Examples of Patent Challenge Definition Clause

Example 1: “if licensee or its affiliate under a license commences an action in which it challenges the validity, enforceability or scope of any of the patent rights under, then [a remedy will be triggered, such as termination of the license, doubling of the royalty rate, or some other event].”
Example 2: “in the event any licensee (or sublicensee or any entity or person acting on its behalf) initiates any proceeding or otherwise asserts any claim challenging the validity or enforceability of any licensed patent right in any court, administrative agency or other forum, then [a remedy will be triggered].”

Example 3: “any legal or administrative challenge to the validity, patentability, enforceability and/or non-infringement of any of the licensed patent or otherwise opposing the licensed patent.”

- Examples of Licensor’s Remedies

1. Right to Terminate the License
2. Increase in Royalty Rates
3. Liquidated Damages
4. Reimbursement of Legal Fees