

Georgia-Pacific Factors for Determining Reasonable Royalty

1. Royalties patentee receives for licensing the patent in suit
2. Rates licensee pays for use of other patents comparable to the patent in suit
3. Nature and scope of license in terms of exclusivity and territory / customer restrictions
4. Licensor's established policy and marketing program to maintain patent monopoly by not licensing others to use the invention
5. Commercial relationship between licensor and licensee, such as whether they are competitors or inventor and promoter
6. Effect of selling the patented specialty in promoting sales of other products of the licensee; the existing value of the invention to the licensor as a generator of sales of his non-patented items; and the extent of such derivative or conveyed sales
7. Duration of patent and term of license
8. Established profitability of the products made under the patent, its commercial success and its current popularity
9. Utility and advantages of patent property over old modes and devices
10. The nature of the patented invention; the character of the commercial embodiment of it as owned and produced by the licensor; and the benefit of those who have used the invention
11. The extent to which the infringer has made use of the invention and the value of such use
12. The portion of profit or selling price customarily allowed for the use of the invention
13. The portion of realizable profit attributable to the invention as distinguished from non-patented elements, significant features / improvements added by the infringer, the manufacturing process or business risks
14. Opinion testimony of qualified experts
15. Outcome from hypothetical arm's length negotiation at the time of infringement began

Source: *Georgia-Pacific Corp. v. United States Plywood Corp.*, 318 F. Supp. 1116, 1119-20 (S.D.N.Y. 1970), modified and *aff'd*, 446 F.2d 295 (2d Cir.); *Unisplay, S.A. v. American Electronic Sign Co., Inc.*, 69 F.3d 512, 517 n.7 (Fed. Cir. 1995).