Checklist

1 - Product Line
- Define: ___________________________________________
- Patents: __________________________________________
- Trademarks: _______________________________________
- Copyrights: _______________________________________
- Includes improvements? ____________________________
- Includes extensions? _______________________________  
- Includes modifications? _____________________________

2 - Grant of Rights
- Exclusive or non-exclusive: _________________________
- Permitted channels of distribution: ___________________
- Permitted means of advertising and promotion: _______
- Right to use inventor's name, photograph and biography: _____________________________________________
- Rights reserved by licensor: _________________________
  - Limitations on exercise of reserved rights: _________
  - Reverse royalty: _________________________________

3 - Territory
- Universe or regional: _______________________________
- Country or regional royalty minimums: _______________
- Country or regional outside dates for commencement of sales: ________________________________
- Home shopping appearances required overseas? _____
Checklist

4 - Compensation
- R&D reimbursement? ________________________________
- Consultant fee to inventor during R&D phase? ________
- Royalty advance? _________________________________
- Royalty: _______________________________________
  - Definition: _____________________________________
  - Rate(s): _______________________________________
  - Payment schedule: _______________________________
  - Reserve for returns: ______________________________

5 - Term
- Test period: _______________________________________
- Outside date for roll-out to commence: _______________
- Maximum number of consecutive one year terms: _____
- Annual minimums as a condition of renewal from year to year: _______________________________
- Minimum royalties? _______________________________
- Minimum sales? _________________________________
- Separate term for foreign distribution? ______________

6 - Approvals
- Product design: ___________________________________
- Improvements: _________________________________
- Additions: _____________________________________
- Modifications: _________________________________
- Selection of manufacturer: _______________________
- Quality of materials & workmanship: ______________

7 - Ownership of Advertising Materials
- Who will own the advertisements?___________________
- Any post-term transfer of ownership? _______________
- Reverse royalty? _________________________________
- Lump sum buy-out? _______________________________
- How will talent, music and other ongoing royalties be handled? _________________________________
- Indemnification responsibilities for post-term use?____

8 - Services of Licensor
- Will inventor appear in infomercial or other advertisements? _________________________________
- Will inventor appear on home shopping channels? ____
- R & D services prior to final prototype? ______________
- Ongoing R & D during term? _______________________
- Ongoing content creation during term? ______________
- Product content? ________________________________
## Checklist

- **Internet articles/blogs/chatrooms/webinars?**
- **Other?**

### 9 - Registration & Protection of Intellectual Property

- **Responsibility for filings and maintenance:**
  - **Domestic:**
  - **Foreign:**
- **Responsibility for enforcing IP against infringers:**
- **Responsibility for defending third party claims of infringement:**
- **Allocation of costs:**
- **Allocation of ownership:**
- **Post-term disposition of the IP:**

### 10 - Indemnification and Insurance

**Who will be responsible for:**
- **Intellectual property infringement:**
- **Product liability:**
- **Product efficacy claims (including testimonials):**
- **Infomercial production claims:**
- **Other advertising content:**

**Each party’s insurance responsibilities:**
- **Required coverage amounts (per incident and annual aggregate):**
- **Required coverage categories:** commercial general liability, including specific coverages for:

### 11 - Representations and Warranties

- **Authority to enter into agreement:**
- **Authority to grant the rights which are the subject of the agreement:**
- **No contractual or other obligations preventing fulfillment of agreement:**
- **No contractual or other obligations impairing the value of the licensed property:**
- **No prior grant of interest in the licensed property that will impair agreement:**
- **No undisclosed commission or other compensation due any third parties:**
- **No pending litigation or claim:**
- **Licensed property won’t infringe rights of any third parties:**
- **Licensed property isn’t being infringed by third parties:**
- **Licensed property won’t infringe any laws, orders, regulatory guidelines, etc.:**
- **Marketing of product will comply with all laws, orders, regulatory guidelines, etc.:**
Checklist

12 - Incidents of License
- Further develop the product, including improvements and extensions: _____________________________
- Advertise and promote by any (or defined) means: _____
- Utilize the marketing company's own intellectual property in connection with the licensed IP: __________
- Protect the licensed property from third party infringement: _________________________________
- Sublicense the rights granted: ______________________________

13 - Exclusivity
- No other direct response advertisements during the term: _________________________________
  - Television only: ___________________________________________
  - Other direct response venues: _______________________________
- No other development or sale of competing products: _________________________________
  - During the term: ___________________________________________
  - Post-term for months/years: _________________________________
- Right of first refusal: _________________________________________
- Acknowledge any reserved rights: ________________________________

14 - Audit Rights
- Time period in which licensor can object to royalty statement: _______________________________
- Scope of records subject to inspection: _______________________________
- Frequency of audits: ___________________________________________
- Location of audits: _____________________________________________
- Error threshold for imposing cost on licensee: _______________________
- Nondisclosure agreement required? ________________________________