steps to get the business off the ground as outlined in this section.

Business Case

Entrepreneurs should develop a thoughtful business case to understand the market potential, competition and funding needs. This should include a plan for developing the technology and attaining sufficient revenue to sustain and grow the company. This plan will be useful when meeting with investors and pursuing funding.

Several key factors should be considered when deciding to form a startup company:

- **Technology innovation and patent/IP position** – Is broad patent coverage possible? Can patent claims be enforced against potential competitors? Are there background patents owned by others? Will the company have freedom-to-operate to develop the product?
- **Development risk** – How far along is the technology? How much time and money is required to bring a product to market? What is the regulatory landscape for the envisioned product?
- **Development costs versus investment return** – Can investors obtain their required rates of return (e.g., 10X initial investment in 5 years)?
- **Product strategy** – Does the technology lend itself to opportunities for multiple products/platforms?
- **Market size, dynamics and potential** – Is the market big enough? Is it controlled by a few players? Is there a healthy growth trend? Is there a significant unmet need that the product addresses?
- **Financial potential** – What market share can be obtained? Is it worth the effort?
A business plan should be clear and concise. It will be easier to sell the vision to investors and attract management talent with a formal business plan. Investors are interested in investing in startups with high growth potential. The business plan should address what investors want to know: the compelling concept, competitive advantage (including patent/IP position), market and financial potential and proven management team. The business plan is generally a confidential document and should be carefully distributed.

Components of a typical business plan include:

- **Company name**
- **Mission statement** – This is the guiding vision for the company.
- **Current market situation** – How big is the market? What are its critical problems and shortcomings? How is the landscape changing? Who is the competition? Is it a consolidated or fragmented industry?
- **The company’s solutions** – Which products or methods will be developed? How long will it take? What are its applications? What are the company’s unique advantages and are those advantages sustainable? How will the current market change due to the company’s products, methods, etc.?
- **Patent/IP landscape**
- **Marketing and sales strategy** – This includes pricing, product and placement. How will the target market know about the product? Which sales distribution channels will be used?
- **5-10 year strategic/financial plan:**
  - Financial projections – when will the company break-even?
  - Key milestones required to meet financial projections.
  - Key metrics to be measured and tracked.
  - Key assumptions and how they change based on a competitor’s response.
  - Funding requirements.
- **Management team** – This should include members, their roles and their resumes or CVs.
- **Timeline and key milestones**
- **Risk factors and mitigation measures**

**Funding**

Commercializing technology is typically a capital-intensive process, with the exception of some software companies. Entrepreneurs need to present their opportunity to people with the funds to help them make it happen. Typically these are venture capitalists and angel investors – sometimes in the initial stages, investors include friends and family. Using Ohio State’s network is one way to start the personal introduction process that can help get the attention of angel and venture capital investors. Collectively, Ohio State startups have raised more than $425 million of outside capital to date.

The most common forms of technology startup funding are angel investing and venture capital. In the very early stages of startups, entrepreneurs raise funds on their own and through friends and family funds. However, technology commercialization often requires multiple rounds of funding from multiple sources.
Angels and venture capitalists are private investors who take on high-risk ventures with goals of high returns. Return requirements vary based on industry and stage of funding, but many investors seek 10X their initial investment over 5 years.

**Angel Investing**

Angel investors are typically high-net-worth individuals who have a personal interest in funding new companies. They are often willing to invest in earlier stages and with smaller amounts of money than venture capitalists in exchange for equity. They can take passive or active roles in the startup and typically have a longer investment horizon than venture capitalists.

**Venture Capital**

Compared to angels, venture capitalists can invest larger amounts of money (usually millions of dollars) in a company. In exchange, they tend to receive more equity. Venture capitalists also exercise control and bring experienced management talent to help guide and grow the company. Sometimes they invest in several rounds of funding and are part of a larger consortium of investors in the company.

**Non-traditional Funding**

Startups may also investigate and pursue funding from non-traditional sources. Some examples of these are:

- **SBIR/STTR** – Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) offer funding in the form of contracts or grants. This highly competitive program encourages domestic small businesses to engage in federal research/research and development (R/R&D) that has the potential for commercialization. Currently, eleven federal agencies participate in the SBIR program and fund approximately $2.5 billion in awards each year. Visit: https://www.sbir.gov/

- **Banks** – Banks do not usually participate in equity investments in new companies, but they are a source of loans, particularly for capital purchases when there is some kind of collateral (such as large equipment).
Company Evaluations

Investors listen to pitches constantly and only a small portion of startups get funding. The investors will determine if the startup meets their strategic and financial goals and if the company fits into their current portfolio of investments. Venture capital funds are targeting at least an overall 20% annual return on the fund which is significantly higher than other investment vehicles such as stocks and bonds.

Investors typically perform due diligence before funding new opportunities and they often view the fact that a new company is working with a university positively in this analysis. For example, OSIF’s involvement may provide an extra measure of reassurance to investors that IP rights are being properly secured by the company. OSIF will carefully evaluate the patentability and commercial potential of an invention before embarking on the costly and lengthy process of obtaining patent protection.

Funders and Founders offers an infographic explanation of “How Startup Valuation Works - Measuring a Company’s Potential”.

Exit Strategy

Investors plan to recoup their investments via exit strategies. Typically, a venture capitalist hopes to sell its equity in a portfolio company within 3-7 years, ideally through an initial public offering (IPO) or merger and acquisition by another company.

Pitfalls

New company formation is a high-risk proposition. While many OSIF startups are successful, others are not. Some common problems that can cause academic startups to fail are:

- **Inexperienced management** – A strong, experienced, cohesive team is required for a successful startup company. Problems can arise if founders or other members of the team do not have enough startup and business experience or if founders, new management and investors do not have the same strategic vision.

- **Lack of funding** – A startup needs sufficient capital to overcome technical challenges, reach critical business milestones and progress to the next phase of development. To attract investors, the company must have a solid business plan and a strong management team.

- **Technology does not meet a commercial need** – Sometimes the science is innovative and exciting but does not correlate to a critical commercial need, or current solutions are still better than the new technology.

- **Timing** – Even when a commercial need exists, the company may miss the market. Sometimes this is because the market is not ready for a product, because of timing, high cost or an unrecognized need. Sometimes it is because the product is too late to the market and the need has already been filled by a different technology or better product.

- **Marginal, niche market** – If the target market is smaller than expected the company may not meet its financial targets.

- **Bad luck** – Sometimes events outside of the entrepreneur’s control can negatively impact a company.
OSIF Creator Startup Company Policies

TECHNOLOGY CRITERIA
1. All intellectual property rights to be licensed by Ohio State or OSIF are not encumbered (i.e., technology is solely owned by Ohio State or OSIF and not the subject of any other agreement).
2. Technologies in the human health sciences are not eligible for these terms.
3. The relevant college and the Corporate Engagement Office agree that no special circumstances exist.

CREATOR OBLIGATIONS
1. Creator agrees to waive her/his personal share of the university’s proceeds from the license agreement. Because a creator will enjoy greater economic benefit via their participation in the company and these standard terms, waiving his or her share of the university’s proceeds enables any co-creators to receive fairer compensation for their inventive efforts.
2. All Ohio State employees who are company co-founders have completed a conflict of interest (COI) management plan through the Ohio State Office of Research Compliance that is signed off by the dean and department chair.

STARTUP OBLIGATIONS
1. Startup company and creator(s) must engage their own outside legal counsel to represent their interests. Our partner, Rev 1 Ventures, maintains a network of legal firms that work with Ohio State startup companies.
2. Startup company has appropriate corporate governance documents (e.g., shareholders’ agreement, operating agreement, etc.). OSIF has template corporate governance agreements that may be used by the startup company.

LICENSING CONDITIONS
Upon a determination that the creator startup company has met all of the qualification criteria, the startup company will be eligible to enter into a six-month exclusive option. During the option period, the startup company will be required to:
1. Secure a qualified business leader. A qualified business leader cannot be a university faculty member, employee or student and must have the requisite experience, as determined by the creators and the new ventures team, to lead the business.
2. Submit a detailed business plan. This is mutually-agree-upon with the assigned licensing manager and new ventures manager. The university has access to a number of internal resources and external organizations that can assist the founding team with the creation of a business plan.
3. Establish majority creator ownership. To qualify as a creator startup company, the cumulative voting interest of Ohio State-affiliated creators, after the initial funding, must be at least 51% of the fully-diluted equity of the startup company.
4. Secure at least $250,000 of funding (dilutive and/or non-dilutive). To establish early market validation and sufficiently de-risk the company’s capital requirements, the startup must secure $250,000 of financing.
Creator Startup Company Terms

Upon completion of the required milestones at any time during the option period, the creator startup company will be eligible to enter into a license agreement with the university.

The principal economic terms and conditions described below are intended to be attractive to Ohio State creators and competitive with those of other leading research universities and other available alternatives. The entire license agreement template is available on the CEO website and contains additional terms and conditions beyond those described herein. Please note that, in the spirit of these guidelines, these terms will be the standard that will normally apply; they should not be considered starting points for negotiating more favorable terms for the creators and/or founding team.

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<td>2. ROYALTY RATE</td>
<td>2.5% of net sales of the licensed product(s) (as defined in the license agreement) for the life of the patent</td>
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<td>3. PATENT EXPENSES</td>
<td>Past patent expenses are deferred until the two year anniversary of the effective date of the option agreement (if there is an option agreement) or the license agreement (if there is no option agreement), then scheduled in equal annual payments on the second, third and fourth anniversaries; provided, however, that 5% of any equity or debt financing raised in excess of $250,000 will be allocated, first, to ongoing patent expenses and, second, to past patent expenses until past patent expenses are paid in full. The startup company is responsible for ongoing patent expenses (patent expenses incurred on or after the effective date).</td>
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<td>4. TRANSFERABILITY</td>
<td>Not sublicensable until after the two year anniversary of the effective date. Thereafter, subject to a sublicense fee or a percentage of sub-licensing consideration. Not assignable without the prior written consent of OSIF. Change of control within the first two years is subject to prior written consent of OSIF.</td>
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5. MILESTONES | Diligent commercialization requirements to ensure that the technology is progressing to market, including funding milestones.

6. EQUITY | 5% on a fully –diluted basis, subject to the anti-dilution threshold. The securities owned by OSIF shall have terms, conditions, financial and other provisions must be no less favorable than those of the securities to be owned by the creator founders.

7. ANTI-DILUTION THRESHOLD | $1.0 million

8. EQUITY RIGHTS | OSIF shall have the following rights until a change of control event: preemptive rights, piggyback registration rights, co-sale rights, information rights.

9. ACCELERATOR AWARD | If the licensed technology was the recipient of an Accelerator Award and the startup company locates outside of the state of Ohio within five years of the execution of the license agreement, then the startup company must repay the Accelerator Award.

10. ENFORCEMENT | OSIF intends to protect any licensed IP against infringers or otherwise act to eliminate infringement, when, in OSIF’s sole judgment, such action may be necessary, proper, and justified and makes reasonable business sense considering all factors. In no event will the startup company or any sublicensee have the right to demand that OSIF initiate or join in any suit for infringement.
Ohio State Resources for Creator Startup Companies

To better enable Ohio State startups to compete with the venture-backed companies of more mature ecosystems, OSIF has implemented several initiatives aimed at increasing the likelihood of success for its ventures.

Specifically, OSIF has built relationships with numerous venture funds, accelerators, incubators and government agencies both locally and across the country to increase access to capital and other valuable resources. Corporate Engagement’s new ventures team works with entrepreneurs and creators to provide additional assistance and facilitate the startup creation process. From access to capital to the recruitment of business leaders and mentors, our office works diligently to provide the resources necessary for startup success.

Talent – the Buckeye Executive Network

The new ventures team recruits experienced entrepreneurs who are interested in leading a technology to market through the creation of a startup company. Executives are vetted based on their experience at raising capital, knowledge of the market and relationships with potential customers. Through the end of FY2019, the network consists of more than 100 active members who have widespread industry and operational expertise needed to guide and successfully lead Ohio State startup companies.

Guidance – Xperts in Residence (XIR)

This program aims to better prepare and package startup opportunities for spinout and launch by pairing technologies with domain experts who have strong industry contacts and market perspective. XIRs are a lean resource of part-time executives focused one of four areas: software, pharmaceuticals, medical devices and physical sciences.

Access to Early Stage Capital

The first capital investment is often the most difficult to source. Ohio State helps innovators and entrepreneurs by connecting them to a full continuum of funding.
Ohio State helps creators and entrepreneurs get started through several key programs, including:

- **Accelerator Awards** – The goal of the [Accelerator Awards program](#) is to accelerate and fund the translation of cutting-edge Ohio State innovations into the marketplace through the creation of Ohio-based startup companies, ultimately enabling greater economic growth for the State of Ohio. An Accelerator Award provides grants of up to $150,000 per award to Ohio State faculty to further develop and validate promising technologies over a 12-month timeline. Projects are progressed past the stage of basic research, but capital from industry or an investment partner has not yet been secured. Applicants must demonstrate that successful completion of the Accelerator Award project would likely result in the technology being licensed to an Ohio startup company. Predetermined milestones and quantitative metrics of success will be evaluated quarterly. The Accelerator Award program is open to all Ohio State faculty who meet the eligibility guidelines. The Accelerator Awards program is funded through the Ohio Third Frontier Technology Validation and Startup Fund (TVSF), Phase I Track B grant program.

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[GRANT][EQUITY]
• **Technology Concept Fund** – The Technology Concept Fund is an investment fund made possible through Ohio State and the Ohio Third Frontier. The Technology Concept Fund provides critical validation capital at the earliest stages to specifically advance companies commercializing technologies developed at Ohio State toward commercial viability and product launch. The fund is managed externally by Rev1 Ventures.

• **Ohio Third Frontier Technology Validation and Startup Fund (TVSF) Phase 2** – [TVSF Phase 2 funding](#) supports Ohio startup companies that will license technology developed at Ohio State during the critical early life of the company and accelerate the time to market. The Lead applicant for a Phase II grant is an Ohio startup or emerging company that will execute an exclusive license with an Ohio research institution for a technology within nine months from the date of the Phase II application. Startups are eligible for a grant of up to $100,000 for a physical sciences company and up to $150,000 for a life sciences company.

There are also several affiliated central Ohio venture funds, including the [Rev1 Fund](#), the [Ohio Innovation Fund](#) and [Drive Capital](#).

**Corporate Governance Documents**

To reduce the time and cost of company formation, Ohio State offers entrepreneurs template corporate governance agreements for limited liability companies and C-corporations. These documents, prepared by independent legal firms, provide a ready-to-sign agreement that may, at the company’s option, be modified to the needs of each startup. When entrepreneurs use these templates as their starting point, Ohio State does not have to charge its legal costs to the startup company.

**Data Room**

Entrepreneurs and potential investors can perform due diligence on Ohio State technologies quickly and easily through an online data platform. Once the user has signed an NDA, Ohio State authorizes the user to access all the available information pertaining to one or more defined technologies – including invention disclosure forms, publications, patent filings, market reports and inventorship – greatly streamlining the process for all parties.

**Showcase Opportunities**

It can be difficult for a Columbus-based startup to get the attention of venture capital firms. Every fall, Ohio State sponsors an event where Ohio State startup CEOs can showcase their companies for potential investors.
Frequently Asked Questions

Why does the university seek a financial return from creator startup companies? Does this mean that the startup company has to go public or sell the company after a certain period of time?

The university seeks a financial return from its license agreements – including those to creator startup companies – to fuel a virtuous cycle, by which the financial benefit is returned to the university to fund additional research. This, however, does not mean that the university has an expectation for any sort of liquidity event – such as a big sale of the company. Monetary proceeds can also take the form of a royalty on sales. The principal focus is on getting the technology to the market where it can impact lives.

Why are life sciences technologies excluded from eligibility for standard startup terms?

Life science technologies are typically funded from federal research grants, which creates an obligation back to the sponsoring agency for public benefit. Often life sciences companies require millions of dollars of funding – which may require licensing to a company with substantial venture capital backing. The market terms for these license agreements include provisions for milestone payments and upfront fees that are substantially in excess of anything contemplated by the standard startup terms. Furthermore, the diligence milestones in a life science technology require careful review and oversight outside the scope of the standard startup terms.

What are the other special circumstances that could preclude eligibility?

Special circumstances are hard to define systemically, which is why there is a broad exception. However, some instances that might make a technology ineligible for the standard startup terms could be: a substantial investment in the technology by the university; significant research funding from a government agency; and reasons pertaining to national security or inventorship.

Is the startup required to be based in Ohio?

No, the startup is not required to be based in Ohio. There are certain funding mechanisms which are available only to startup companies based in Ohio, but this is not a requirement to receive the standard startup terms.

Why can’t the creator be the business leader?

The responsibilities of the business leader include performing customer and market validation, creating the business plan, designing the go-to-market strategy, and raising capital. Qualified business leaders have a track record of success in these areas and a significant network of industry and/or funding contacts. The business leader will negotiate the terms of the license agreement and the corporate governance documents. OSIF should not be in the position of having to negotiate with the university’s faculty or staff. The business leader and the technology leader both have important contributions in making the startup to be successful.
Why is there a requirement that the creator waives her or his share of the university’s proceeds from the license?

The standard startup terms are meant to be beneficial to the creator forming the startup company. OSIF has an obligation to be a good steward of the university’s intellectual property – both for itself and for any creators who do not participate in startup formation. The standard startup terms eliminate the creator’s conflict of interest by prohibiting double-dipping, or taking the beneficial terms for the creator and also taking a portion of the share negotiated by OSIF. The creator has a choice – and can choose the most beneficial option.

What is dilutive capital and non-dilutive capital?

Non-dilutive capital is a financing in which the business does not have to give up equity ownership, such as a grant. Dilutive capital is an investment of dollars received in exchange for ownership of the business. It is dilutive because the pre-financing investors own a smaller percentage of the company after the financing.

Why does the startup need to secure funding prior to licensing? What if the startup doesn’t need any additional capital?

A minimal amount of capital is necessary to seed most technology-based startups. The creators will be given a six-month option, during which time the team can work to secure funding from grants, investors or a combination of both. Funding also provides validation of the business plan for commercializing the technology. Startups that don’t need any capital tend to be consulting-type businesses in which there are only a handful of employees. In instances such as these, the creators may negotiate a license agreement unconstrained by the standard startup terms.

Can the startup use university resources, such as lab space and equipment, to help get started?

Once the startup has licensed the technology from OSIF, the startup can use university resources, but only with the same access as any other (non-affiliated) company. Any use of Ohio State resources must go through a conflict of interest management program and be governed by an appropriate contract. To use lab space and equipment, the startup would enter into a facilities and equipment use agreement. To use the services of a creator, the startup could enter into a consulting agreement with the appropriate intellectual property addendum. To use both, the startup could enter into a sponsored research agreement. If substantial use of university resources is required to commercialize the technology, it may be best to delay the license to the startup in favor of obtaining additional research grants.

Can an existing startup company change its license agreement to these terms?

No. We believe that the existing agreements provided beneficial terms to all parties. Changing terms once the startup has received investment and commenced operations could not be implemented.
The Ohio State Innovation Foundations (OSIF) was formed in 2012 to hold, manage and facilitate commercialization of the university’s intellectual property.

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