

COMMERCIALISING IP: ASSIGNMENT AGREEMENTS

WHAT IS AN IP ASSIGNMENT?

An IP assignment is a transfer of ownership of an intellectual property right, such as a patent, trade mark or copyright, from one party (the assignor) to another party (the assignee).



IP assignments differ from licence agreements¹ as in the latter there is no transfer of ownership. The IPR holder (licensor) grants permission to another person (licensee) for the use of its intellectual property, within the limits set by the provisions of the contract.

BENEFITS AND RISKS



Benefits

Usually lump sum payment, meaning that the assignor receives the payment immediately.



Once the agreement is in force, the assignee takes over all obligations as regards the assigned IPR (such as renewal or monitoring possible infringements).



Risks

The assignor loses control of the IPR once the assignment agreement enters into force (unless differently agreed).



The assignee will need skilled employees or a well-established business network, as the one of the assignor.

¹ For further information on licence agreements, check the fact sheet "[Commercialising Intellectual Property: Licence Agreements](#)" and the infographic "[Key ingredients in a licence](#)".



KEY ELEMENTS OF ASSIGNMENT AGREEMENTS



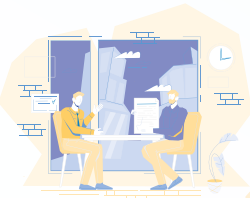
01
FORM

Assignments must be made in a written form and signed by both parties: the assignor and assignee



02
PAYMENT

Usually assignments give rise to a lump sum payment, but it is possible to agree upon a payment in the form of royalties.



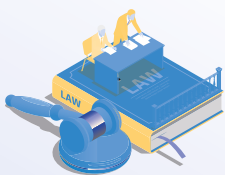
03
CLEARLY IDENTIFY IPR

The IPRs that are being transferred need to be clearly identified in the agreement.



04
WARRANTIES

Most assignees request to include in the agreement warranties from the assignor (e.g., that the assignor is the owner of the IPR that are being transferred). A breach of those warranties usually leads to an award of damages.



05
GOVERNING LAW

The law governing the interpretation of the agreement as well as the competent forum must be established, to anticipate a potential dispute. Alternative Dispute Resolution (ADR) Mechanisms (e.g., mediation or arbitration) are allowed.



IP Office
06
ASSIGNMENT
REGISTRATION

In many cases, the assignment agreement has to be registered in the relevant IP Office. It is important to give notice of the transfer of ownership to IP Offices, in order to allow them to keep a record and the information updated.

Disclaimer

The European IP Helpdesk provides free-of-charge first-line support on IP-related issues aiming to help current and potential beneficiaries of EU-funded projects, as well as EU SMEs, manage their Intellectual Property assets.

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