

## Structuring Effective Collaborations and Licensing Agreements

As the complexity of collaboration and licensing agreements in the healthcare and life sciences industries increases, setting deals up for success becomes more important.

### Dual licensing

Dual licensing is growing ever more popular as a means of driving co-creation and transformation in the industry.

Under a dual license, the licensee can offer academic institutions and open source collaborators access to software, databases, techniques and protocols, while offering proprietary licenses to commercial partners.

If your agreement includes dual licensing, ensure that both licenses are clearly defined, don't conflict with each other and that all parties involved understand the terms.

### Intellectual property rights:

Clearly defining who owns the IP rights to any developed products or technologies is crucial to successful collaborations. This can often be a sticking point in negotiations, so it's important to address this early on.

### Therapeutic combinations

When combining novel therapies in new ways, as is increasingly common in life sciences innovation, it's crucial to check if there are existing patents or copyrights that could be infringed.

Also consider the regulatory approvals required for such combinations.

A comprehensive due diligence process should be carried out to ensure that all legal and patent-related issues are addressed.

### Liability and indemnification

These clauses protect parties from potential legal action resulting from the agreement. They should be carefully negotiated and drafted, including any contingencies and warranties.

### Fee arrangement

A variety of fee arrangements can be applied to collaboration and licensing agreements to best serve the circumstances of the deal parties and the focus of the collaboration, including upfront payments, milestone payments, royalties or equity stakes.

The arrangement should clearly specify what each party is entitled to and when payments are due.

It is also important to outline what happens if a payment is missed or if the agreement is terminated early.

### Antitrust compliance

Such collaborations and arrangements, particularly between competitors, can raise antitrust issues.

These risks should be considered and managed from the outset, when negotiating and structuring your agreements and joint initiatives.

This includes interactions connected to a transaction; also be aware that many deal structures can trigger regulatory filings and approvals.

### Other Resources

- [Masterclass: Partnering & Licensing](#)
- [Life Sciences Transactions](#)

### Key Contacts



**Kate Jefferson**  
Partner, Australia  
kate.jefferson@  
bakermckenzie.com



**Zhang Hong\***  
Partner, Baker McKenzie  
FenXun  
hong.zhang@  
bakermckenziefenxun.com



**Isabella Liu**  
Partner, Hong Kong  
isabella.liu@  
bakermckenzie.com



**Elisabeth White**  
Partner and Chair, Asia Pacific  
Healthcare and Life Sciences, Australia  
elisabeth.white@bakermckenzie.com

[Read the  
Full Report](#)