

## ESSAY ON LICENSE AGREEMENTS AND ITS FORMS

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### ABSTRACT

One of the most important in the field of international trade agreements, license agreements, are parallel to the industrial development community has been very important. These contracts are one of the types of technology transfer agreements. This contract will be awarded to undergraduate and graduate only use the receiver is not something the owner. In this paper an attempt has been possible to introduce students and resources be provided an overview of the license agreement.

**KEYWORDS:** Technology Transfer, License, Contract, International Trade

In the past, the economy was largely self-sufficient within its territory and many countries' needs will be met. The reason can be summed up in three cases: 1 - Lack of broad public needs. 2 - The advancement of human knowledge was not great. 3 - Domain (which many countries at that time had a large empire) countries was due to the many needs of the people inside the country. But the more time passes and the advancement of human knowledge now, various kinds of technology and the human hand is more complex that it is no doubt that many of the required sections of the world. On the other hand, not all countries have the scientific and technical capability to achieve these technologies and it is possible to build machines that use this technology are much more expensive than entering it. These countries to meet their needs this technology can choose one of three ways:

**First:** No license the technology to try to assemble it. This method is not approved nor endorsed the norm.

**Second:** Through smuggling, the technology to achieve these methods is not legal and can be very severe consequences.

**Third:** But a legitimate way to import technology from abroad "License Agreement" which is the "source of income is the License party and the way to progress and industrial development in developing countries" with the way your IT requirements capable of making it or not making it too costly for these countries is to achieve. That license agreement represents one of the most important contracts in the field of international trade law itself.

### BACKGROUND AND HISTORY

International trade law is young, so the cases, issues and contracts, it must have a long history. But as mentioned in the introduction, "International Trade" has a long history. As mentioned previously, was funded various needs within their territory, but if there was a need that was not able to provide it either through trade relations and commodity by commodity exchanges were needed to fix, for example, country (A) has nice silk and country (B) in weapon was developed. Businessmen of both countries would exchange goods with each other and thus eliminates the need for both countries. Or that the country needed to build a weapon, was not able to make it, to meet this requirement state that it was capable of making concessions to the country and their knowledge of the country need to be. For this reason, the history of agreements on cooperation between countries can be found in several cases that, while it is projected to convince technology transfer between the parties. For example, when Shah Abbas to make cannon and firearms expert License English or the "Treaty Finn Kenshtayn" French officers to train Iranian troops came to Iran for weapons to be considered example technical license agreement (although not the exact meaning legal).

### DEFINITION OF MARRIAGE LICENSE

License contract term is composed of two words. Signing the word means "close knit" is, but in a legal sense, Article 183 of the Civil Code defines it this way: "Marriage is one or more persons against blast or how many of a commitment to the task and accept them." In other words, a relationship is a two way to create a legal effect. However, the term license is a French word

meaning butterfly and licensing. Marriage license is not defined in the laws of different countries. So inevitably have the legal doctrine used. Some jurists have defined the license agreement "license contract is a contract whereby the owner of an exclusive right to exploit, profit from all or part of the rights granted to someone else. Such contractual agreements and often gratuitous beneficiary (License receiver) is committed to pay a sum of money, usually paid in installments. "It has been said that the definition instead of handing the money, because it is customary prevailed, often in the form of currency contracts traded is changed. Nothing else is anything wrong with that as a non-cash exchange. Others have defined marriage license: "Transfer of technical knowledge from the company (A) to company (B) so that the product in company (B) under the supervision of representatives of (A) and with the brand until the end of the contract period. "Of course this definition as it covers only technical license agreement and including trademark and patent license agreements cannot be criticized. According to the definitions provided by the license agreement points can be noted:

- 1- Marriage license in the overall concept of contracts is legitimate because it is not in conflict with the law and specific regulations. Course, as mentioned, this is expressed in the concept of marriage license. The licensed technology or patent or trademark is typically a legal contract, such contract, sale, lease, etc. If the marriage license was illegal and illegitimate technology is not acceptable. For example, if the contract drug manufacturing industry on knowledge transfer is not acceptable. As a legislator in Article 348 of the Civil Code dealing selling something that is prohibited by law declared invalid.
- 2- Marriage License Because Iran is not defined in the statute as well as "the nature of any particular contract law is not entirely consistent" is an indefinite contract is covered by Article 10 of the Civil Law.
- 3- Since the marriage license is a contract, the general rules of contract in case it is required.
- 4- "License is a covenant marriage" because it does not land anything. They actually contract will allow the use of a technology or a patent or a trademark.

## CHARACTERISTICS OF THE LICENSE AGREEMENT

- A) Marriage license the product itself does not give the client license. But technical knowledge of the construction or operation of a patent or a trademark license may be available at the receiver. If the license contract as the contract is signed and the goods of the contract to the contract, not license, signed a sale contract.
- B) The product that is produced in the receiver should be monitored by representatives of the license is the license server. Then license the client cannot make changes to the product itself.
- C) The brand product licensed in the recipient country should be the brand name of the license server. After receiving the license cannot change the brand name or your product can on it. Iran Khodro Company after obtaining the license from "Peugeot France" and its production cars on the Peugeot brand. Saipa Company after Xantia product brand that it had licensed the "Citroen" was on it.
- D) Another new feature is the marriage license of technical knowledge that they are receiving a License party is confidential, which means it will be receiving the license, the person (whether natural or legal person). The party so it does seem to be the guarantor of his civic responsibilities.
- E) Another new feature is the marriage license when its limitations. After receiving a License party after the end of the contract period if the license still uses has been without reason and license receiver can seek redress from the court and the other party to License the use of the license.
- F) Other characteristics that should be considered for marriage license "gratuitous" being in it. Although the marriage license is one of the definitions mentioned, was told that the contract is gratuitous, but generally speaking, the contract must be signed to be gratuitous. First: when you graduate with your License's technical knowledge receiver puts a portion of their profits that would have license the sale of products is achieved. Especially when the contract is signed exclusive license in which case the owner (assignor license) rights to exploit the technology of loses. Secondly: respect for others is also operative principle is that the compensation awarded. Here also

know when one party or the other party's patent or trademark will be doing that is worthy of pay. Thirdly: Another reason is that typically gratuitous license agreements to be signed and this overcomes the common law, we must carry on all license agreements to be concluded gratuitous. Fourthly: On the one hand, we would defeat the purpose of the assembly and manufacture of goods without permission is prohibited. And on the other hand, the share of the technical knowledge that you cannot look at any wage. Because if the result is not argued that the marriage license to be vain, because if that is the marriage license is signed as gratuitous, it is about a License party that requires the use of the technology itself, without permission from the owner to move goods assembling, while assembling products without permission is prohibited. It may be said that in the past due cash undergraduate technical receivers takes only use the license server. But this is not true, because in addition to receiving a License of technical knowledge, their knowledge obtained from the license server and the license server must be given this knowledge. May be the idea that the marriage license must be signed gratuitous, Gratuitous contracts typically say that the character is not the main cause of marriage, while the character of the marriage license marriage license is a major cause of the client, it is important for providers to whom the license gives the license. For example, two countries that have the political or military conflict with each other if they signed a license agreement with each other may be the recipient of a master's license to use the license server. But the gratuitous contracts typically the main cause of the character's contract would not prevent the gratuitous character of a marriage is the major cause of the contract. For example, the sale is a gratuitous contract, the seller because the buyer may sell the car his friend is worth ten million, commuted to a million. The main reason for concluding that the character is not as gratuitous contracts, and this is contrary to reason is not to say that the marriage license contract is signed license as gratuitous. The upshot of this is to say that gratuitous license agreements to be signed.

### **STATUS OF THE LICENSE AGREEMENT**

First need to know what area of international trade law will be discussed. The purpose of this section is that the marriage license as one of the contracts in

question and is used for international trade law, under what title will be discussed. In other words, the marriage license is a suLicenseet of another contract or not? "From the perspective of the license agreement, UNIDO is one form of technology transfer agreements." Means contracts of technology transfer is divided into nine types of license agreement. The nine categories are: Patent license agreements, technical exchange contracts, contracts relating to trademark, franchise agreements, distribution agreements, contracts, copyright, contracts and technical assistance contracts, engineering services, contract management services, computer related contracts (contracts Programming Software agreements, hardware, IT services contract).

### **SEGMENTATION OF LICENSE AGREEMENTS**

Captures off into license agreements with various credits, two of which are mentioned here: First, the validity of the license agreement, preservation or not split, other than the right to transfer the license to the validity of the marriage license will be divided into two types: simple license, combined license.

- A) Basic License: This license type, license, transfer the license to other servers of the same type in the term of the contract is reserved for your party. In other words, only a certain period of the license server license gives the license of recipient, this does not preclude the right to transfer the license of the same type, except the term of the contract is withdrawn from the license server.
- B) Exclusive License: In this type of contract, license, contrary to the above, "the right to transfer the contract for performance of the same type of license other than the license server will be lost." Here to distinguish between LICENSE patent and license the individual. The exclusive license of its owner loses the right to exploit the license agreement in the long run. But the undergraduate License of individually is represent only the right to transfer the license of the same type, except the term of the contract loses, but he can use it. Second: Credit union or a plurality of receiver license into the license agreement: The validity of the marriage license will be divided into two types: General license, minor license.
- A- General license: If a license agreement includes the totality of the subject invention or technical or trade

mark is protected in the whole country have been issued or technology, the whole license. For example, if a car manufacturing know this is a marriage license, the contract shall be subject to all the students as well as the whole country is a graduate of this receptor has a license in general.

- B- Partial license: If the marriage license will be restricted to time or place, or just to the right of this patent or trademark or technical knowledge is transferred, licensed detail. For example, if you know a particular device is located under the contract, if the contract is part of a master's student is a minor issue.

### TYPES OF LICENSE AGREEMENTS

As noted above, the license agreement is one of the technology transfer agreement. On the other hand it was said that the definition of marriage license to be granted a patent. So, we'll see if we recognized types of license agreements on technology transfer agreement where a patent is granted. Where is granted a patent on technology transfer contracts include: Assignment of patents, know-how, and the assignment of the invention are the three most important examples of such license agreement.

- 1- License invention: It is a party to invent something and the other person is using it. Here between the inventor and the applicant will be signed using the license agreement. It is committed to be the inventor of the invention is to provide applicants and other commitments; the applicant also takes advantage of the invention that will follow.
- 2- Brand License: "The trademark or brand, color, image and symbol that indicates a product or service is a product or service to distinguish it from other similar products or services are used. Registered trademark of the legal validity of and are protected by law. "In trademark licensed product produced by the license server client license will be offered by the brand.
- 3- Expertise License: "Technical knowledge is a collection of useful information and skills related to design, construction and operation, which is necessary to produce a specific product or service is called." Here's license agreement is to be signed that the license is committed to provide all or part of the technical knowledge to build a special tool available

to undergraduate and graduate recipient receiver, in contrast, assumes the obligation.

### OBLIGATIONS OF THE PARTIES TO THE LICENSE AGREEMENT

The license agreement has a license's and master's recipients of donor commitments are over. These undertakings about any of the parties discussed are:

#### First: License recipient obligations

- 1- Commitment to using the license: That license receivers when the license of a technical or trade mark or the exploitation of the invention is required to be used and exploited it because otherwise it would be pointless marriage license. Philosophy signing contract for example, a license is required to have the technical knowledge of construction machinery, so it is the other side of the license. The receiver does not use the license if the license is in this sense that the needs are not met and a fee for obtaining a license is done in vain. This commitment, especially where the marriage license is signed exclusively to further show her. Because, as noted above, if the contract is signed exclusive license, the license rights to exploit the license server is lost. The recipient may not use the license if the license loses its value and is affected by the license server.
- 2- Obligation to pay: This means that when a client license will license the technology or patent or trademark, you have to change the license server as opposed to what the so-called royalty. This money can be cash or non-cash. When royalty is non-cash in exchange for a commitment that the LICENSE receiver license, certain products that are required by the license server available to him.
- 3- Commitment to confidentiality of technical knowledge: The technology, licensed client is bound to secrecy. Because you can share this knowledge, it is also intended to build good will and thus is affected by the license server. So to avoid such a situation to arise client license is required to keep the technical knowledge and not share it.

#### Second: License commitments represent

- 1- Commitment to providing the required license: When the contract is signed, licensed, licensed, licensed provider is committed to provide the recipient will license. Because generally the same license contract

is signed. In other words, the case of a license requires and because deal with the hand that holds the license to be awarded the license to use.

- 2- Commitment not to use the license during the term of the contract (in the case of an exclusive license agreement): If the contract is signed, licensed exclusively, since this type of contract, the license server from the operation of the license is denied, therefore, no right to use it in the contract performance period. Tapping on the license given to others and the right not to contract expiry. The license is also committed to providing the duration of the contract is not the license to another license. The obligations of the parties will apply to all license agreements. Whether it be mentioned or not mentioned in the contract obligations. This does not preclude either party disagrees with the conditions required by the nature of the obligations of the contract and will not be mentioned in the contract. For example, the license server license on condition that the recipient does not use the license in competition with him.

## CONCLUSIONS

License agreement, the Industrial Revolution and the emergence of new industries in the modern sense has been expanded. This contract is an indefinite contract features such as being gratuitous, time and place restrictions, confidentiality, technical knowledge, and so on. Also signing the forms, including license plates patent, license and trademark license its technology show. The contract can be signed exclusive license or simple partial or total. Also assume the obligations of this agreement each party. For example, the license must possess a bachelor's win put the license server in case the

contract is concluded exclusively, does not use the term contract out of it and license receiver as well as the commitment of the license to use it to pay the costs, technical knowledge is kept confidential.

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