Examples of software licensing in health care

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Buy vs Build

• Significant value of software derives from use – promote adoption!

• What is valuable in the asset?
  • Patent protection?
  • Uniqueness?
  • Complexity?
  • Ease of use?
  • Demonstrated value?
Business Terms

- EULA or commercial license
- Financial considerations
  - How to charge?
  - What is royalty based on?
  - What is the business model of the licensee?
  - Trackable? Reportable? Auditable?
Case studies

1. Cardiac reference dataset
2. Public health website engine
3. Communications and social skills development apps and contents
4. Education content website access
Example 1: Z-score dataset – pediatric cardiac echo measurement data

- What is “normal” heart size in children?
- Value: Unique dataset, hard to replicate, “gold standard”.
- Non-exclusive licensing program of EULA and commercial licenses.
  - Flexible royalty structure: per copy, annual flat fee, % sales.
- Since 2000, 15 versions, >75 licenses.
- We learned a lot on how to handle data licensing.

Theoretical and empirical derivation of cardiovascular allometric relationships in children

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Example 2: HealthMap analyzes internet information sources for patterns of emerging diseases
HealthMap is free. What then is the commercial play?

• Value: proprietary algorithms and know-how in data processing and data extraction to identify patterns and trends

• What is the product?
• What is the market?
• Who are the customers?
• What is the pricing?
• What is the business model?
• What is the path to market?
• How is HealthMap different from other information aggregators?

• *We were able to test these ideas with early industry adopters.*
Besides health care, what other uses can this technology be applied to? Who cares about patterns and trends?

- Risk and Safety
  - Consumer products
  - Law enforcement
  - Corporate travel
  - Insurance
- Marketing
- Supply chain management
- Customer behavior, asset flow, customer relationship management, and more
IP license agreement with Epidemico

- Epidemico is a business intelligence company

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<th>Code Modules</th>
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<td>Entity Tagger UI</td>
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<td>Web services for data extraction</td>
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<td>Twitter acquisition</td>
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Example 3: Communications learning tools for children with autism and other learning challenges

Complex product roadmap integrating company and BCH codes

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<tr>
<th>Product</th>
<th>Licensed Technologies</th>
<th>Exclusive License Structure</th>
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<tr>
<td>AutisMate</td>
<td>None</td>
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<tr>
<td>AutisMate VIP</td>
<td>SymbolTalk Approaches, ALP Graphics</td>
<td>Royalty % on net sales of incremental value of AutisMate VIP over AutisMate</td>
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<tr>
<td>SymbolTalk</td>
<td>SymbolTalk</td>
<td>Royalty % on net sales</td>
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<tr>
<td>PuddingStone</td>
<td>PuddingStone (includes ALP graphics)</td>
<td>Royalty % on net sales of web app; Royalty % on net sales of mobile app</td>
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<td>Language Arts Platform</td>
<td>TLC, Imitation Videos, ALP Graphics</td>
<td>Royalty % on net sales based on the value of licensed technologies</td>
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<td>Part of consultation agreement</td>
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<tr>
<td>ALP Graphics Sub-license</td>
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<td>Derivative Works</td>
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<td>Future Licenses</td>
<td>TBD</td>
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<tr>
<td>Future Developments</td>
<td>None</td>
<td>Part of consultation agreement</td>
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Communications learning tools

- Value: PI is KOL, existing code, content, and clinical expertise
- Product roadmap complex – product and IP usage tracking issues
- License with royalty based on % total company revenue
Example 4: Thermia.io – website providing education information on fevers

- Free website
- User inputs certain information and Website provides feedback

Thermia provides educational information regarding these questions.

Answer questions to receive information on causes behind symptoms, signs of serious illness, and home remedies.

To get started, enter the age of the person who isn't feeling well:
Thermia.io – website providing education information on fevers

• Interest from wearable/thermometer companies to provide education content on company devices/apps.
• Non-exclusive license program for API access with royalties on usage as tracked by the system.
Early adopters are important to demonstrate the proposed value of asset

- Identify internal “customers”
- Better if there are external customers, and better yet if there is revenue
- Experiment with revenue models and willingness to pay
Think beyond licensing software applications or systems

- Valuable assets may include database structure, data, algorithm engines, API access, copyright content, etc.
- Structure deals with flexibility and creativity to ease adoption – value of software is in its use!