

The Nine “No-Nos” of Patent Licensing: Are You Committing a No-No?

by Howard Ullman on March 5, 2012



Check the List of Potential "No-Nos"

I'm going to spend a fair amount of time in upcoming posts talking about various competition issues raised by patent licensing.

To kick off this series, here is a list of nine “no-nos” developed by Bruce Wilson, a former deputy assistant attorney general, in the 1970s. The law has changed between then and now, and I'll cover some of the changes in upcoming posts. But the list remains a pretty

good starting point — at least as to issues that *may* raise a yellow, if not a red flag. So here it is:

1. Tying the purchase of unpatented materials as a condition of a patent license.
2. Requiring the licensee to assign back subsequent patents.
3. Restricting the right of the purchaser of the patented product in the resale of the product.
4. Restricting the licensee's ability to deal in products outside the scope of the patent.
5. A licensor's agreement not to grant further licenses.
6. Mandatory package licenses.
7. Royalty provisions not reasonably related to the licensee's sales.
8. Restrictions on a licensee's use of a product made by a patented process.
9. Minimum resale price provisions for the licensed products.

Are you committing one of these potential patent licensing no-nos? If so, you may need to think through the issues in more detail.

Tagged in [Patents](#)