

NASA Facts

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FACT Sheet

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NASA Intellectual Property auction with Ocean Tomo

NASA Goddard Space Flight Center (GSFC) has granted an exclusive license to Ocean Tomo Federal Services for a suite of more than 40 patented and patent-pending technologies for the small business to facilitate their transfer to the private sector for commercial application. The company is a wholly owned subsidiary of Ocean Tomo, a small business (less than 500 employees) that sells intellectual property (IP) through live auctions and other IP transaction platforms. Licensing government owned patents through a live-auction process is a novel approach that has not been attempted previously, making Goddard's arrangement with Ocean Tomo unique and innovative. The partnership with Ocean Tomo allows NASA to expand its channels for licensing NASA's patented technologies, leveraging Ocean Tomo's network, expertise, and tools such as the live IP auction.

Ocean Tomo organizes live IP auctions in which individual patents or suites of patents are auctioned off to the highest bidder among participating companies. Typically, winners at Ocean Tomo's auctions purchase title to the patents being auctioned and therefore own the patents. For NASA's patents, Ocean Tomo will be auctioning not the patents themselves but exclusive licenses with pre-defined terms that the winning bidder will assume. The exclusive license granted to Ocean Tomo Federal Services for the NASA patents was executed in accordance with the Code of Federal Regulations requirements for licensing intellectual property owned by the Federal Government (37CFR 404), including the posting of a public notice in the Federal Register of NASA's intent to enter into an exclusive license (posted January 23, 2008). In addition, the license with Ocean Tomo contains all the NASA standard provisions required by applicable laws and regulations, including a defined timeframe for commercializing the technology, annual reporting of commercialization progress, and the right of NASA to exercise its march in rights if the licensee does not make a legitimate attempt to commercialize the technology. All of these provisions will transfer to winning bidders assuming a license to the NASA patents pursuant to the auction.

The license agreement between NASA Goddard Space Flight Center and Ocean Tomo Federal Services was signed July 22, 2008. Under this arrangement:

- Ocean Tomo will handle all aspects of the IP auction and its other IP transaction platforms, including marketing and promotions, at no up-front cost to NASA.
- Ocean Tomo will share its market data with NASA so that the two organizations will jointly establish a royalty structure and reserve price that the target market will bear.
- If the reserve price is not met but bidders are interested in the patents, Ocean Tomo will work with interested organizations following the auction to close the licensing deal.

Commercialization of NASA technologies via Ocean Tomo's auction and other transfer mechanisms increases the value of NASA technologies and puts those technologies to work in the economy, thereby increasing return on investment (ROI) for the taxpayer. The partnership with Ocean Tomo is not a replacement for NASA's traditional licensing channels. Rather, it is a means to augment NASA's licensing program by utilizing new techniques for contacting potential licensees that have not been reached through traditional means.

NASA's Innovative Partnerships Program (IPP), with offices at each of NASA's ten field centers, facilitates the transfer of NASA technology for public benefit through licensing and other partnerships. For more information about the Innovative Partnerships Program, visit <http://www.ipp.nasa.gov>.

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