

Introduction to WIPO, and the Role of Effective IP Asset Management in Enhancing the Competitiveness of SMEs

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Introduction of WIPO



IP Asset Management

Source: 1. Pro Inno Europe, www.ip4inno.eu

**2. Review of Innovation Practices in Small Manufacturing Companies,
United States Department of Commerce**

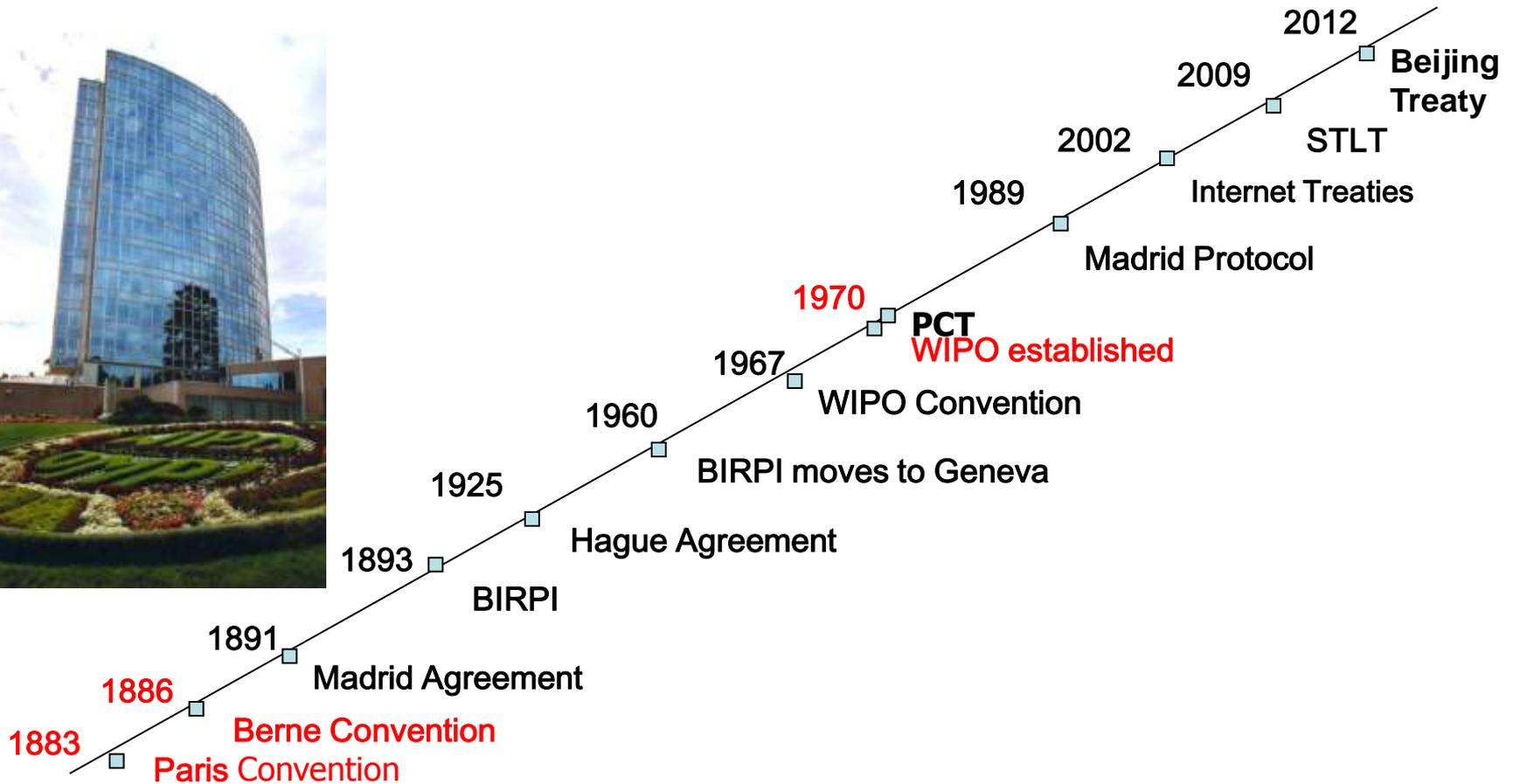
**3. Old Model: Patents Protect Products. New Model: Patents Themselves are Products,
Forbes**

4. IP Strategy, Intellectual Property Management in Health and Agricultural Innovation

Introduction of WIPO

- A brief history of int'l IP system
- WIPO today
- WIPO's main activities

Milestones : 1883 to 2012



Basic Facts about WIPO



WIPO's Mission:

To promote the protection of IP rights worldwide and extend the benefits of the international IP system to all member States

Status: An int'l intergovernmental organization

Member States: 185

Observers: 350 +

Staff: 950 from 101 countries

Treaties Administered: 25

Decisions by: GA, CC, WIPO Conference

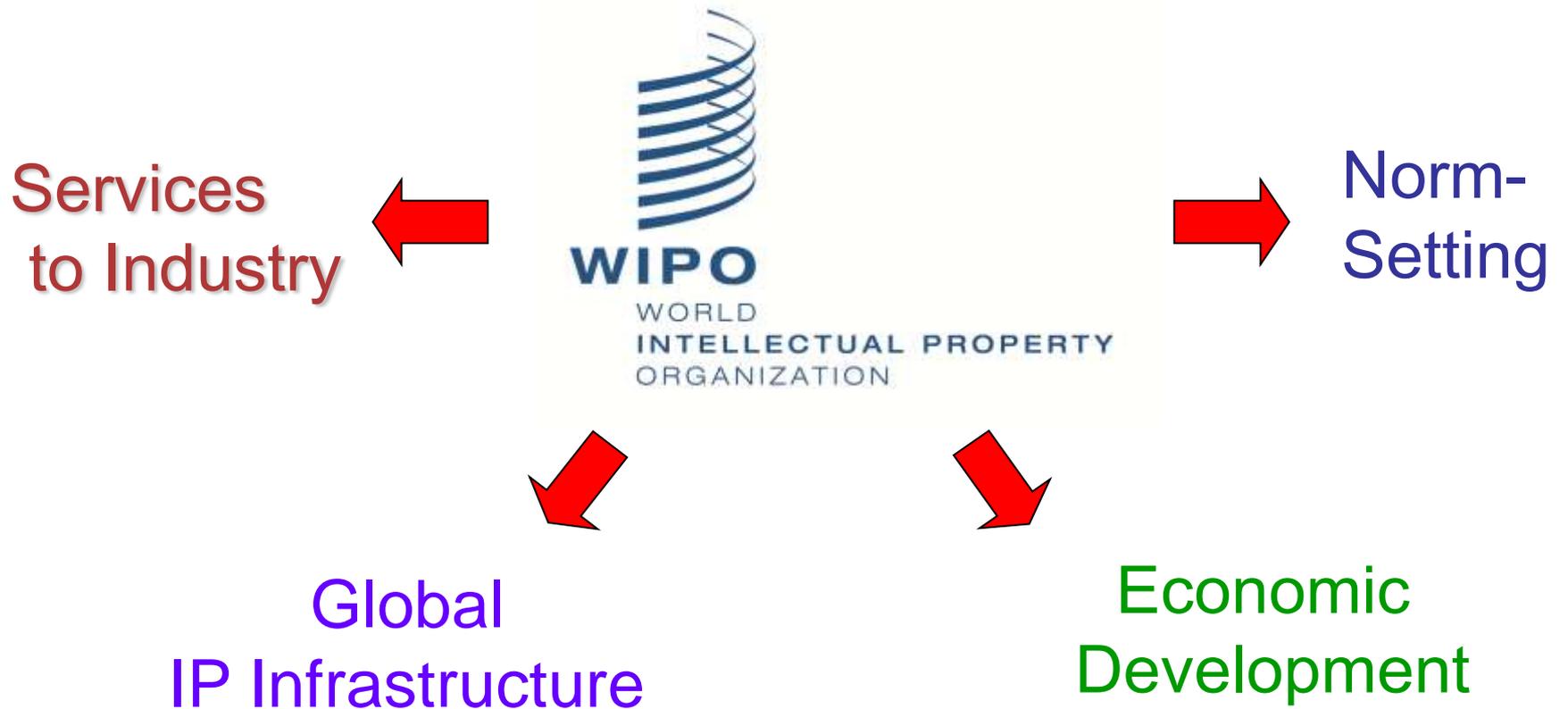
IP: Outreach

Public Sector & Policy-Makers



General Public, Civil Society

WIPO's Main Activities



Norm Setting



- AIM: Progressive development of international IP law for an IP system that is:
 - balanced/responsive to emerging needs
 - effective in encouraging innovation/creativity
 - sufficiently flexible to accommodate national policy objectives
- Topical issues reviewed/discussed in Standing Committees

Standing Committees

- ❖ **Patents (SCP)** (patent quality, E&Ls, patents & health, client-patent adviser privilege, tech transfer)
- ❖ **Copyright & Related Rights (SCCR)** (E&Ls – VIPs/libraries/archives, broadcasting)
- ❖ **Trademarks, Designs, Geographical Indications (SCT)** (Design Law Treaty/protection of country names against registration and use as TMs)

Aim: (i) Build consensus on topical issues;
(ii) Take into account interests of all stakeholders for a balanced, reliable, efficient, user-friendly, cost-effective system.

N.B. Enforcement issues are discussed within the Advisory Committee on Enforcement (ACE)

Cooperation for Development

Four Major Pillars based on partnership:

1. Establish a **strategic plan** for IP in conformity with national dvpt plans
2. Strengthen **IP laws and regulations** for a balanced IP system that protects IP and also promotes innovation and creativity
3. **Strengthen infrastructure** esp. of IPOs for provision of 1st class services to all users/creative sectors & facilitate access to IP information from DBs around world
4. **Capacity-building** – training targeting all possible users (policy-makers, lecturers, creators, inventors)

Development Agenda for WIPO

- Adopted: September 2007
 - emphasis on use of IP for development
- Challenge: facilitate use of IP by developing countries for economic, social, cultural development
- 45 agreed proposals (6 clusters of activities)
 - Technical Assistance and Capacity Building;
 - Norm-setting, Flexibilities, Public Policy and Public Knowledge;
 - Technology Transfer, Information and Communication Technology (ICT) and Access to Knowledge;
 - Assessments, Evaluation and Impact Studies;
 - Institutional Matters including Mandate and Governance
- Committee on Development and Intellectual Property
 - monitor, assess, discuss and report on implementation of recommendations and discuss IP and development issues
- Development Agenda Coordination Division
 - Ensure agreed outcomes reflected in relevant programs

Global IP Infrastructure

“Just as participation in the physical economy requires access to roads, bridges, and vehicles to transport goods, similar infrastructure is needed in the virtual and knowledge economy. However, here the highway is the Internet and other networks, bridges are interoperable data standards, and vehicles are computers and databases.”

WIPO Director General Francis Gurry

WIPO is coordinating with stakeholders to develop tools, services, platforms, standards, etc. that enable IP institutions to work **more efficiently** and **provide better and high quality services**.

Global IP Infrastructure

- Activities include:
 - Technical assistance for modernizing IP offices;
 - Capacity building & networking by Technology Innovation Support Centers (TISCs)
 - Common platform for e-data exchange among IPOs
 - Tools (international classifications in TMs/design (IPC, Green inventory, Nice classification)
 - Standards & technical agreements
 - Databases (PATENTSCOPE, Global Brand DB & access to aRDI and ASPI
 - Services (International Cooperation for Patent Examination (ICE), Patent Information Services, including Legal Status of Patents)
 - Forum for exchanging experience and lessons learned (Global Symposium of IP Authorities)

WIPO Academy

<http://www.wipo.int/academy/en/>



- Provides training to promote use of IP for development in line with evolving IP landscape
- Int'l, interdisciplinary approach to IP education
- Face-to-face training/distance learning
- Aims to promote international cooperation to enhance human IP capital through global networking with stakeholders and partners
- **PROGRAMS:**
 - Professional Development (IPOs)
 - Partnership Program (Universities, etc.)
 - Distance Learning Program (expanding portfolio of courses)
 - Executive Program
 - Summer Schools Program

 - Internships at WIPO

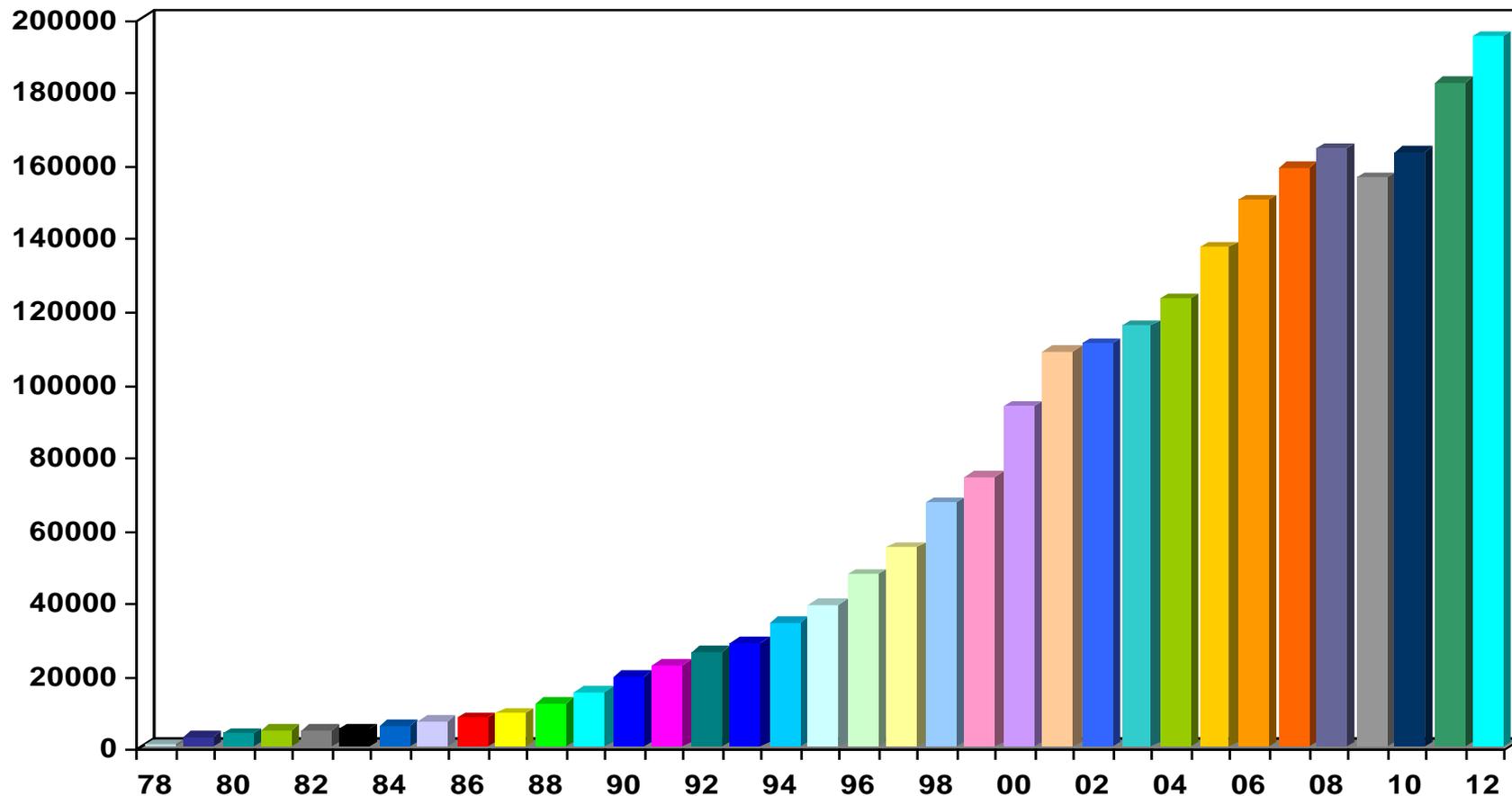
WIPO ... Provider of Premier Global IP Services

Core income generating business areas:

- ✓ Patent Cooperation Treaty (Patents)
- ✓ Madrid System (Trademarks)
- ✓ Hague System (Industrial Designs)
- ✓ Lisbon System (Geographical Indications)
- ✓ WIPO Arbitration and Mediation Center

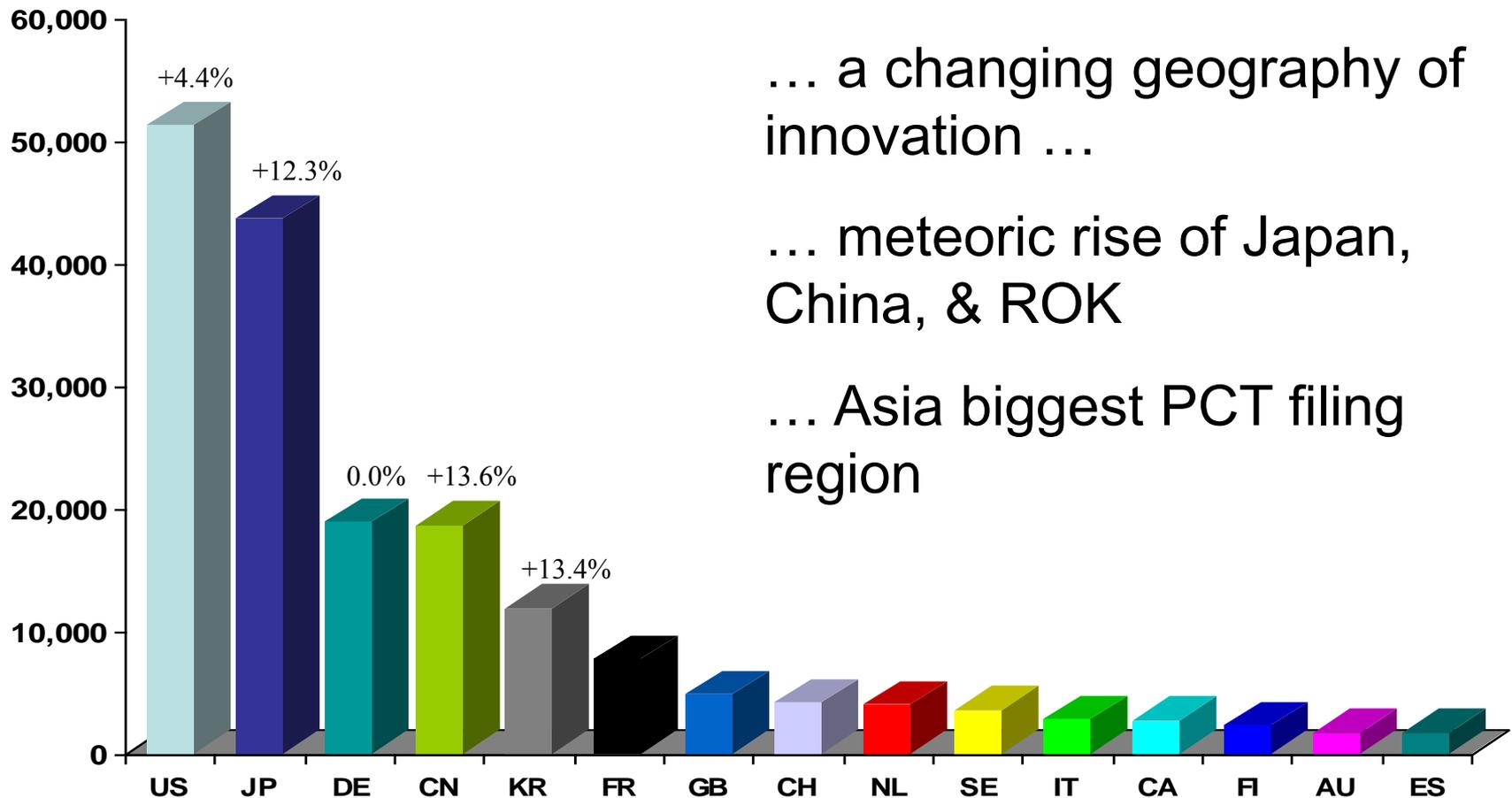
Aim: to be the first choice for users by continuing to offer cost-effective value-added services

PCT Statistics



6.6 % growth 2012
146 Contracting Parties

PCT: International Applications Received in 2011 (by country of origin)

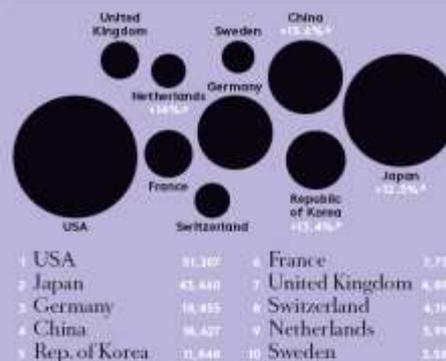


Visit WIPO's on-line press room:
www.wipo.int/pressroom/en/

WHO FILED THE MOST PCT PATENT APPLICATIONS IN 2012?

194,400 +6.6%
 Number of applications Growth in 2012

TOP 10 COUNTRIES

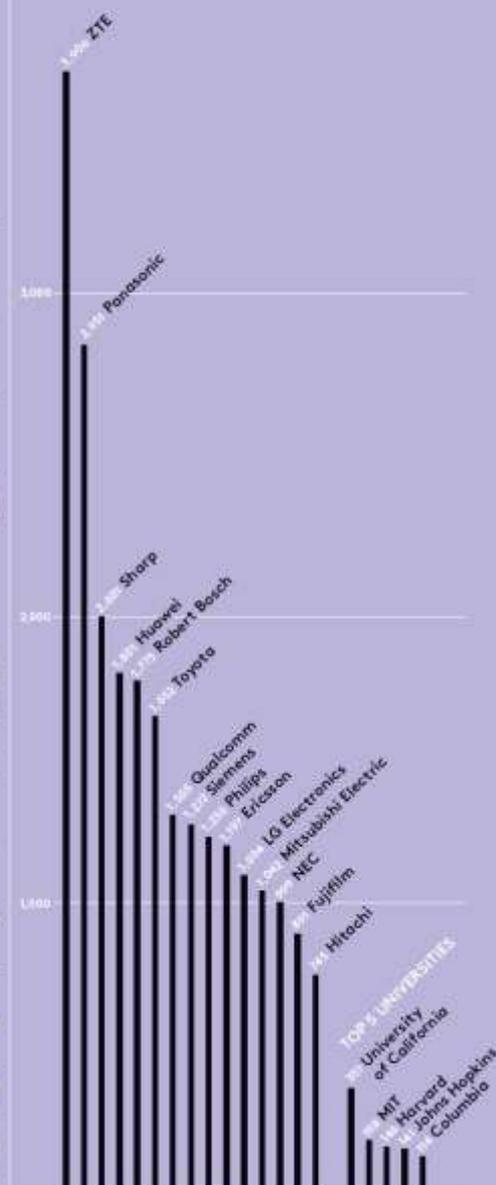


TOP 5 TECHNOLOGIES

| | | |
|---|-----------------------|--------|
| 1 | Electrical machinery | 13,293 |
| 2 | Digital communication | 12,816 |
| 3 | Computer technology | 12,391 |
| 4 | Medical technology | 11,546 |
| 5 | Pharmaceuticals | 7,792 |

TOP 15 COMPANIES AND TOP 5 UNIVERSITIES

Chinese telecommunication company ZTE was the largest filer in 2012.

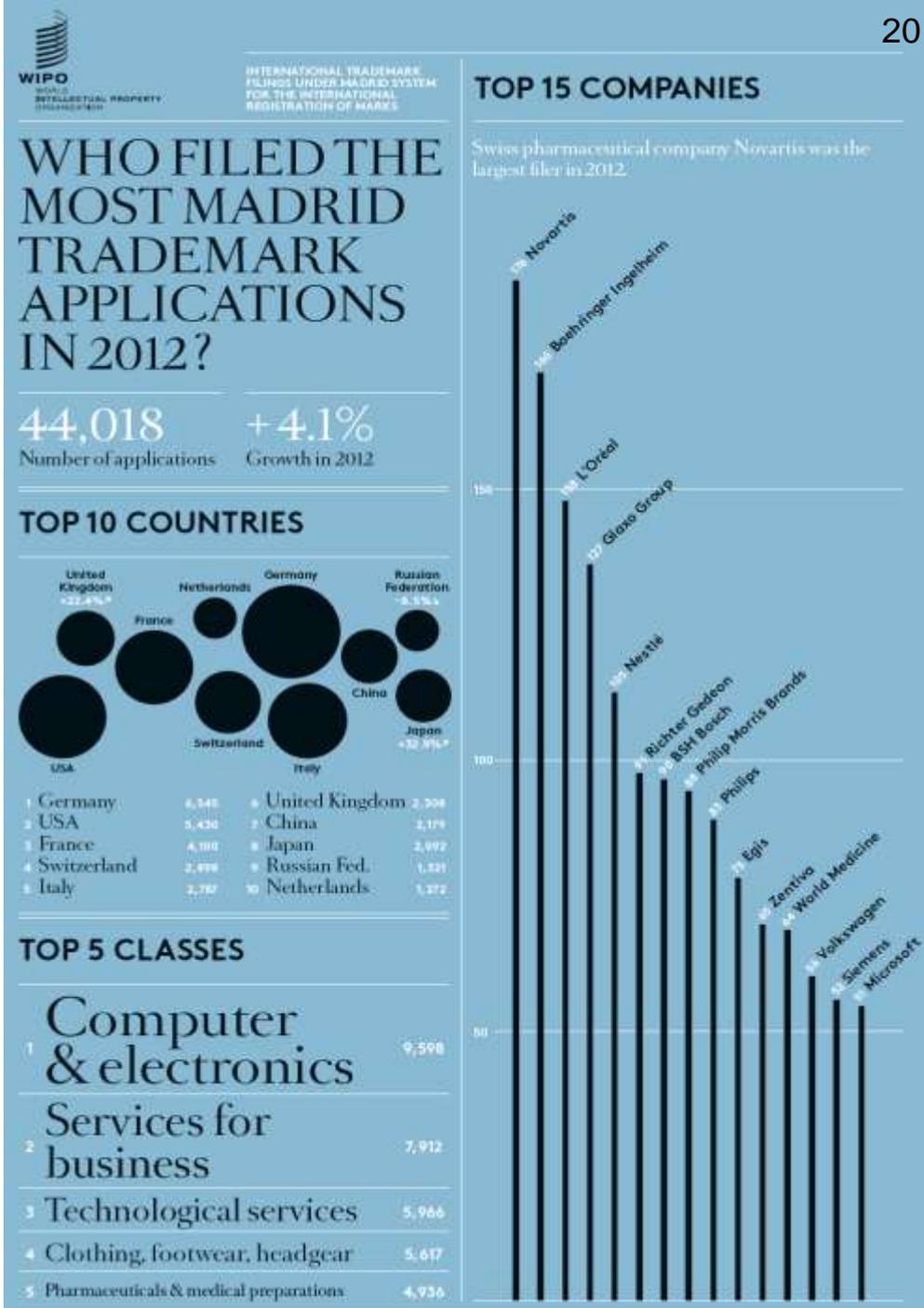


The Madrid System for the International Registration of Marks

559,826 registrations
in force

4.1% growth in 2012

90 contracting parties



WIPO Arbitration & Mediation Center

Alternative dispute resolution (ADR)

(<http://arbiter.wipo.int>)

I. Classical Arbitration & Mediation Services

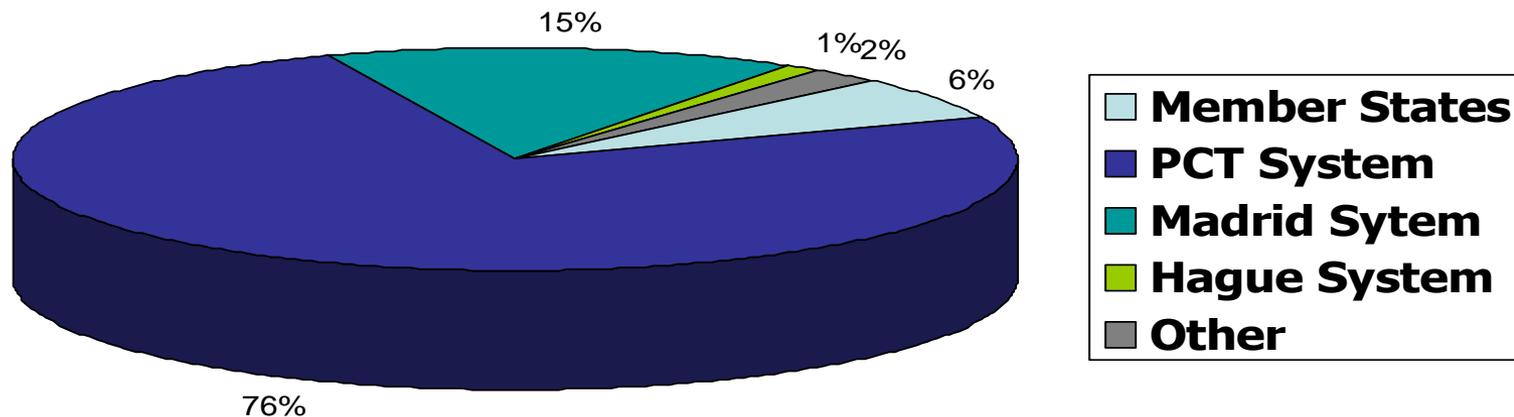
II. Tailor-made dispute resolution procedures:

e.g.: UDRP - criteria:

- identical/confusingly similar
- legitimate interest
- bad faith

A cost-effective and expeditious procedure ...

WIPO's Main Sources of Revenue



Budget 2012-2013: CHF 637 million

Estimated revenue:
CHF 647 million (4.7% growth)
budget capped at 3%

IP Asset Management

Principle of Innovation

- **Definition:** Innovation is the use of new technological knowledge, market knowledge, and business models that can deliver a new product or service, or product/service combinations, to customers who will purchase at prices that will provide profits.
- **The process of benefiting from ideas:** the exploitation of something new
- **Innovation is not R&D**
- **The process of innovation is not the same as simply inventing something**



Bagless Vacuum Cleaner



A vacuum cleaner without a bag. Developed by James Dyson, this vacuum cleaner uses centrifugal force to trap dirt, expel air and maximize suction

Google

Google Inc. is the developer of the award-winning Google search engine, designed to provide a simple, fast way to search the Internet for information.



Strategy and Management

- **Strategy: the determination of the long-run goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals**
- **Strategy: general principles and aims that govern the courses of action**
- **Management: actual implementation of those courses of action**
- **External IP strategy: issues of exploitation like licensing and litigation**
- **Internal IP strategy: valuation, information, coordination and education**

What is an IP Strategy

- **Starts with the business goals and business issues**
- **Decide how you plan to use IP to support your business goals**
- **Is informed by your own IP position and also competitors**
- **Identifies IP gaps and strengths for you and competitors**
- **Drive how you seek potential IP, how you will evaluate it, and what type of protection you will seek once you get it**
- **Determines how you will monitor and enforce your IP**

What makes a strong IP Strategy

- **Aligning it with your business strategy**
- **Using multiple forms of IP**
- **Keeping it current (periodic updates and revising it under unusual circumstances)**
- **Executing it! It is a plan to be carried out, not a report to file away**
- **Communicating the strategy throughout the company**
 - **“This is why we have a trademark and here is how to use it”**

Why a strong IP Strategy is Important

- **Allows businesses to use IP in a systematic and uniform fashion**
- **Helps to prioritize resources, including Time and Money**
- **Can lower risk**
- **IP can be leveraged to find partners, get better terms in a deal, out license for revenue, etc.**

IP Strategy: Outline

- **Review your current business goals**
- **Review your current IP portfolio**
- **Determine which, if any, types of IP protection will help reach current business goals**
- **Review competitor IP and their IP strategies**
- **Determine where there is a gap in your IP protection that you needs to fill or gap in your competitors' IP that you can exploit**
- **Extract and capture IP that already exists within your company**
- **Review potential IP to see if it meets your business needs**
 - **If so, consider appropriate type of IP and filing for protection**
 - **If not, consider creating IP that does or acquiring external IP**
- **Implement internal processes that allow for above mentioned steps to be repeated as needed**

IP Strategy: Next Steps

- **Raise IP awareness in all business functions through training and developing policies**
- **Determine where you need/want advice from an attorney**
- **Make sure you capture and document potential IP within your company so you can decide if/how to protect it**
- **Encourage creativity and invention – consider a recognition or rewards program for creators of valuable IP**
- **Develop a basic IP strategy to support your business objectives**
- **Identify opportunities to leverage your IP (e.g. in deals, product labeling)**
- **Monitor and enforce any IP that you do have**

Business Plan / Concept

■ Business Plan

- Answer the 4W's: what, why, when, who
- it helps: to set up goals, to foresee problems, to find funding

■ Things to consider in the business concept

- viable Products
- IP defensible and other patents cannot block the commercialization
- clear business model for generating profit
- large and/or rapidly growing market
- management with skills to implement the business plan

Innovation Success Factors

- **Focusing on core knowledge and markets, with the intent to dominate a niche**
- **Integrating internally developed technology with externally acquires technologies**
- **Having a clearly defined IP and R&D strategy**
- **Bundling customized services with products**

Example of bundling customized services with products

- **Dell's business model is based on two key basics**
 - **the customer gets a product configured and manufactured just for them**
 - **they exhibit total lean manufacturing to minimize the cost of production**
- **Each member of the supply chain is tied together through data exchange, and provide customer not only product but service.**
- **Toyota: prints high quality personalized brochures once a customer has selected the color and options at web-site**
 - **concurrently reserving the manufacturing slot and delivery date**

Management of an IPR Portfolio

- **A set of actions and decisions so that the company having IPRs will have the most profitable portfolio of IPRs (patent, trademark)**
- **Principle: The IP strategy is in line with the business objectives**
- **IPR portfolio management also includes the constant follow-up on the changes of the competitors' portfolio**
- **In order to keep IPR related expenses at a reasonable level, the IPR portfolio should be managed with consideration on the following:**
 - **Patent an invention only if it can be exploited**
 - **Revise IPR portfolio and abandon what only generates unnecessary expenses**
 - **Be aware of your territorial strategy**

IP in Business

- **Find partnerships / joint ventures**
- **License out rights to gain revenue streams**
- **Establish a competitive advantage in the marketplace**
- **Prevent imitators**
- **Invent-in-front of competitors**
- **Capacity building: raise the ability to fully exploit its inventions should gradually increase over time as proceeds from the exploitation of initial inventions are reinvested**

What is your IP environment

■ IP Research

- Is there IP in your Industry?
- Do your competitors use IP and how?

■ IP Strategy

- How should you use IP?
- What types of IP fit with your culture?
- Do you have a plan for enforcing IP?

Product has many IP rights



- **Designs for phone shape**
- **Trademark**
- **Copyright: software, images, ringtones**
- **Patents: technology to produce and operate. Some pooled or cross-licensed, others kept exclusive**
- **Trade secrets: some technical know-how kept “in-house” and not published**

Patents themselves are Products

- **Strategic approach**
 - **consider business, legal and technical information about innovation and competitive environment**
 - **in order to determine which innovations to protect and how best to protect them**
- **Strategically focused patent portfolio development is a key process in protecting IP**
- **Rather than using R&D to produce new products or services, generate patents**
- **Patent themselves are the real product that is then sold or licensed**

Patent in Business

- **Patents serve as:**
 - **licensing tools**
 - **negotiating chips & deal makers**
 - **assets on the company accounts**
 - **means to impress investors & share-holders**
 - **signposts to others in the market**
 - **means to scare rivals**
 - **means to prove ownership of ideas**

- **Patents not as an end in themselves; but as part of a broader strategy to make profit**

IP Research 1

- **Patent information is an invaluable source of research information; much of what appears in patents does not appear in academic and technical journals**
- **Most of what is published in patents is not protected, and is therefore free to use**
- **Patent information is also a source of commercial information, leading to customers, suppliers and new partners, as well as warning about developments by rivals and changes in the market**
- **Exploiting patent information is quite separate from owning, licensing and enforcing patents**

IP Research 2

- **IP research can help you understand how IP is used in your industry**

- **Therefore IP research should take multiple angles**
 - **Search around your known competitors**
 - **Search in your industry (find new IP competitors)**
 - **Search around your own IP (find potential partners or infringers)**

Advanced IP Research

- **IP research can also be used for more advanced competitive intelligence, such as:**
 - **Finding and/or researching potential partners**
 - **Reverse engineering competitors' IP strategy from their IP activities**
 - **Monitoring the activity of key competitors (Predict competitor moves, e.g. companies typically secure a brand name, domain name, etc. before a product is launched)**
 - **Developing a new product or service**
 - **Preparing to enter a new market or geography**
 - **Researching potential employees**

Thank You for Your Attention!

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