

# Examples of good practices in integrating IP into innovation policies

...or better: The 'disease' of hunting best practices

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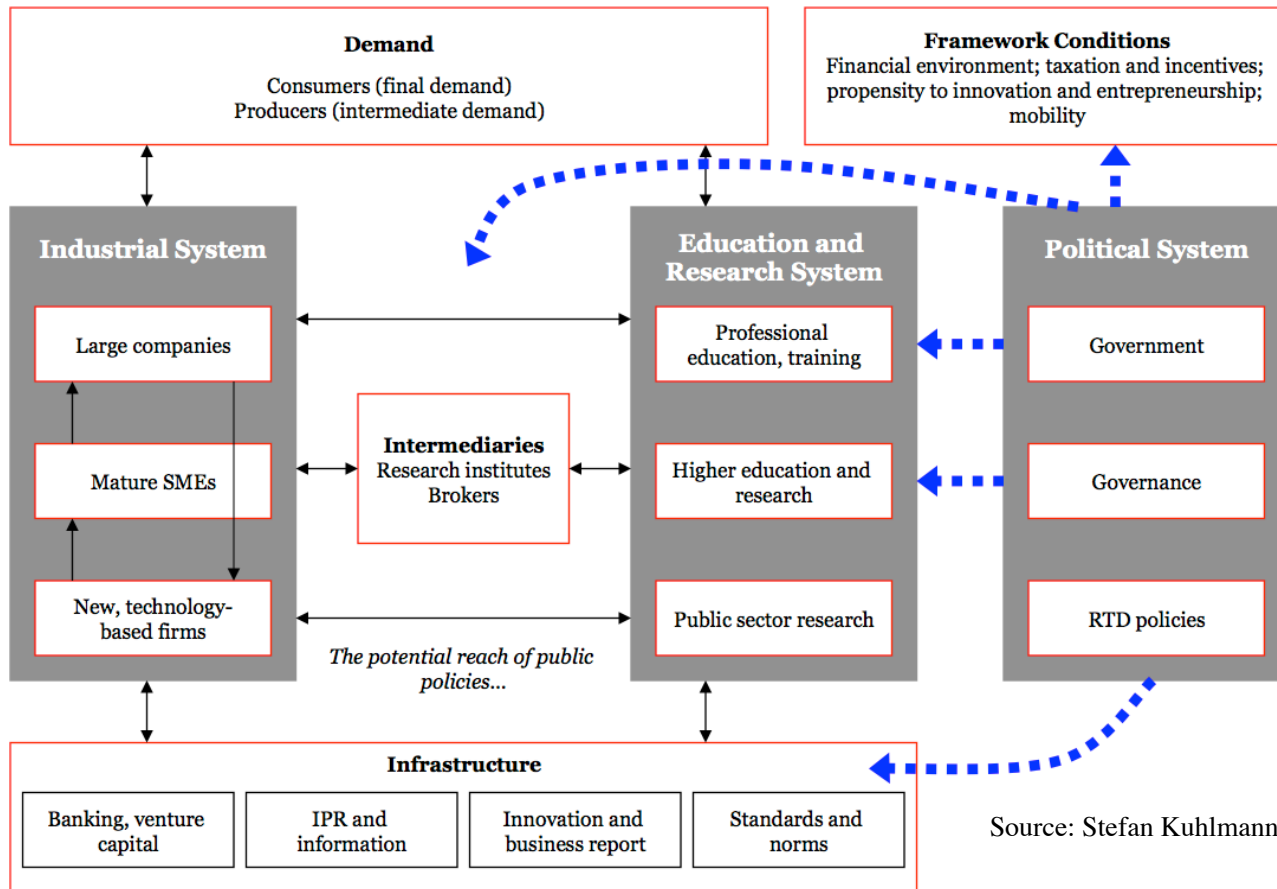
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## Some words on innovation policies (I)

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- An important milestone in innovation policy is the replacement of earlier models of (linear) innovation by the systemic view of innovation
  - collaborations and relationships between actors participating in the development of innovations are now more in the focus of policy makers ('systemic view')
  - The study of innovation systems has led, as historic trajectory, to include certain sets of actors as “typical” parts of the innovation system.

## Some words on innovation policies (II)



Source: Stefan Kuhlmann and Erik Arnold, 2001

## Some words on innovation policies (III)

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- Innovation policy can happen at different levels
  - *At the level of overarching country-wide policies*
  - *At the level of sector policies (health, agriculture, transport,...)*
  - *At the level of individual institutions (universities, firms, etc.)*
  - *At the level of support programmes and (intermediary) services*
  - *At the individual RTDI project level*
- Each level will carry its own IPR components and corresponding IPR policies

## Some words on innovation policies (IV)

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- Three other important trends to consider
  - *There is an increasing trend, based on observations of successful innovations, away from the notion of purely technological innovation*
    - Innovations can be of different types such as service sector, public sector, organisational, or – perhaps most importantly – business model innovations
  - *IPR is increasingly recognised as being more than just patents*
    - There is a whole range of IPR to consider from formal IPR like patents, trademarks, GIs, designs and copyrights to informal IP such as trade secrets
  - *There is an increasing trend and expectation from the policy side that innovation should solve societal (grand) challenges*
    - Rationale for the design of new types of policy intervention such as in the European “Horizon2020” programme

## Expectations regarding IP policies as part of innovation policies...

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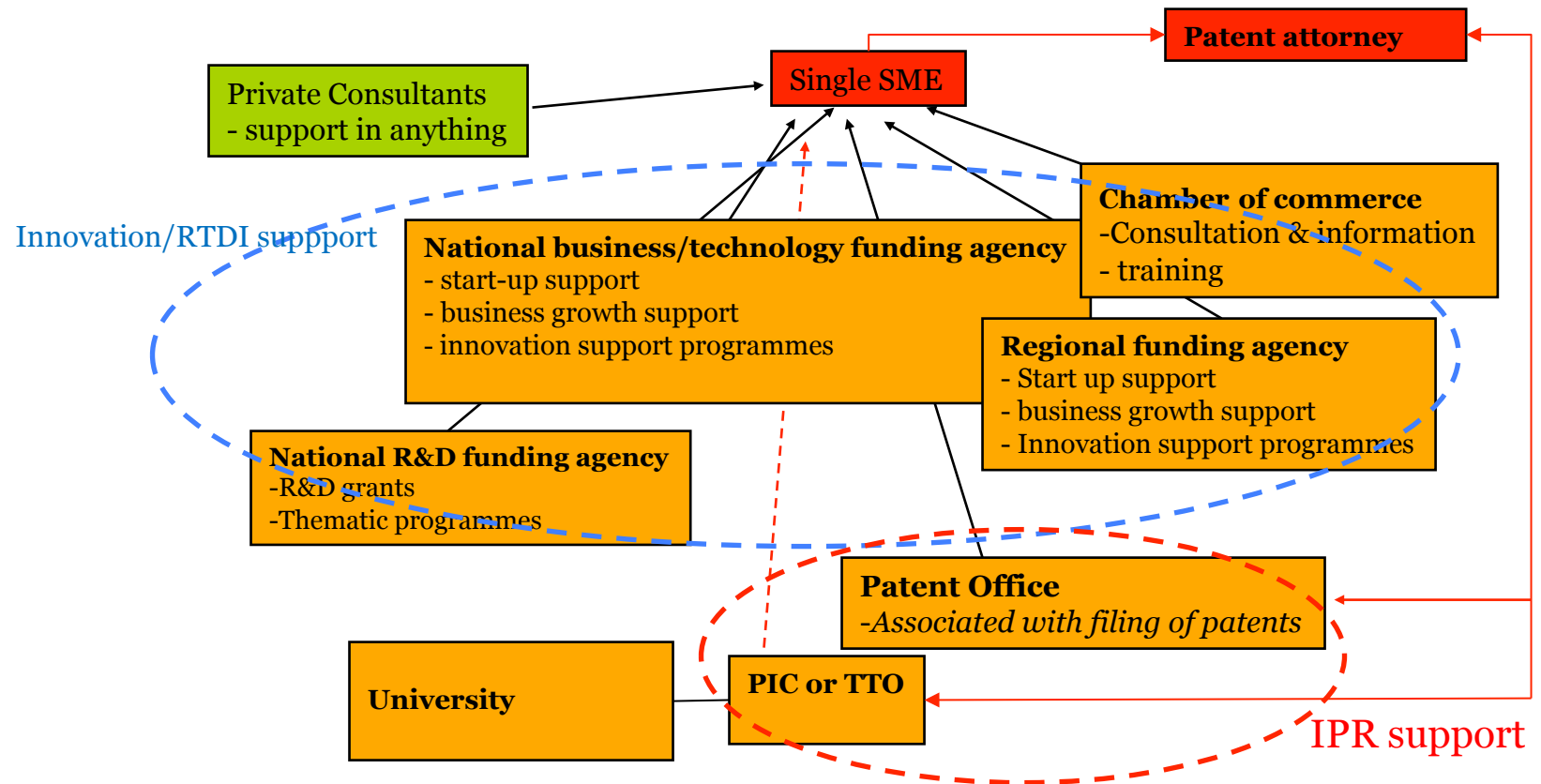
- One would expect many attempts and many strong examples of how IP policies can be integrated into innovation policies at various levels
  - Reasons
    - *In fact, IPR (or, more precisely, the patent system) is seen as one of the earliest attempts to foster innovation*
    - *IPR and its management are important means in making innovations commercially successful*
    - *IP management/policies are hence an integral part of innovation management/policies*
    - *There is institutional “ownership” of the topic (IP offices)*
    - *There is an increasing supply of various types of IPR services (grants for IP filings, trainings, awareness raising, search services etc...)*
- Several studies looking for best practices, such as for supporting SMEs in the field of IPR, e.g. in EU-27, the U.S., Japan, Switzerland, Germany, South-East Europe and Central Asia paint a different picture...

## ..are hardly met in practice in any country

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- The IPR world and the innovation policy world are in most countries separated universes which hardly talk to each other
- The main reason is historical:
  - *Innovation policies focus on technological R&D issues and institutions*
  - *Patent offices are traditionally only administrative bodies for gauging patent and other IPR applications*
- From the point of view of innovation policy makers, IPR appears
  - *As a mostly poorly understood metric to measure innovation performance (i.e., patent counts)*
  - *As a topic for technology transfer from universities to industry, also often badly understood*
  - *As a (legal) “framework” condition*

## The result is very similar in many countries...





## Consequences...

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- The consequences are manifold
    - *Systemic failure → IPR support and innovation support from two different sources as opposed to one integrated source*
    - *Considerable difficulties of patent and IP offices to reach out to customers, e.g. SMEs*
    - *Lack of awareness of IP issues in the innovation policy world leads to bad IP management and misguided expectations regarding IPR*
    - *Lack of awareness and good practices of the innovation system world in the patent/IPR office world (e.g., in terms of evaluation practices)*
    - *Lack of educational offerings in the field of IPR*
    - *Lack of IP experts in the field*
  - Because of these challenges there are hardly any best or even good practices
  - Careful and differentiated look at “best practices” in other countries is needed
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## “Best practices” revisited

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- A look at best practices by a policy maker should be preceded
    - *By a thorough understanding of what the problem is you want/need to solve*
    - *By a through recognition of the various institutional specifics and restrictions in your countries*
  - Possible main needs to consider for African countries may lead to very different practices than in developed countries
    - *Inward channel: Adoption of foreign technology*
    - *Inward channel: Access to reasonably priced medicine*
    - *Outward channel: Protection and appropriation of own innovations nationally and internationally*
  - If „best practices“ are adopted, they should not usually be 1:1 copies
    - *Individual context hardly considered*
    - *Perhaps superficially a success, in the substance mostly a failure*
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## Good practice Nr. 1 – How to deal with patents and technological innovations

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- Bad practice: Implement an innovation policy that looks to maximise the number of patent applications
- Good practice: Focus on select few patents/technologies and try to give them best support
  - *Example of Czech Republic – Institute of Organic Chemistry and Biochemistry at Czech Academy of Sciences*
    - Development of most effective drug in HIV treatment to date
    - Licensed to U.S. firm Gilead
    - Licensing income of € 46 Mio. is significant revenue stream for the whole academy and also for the Czech Republic
  - *Example of Bioresources Development and Conservation Programme in Nigeria*
    - Capitalising on THP (Traditional Healing Practices) and entering JV with U.S. pharmaceutical firms (Source: WIPO)

## Good practice Nr. 2 – Implement patent/IP search services

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- *Bad practice:* A (small) patent office implements a patent search service and waits for customers
- *Good practice:* Collaboration with other business intermediaries to attract customers
  - *Example: Dutch IOI programme*
    - Collaboration between patent office and a business support/innovation agency
    - Trained members of business support agency signpost, where necessary, to patent office service and patent office places some staff at business agency
  - *Feasibility for African countries*
    - Are there enough potential customers?
    - Is there a sufficient number of well equipped and trained members of staff?
    - Possible option: One well-equipped office centrally serving a larger region/multiple countries?
    - Possible area for technological innovations: access to patent information services via mobile phones?

## Good practice Nr. 3 – Integrating innovation, IP policies and sectorial policies

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- *Bad practice:* IPR and innovation policies are isolated from each other, and both do not address sectoral needs
- *Good practice:* IPR and innovation policies are part of sectoral policies which tackle country-wide challenges
- Example for a good concept: Botswana Technology Centre (Source: WIPO)
  - *Established in 1979 with the goal to transform Botswana into a globally competitive nation and operating under the government*
  - *Research, development AND Commercialisation AND use of technological solutions in specific sectors that tackle the problems of the country (e.g. in the energy sector: development of solar power technologies used in powering local schools, hospitals,...)*
  - *Integrated approach to IP*
  - *Collaborations with foreign NGOs and research institutions*
- Areas that hold huge potential for sectoral policies: agriculture, health, ...

## Lessons learned: Elements of good practice

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- Careful analysis of individual problem and possible means to solve them
- Use broader concepts of innovation and IPR
- Realistic assessment of restrictions
- Pool scarce expertise and make IP professionals talk to members of the „classic“ innovation system
- Invest in IP education
- Find the gold nuggets in terms of technological innovations
- Foster sectoral policies which tackle specific country needs and integrate innovation and IP policies accordingly

Thank you

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