The 8 steps of technology commercialization

1. Research
   Observations and experiments during research activities often lead to discoveries and inventions that may have commercial applicability.

2. Disclosing an invention
   The discoveries and inventions are formally disclosed by the inventors submitting a confidential Invention Disclosure form to OTC. (See www.otc.utexas.edu/InventorForms.jsp.)

3. Market assessment
   OTC assesses a disclosed invention and develops a preliminary commercialization strategy. Based on this assessment, OTC determines whether to assert the university’s rights in the disclosed invention. The assessment and determination is performed in conjunction with inventors, outside counsel, and/or advisors as appropriate.

4. Patenting and other legal protection
   If the university’s rights are asserted in an invention that appears suitable for patenting, OTC will engage outside counsel to pursue patent protection for the invention. When appropriate, the university may utilize copyright, trade secret, or trademark rights to commercialize university inventions or works of authorship.

5. Prospecting
   OTC proactively approaches companies, entrepreneurs, and investors who have been identified as potentially suitable partners to bring the technology to market. OTC also showcases available technologies online and at appropriate conferences. In addition, faculty publications, presentations, or academic renown may result in third-party licensing interest.

6. Negotiation/due diligence
   Marketing activities may result in one or more parties requesting an in-depth examination of the technology. This can involve signing a non-disclosure agreement and additional discussions with the inventors. Interested prospects will present a plan for commercialization and negotiate business terms with OTC.

7. Licensing
   When the university and the commercialization partner are ready to move forward, OTC prepares legal agreements to reflect the business terms negotiated. When the agreements are signed by both parties, the startup or licensee has the right—and obligation—to commercialize the invention. Compensation varies and may involve fixed fees, milestone fees, royalties, equity, and other forms of consideration. Compensation is shared with inventors in accordance with university policy.

8. Commercialization and revenue
   The path to commercial markets will vary, depending on the nature of the invention, the market it is addressing, and the invention’s stage of development. Under the terms of the agreement, the commercialization partner provides regular progress reports to the university on its commercialization activities. The inventors may continue to be involved in development activities with the commercialization partner.