OVERVIEW

1. Background
2. Negotiating for the Underdog
3. Perspective of BigCo
4. The TechRx Story
**Three Principles to Follow**

A. Determine what you need today (and what you can give up to get it)

B. Determine what your counterparty needs (and why)

C. Build as much cushion as possible for what you may need in the future
First Key License (typically, University License)

A. Core Technology – License and Sublicense Rights (what you need)

B. Equity, Royalties, Non-negotiable provisions (what they need)

C. Options on new developments; treatment on sale (future needs)
First Key Hire

A. How important is this position today to future success

B. What do I need to give up to get this person (today/over time)

C. What if he/she fails
A. What do I need from this contract today (market validation/customer credibility)

B. What does the customer need (in and outside the contract)?

C. What are the longer term consequences if this relationship is successful/if this fails (exclusivity/technology ownership)
A. How much capital do I need to move the business to the next level?

B. Is this the right partner (financial and otherwise) and what economic upside and control am I prepared to give up to get the money/partner?

C. What are the longer term consequences of what I give up today?