



# **Survey of Intellectual Property Services of European Technology Incubators**

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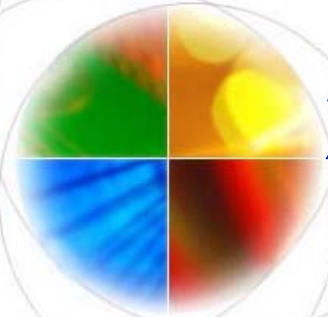
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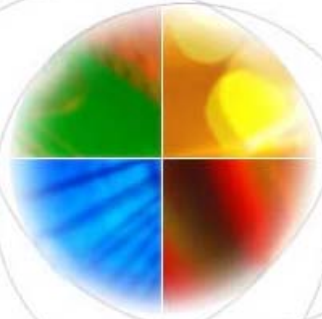
# 1. Background

- WIPO requested to support a number of initiatives for the development of value added services in technology incubators
- Limited information available on IP services of business incubators (range, type, modality)
- Project: pilot survey to gather information on current IP services of incubators



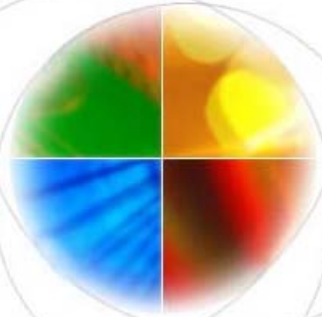
## 2. Innovation Management and IP Rights

- Decision to invest in R&D affected by profit expectations
- Problem of “appropriability” of innovation creates disincentive to invest in R&D
- Problem may be even more acute for technology-based start-ups.
- **IP rights:** a tool for addressing the “appropriability” problem.



# Innovation Management and IP Rights (2)

- IP Rights include:
  - Patents and utility models
  - Trademarks
  - Industrial designs
  - Copyright and related rights
  - Valuable undisclosed information or trade secrets
  - New varieties of plants (or plant breeders' rights)
  - Geographical indications
  - Topographies of Integrated Circuits



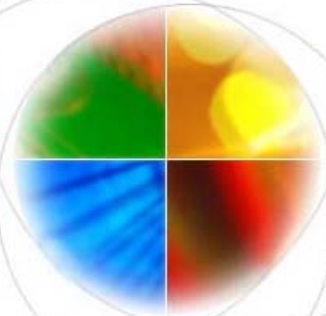
# Innovation Management and IP Rights (3)

- **IP Rights:**
  - provide **exclusive rights** over the exploitation of innovative products, processes, designs, software, literary and artistic works, etc.
  - provide an **incentive** to innovate
  - facilitate the **licensing** of innovative products, processes, designs, etc.
  - provide a useful source of technological and commercial information
- For technology-based start-ups, IP rights may improve chances of obtaining funds



## 3. IP Rights and SMEs

- Most SMEs make limited use of the IP system
  - System perceived as too complex and expensive
  - Limited knowledge of the IP system
  - Lack of human resources
  - Limited access to expert advice
- EPO Survey: major information deficit.
- Norwegian study: success rate of SME applications is much lower than for large enterprises.



## IP Rights and SMEs (2)

- UK Study: SMEs rely on informal means of protection for their IP
  - Lead-time or first-to-market
  - Relationships based on trust
  - Limited information sharing





## 4. Incubators and IP services

- IP rights are a useful tool for managing innovation
- IP rights are often a crucial asset for technology-based start-ups
- SMEs generally make limited use of the IP system primarily due to costs, complexity and limited access to expertise
- Strong case for providing assistance on IP to tenants of business incubators



# Incubators and IP services (2)

- Types of IP services that could be provided by incubators (non-exhaustive list):
  - IP audits
  - Financial, legal and technical advice for filing applications
  - Assistance for licensing and technology transfer
  - Valuation of IP assets
  - Use of patent information
  - Protection of trade secrets
  - Freedom-to-operate (IP clearance) assessments
  - Enforcement of IP rights



# Incubators and IP services (3)

- Services provided are likely to depend on:
  - Demand from tenants
  - Size of incubator management team
  - Links to external service providers
  - Skills of incubator management team
  - Judgement of incubator managers
  - Whether service already provided by private sector



# Incubators and IP services (4)

- Literature review: information limited at best to general statements on the number of incubators providing IP services.
  - **Do incubators have staff responsible for IP?**
  - **What type of IP services are being provided?**
  - **How are services provided (in-house or through external partners) ?**
  - **Do incubators provide financial support for IP protection?**
  - **Is ownership of IP assets a consideration when selecting tenant firms?**



## 5. The Pilot Survey

- Pilot survey relies on the European Commission's database of over 700 incubators in EU, EEA, Switzerland and EU candidate countries.
- Surveyed incubators selected on the following criteria:
  - Biotechnology sector
  - ICT sector
  - Focus on R&D
  - High-tech industries

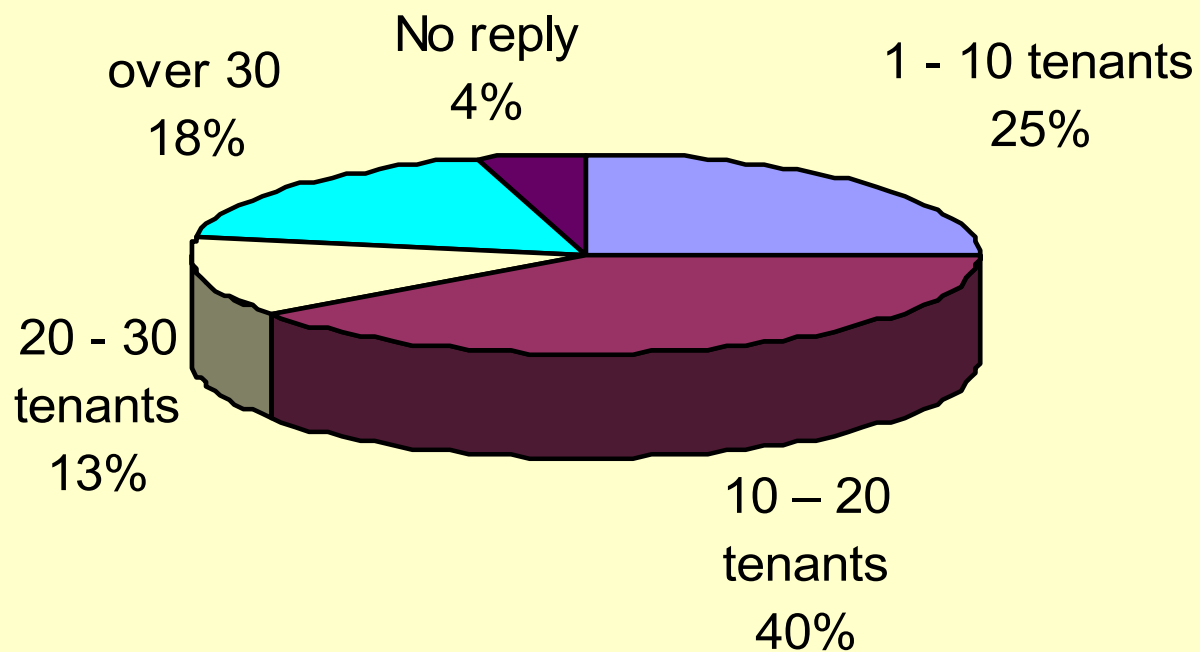


# The Pilot Survey (2)

- Questionnaire sent to 162 incubators
- 68 incubators (i.e. 43%) from 21 countries replied to the questionnaire within the specified period
- Potential biases

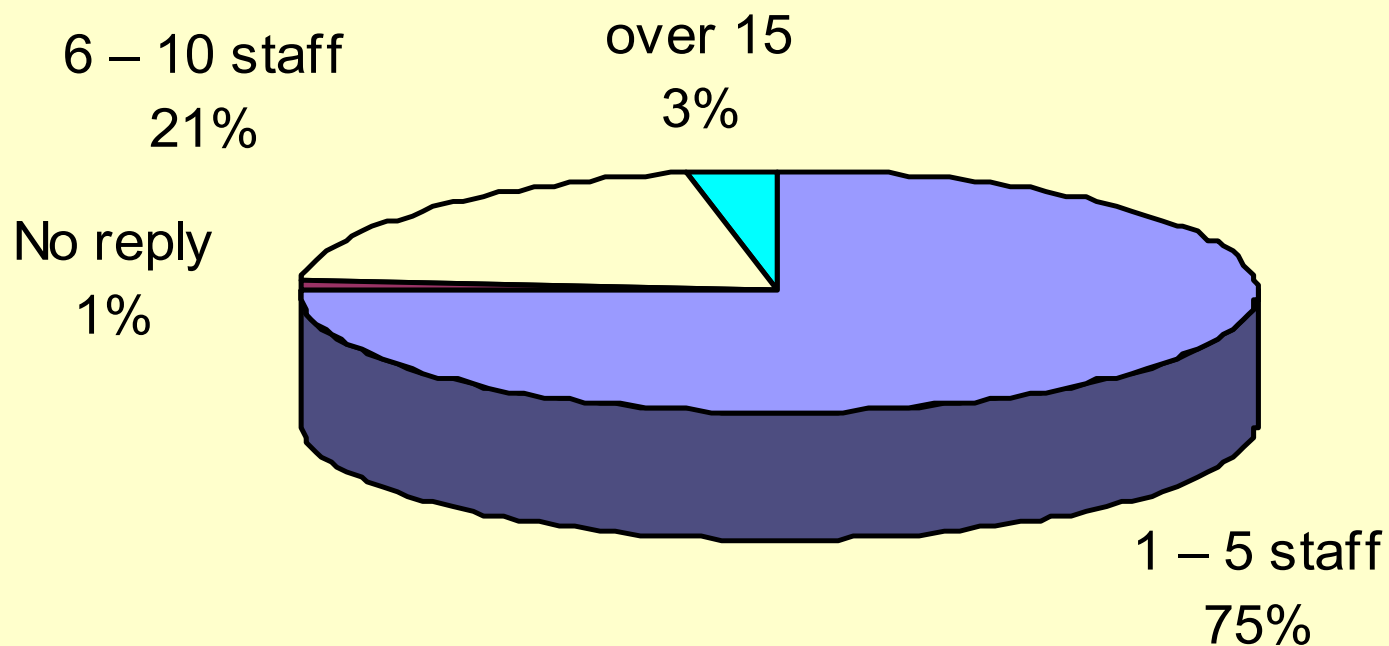


## Number of tenant companies in the incubator





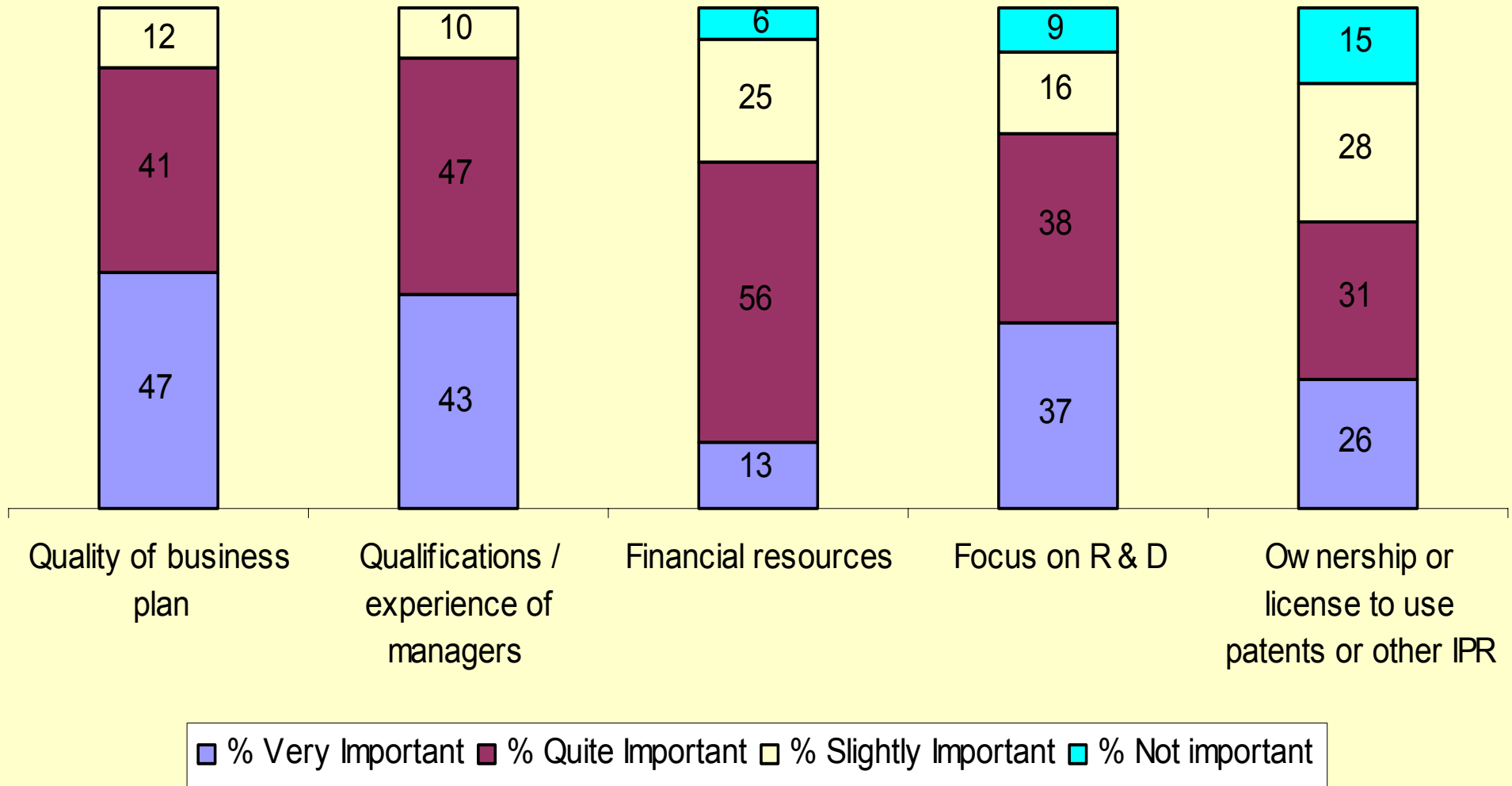
## Number of staff members in the incubator's management team





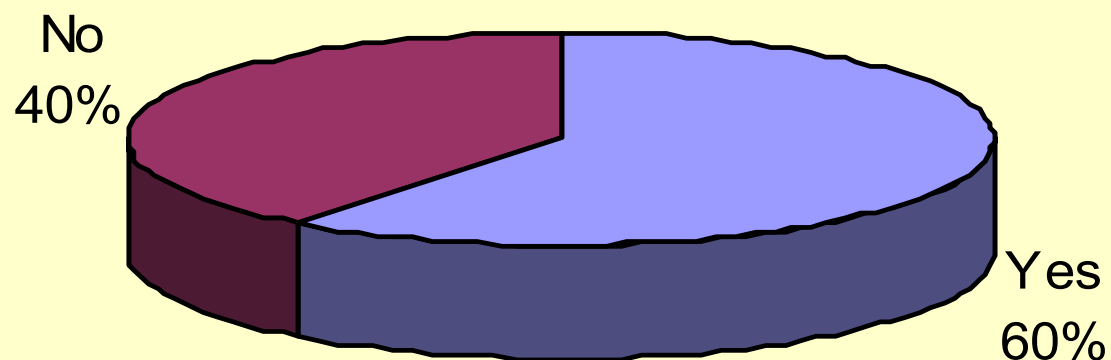


## How important are the following criteria in the selection of tenants?





## Does the incubator have any staff responsible for assisting tenants with intellectual property issues?

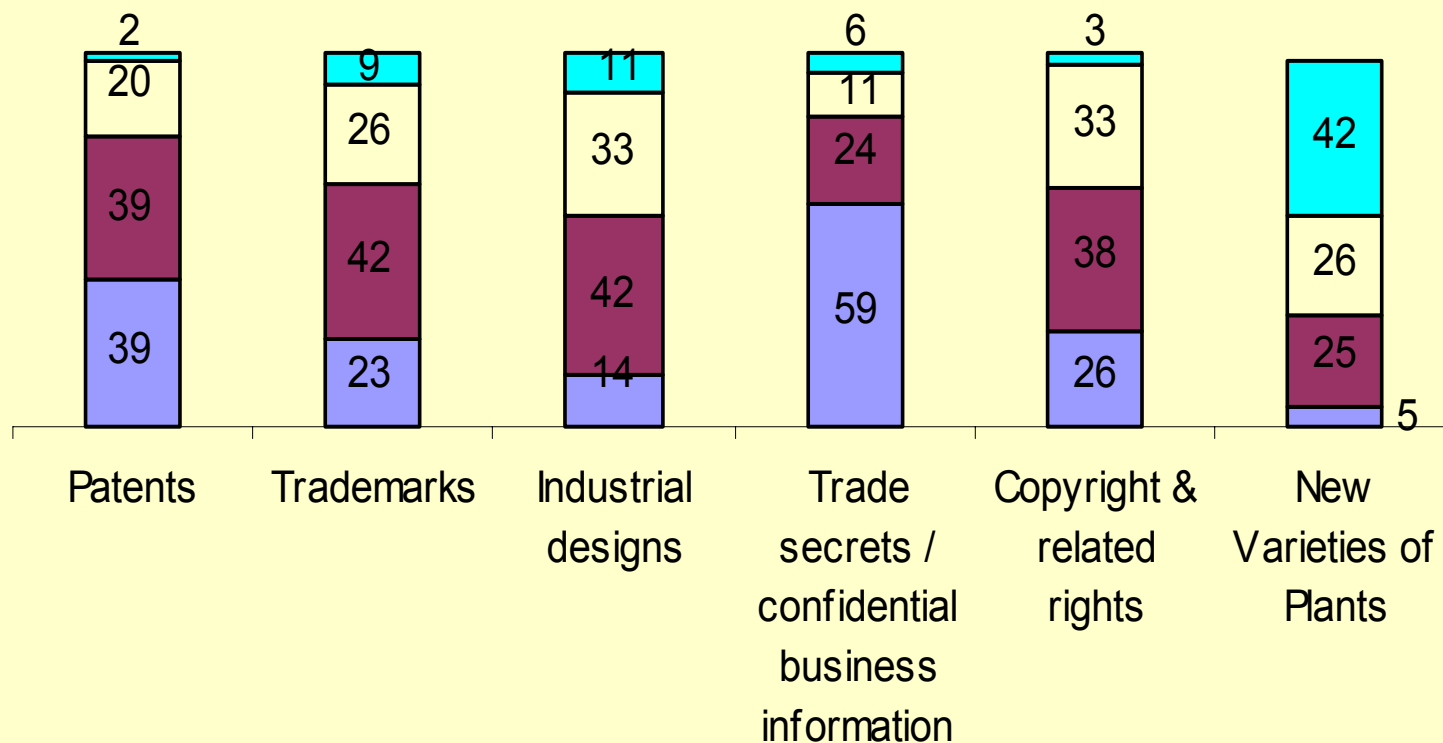


### Comments:

- Agreements with external partners
- General advice in-house, but specialized advice outside
- Wide variety of arrangements for meeting IP needs of tenants



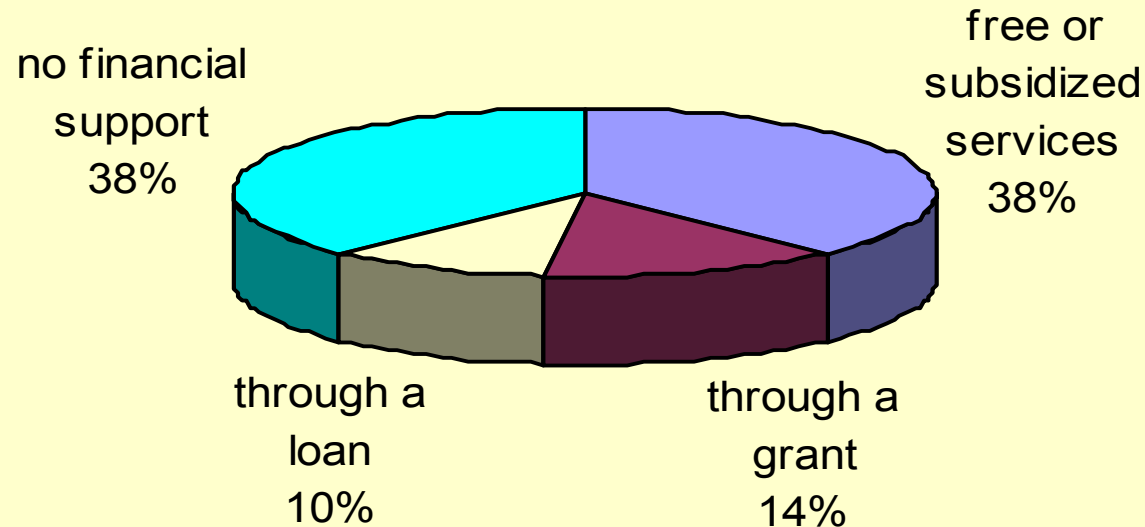
## How important are the following intellectual property rights for tenants?



■ % Very Important ■ % Quite Important □ % Slightly Important ■ % Not important



## Does the incubator provide any financial support to firms for protecting their intellectual property?

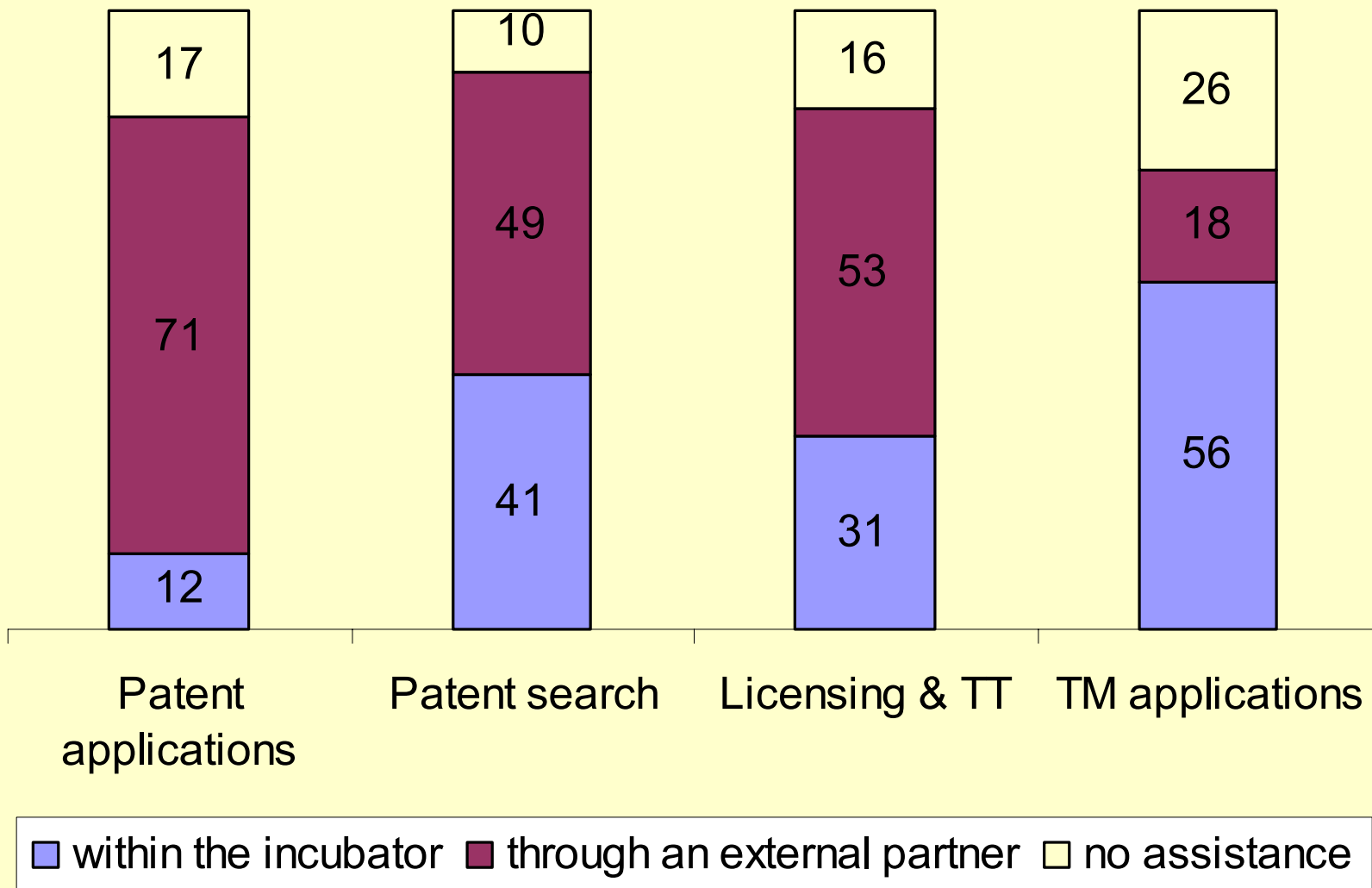


### Comments:

- Financial support provided by other institutions
- Incubators as “brokers”
- Lower fees negotiated with external agent

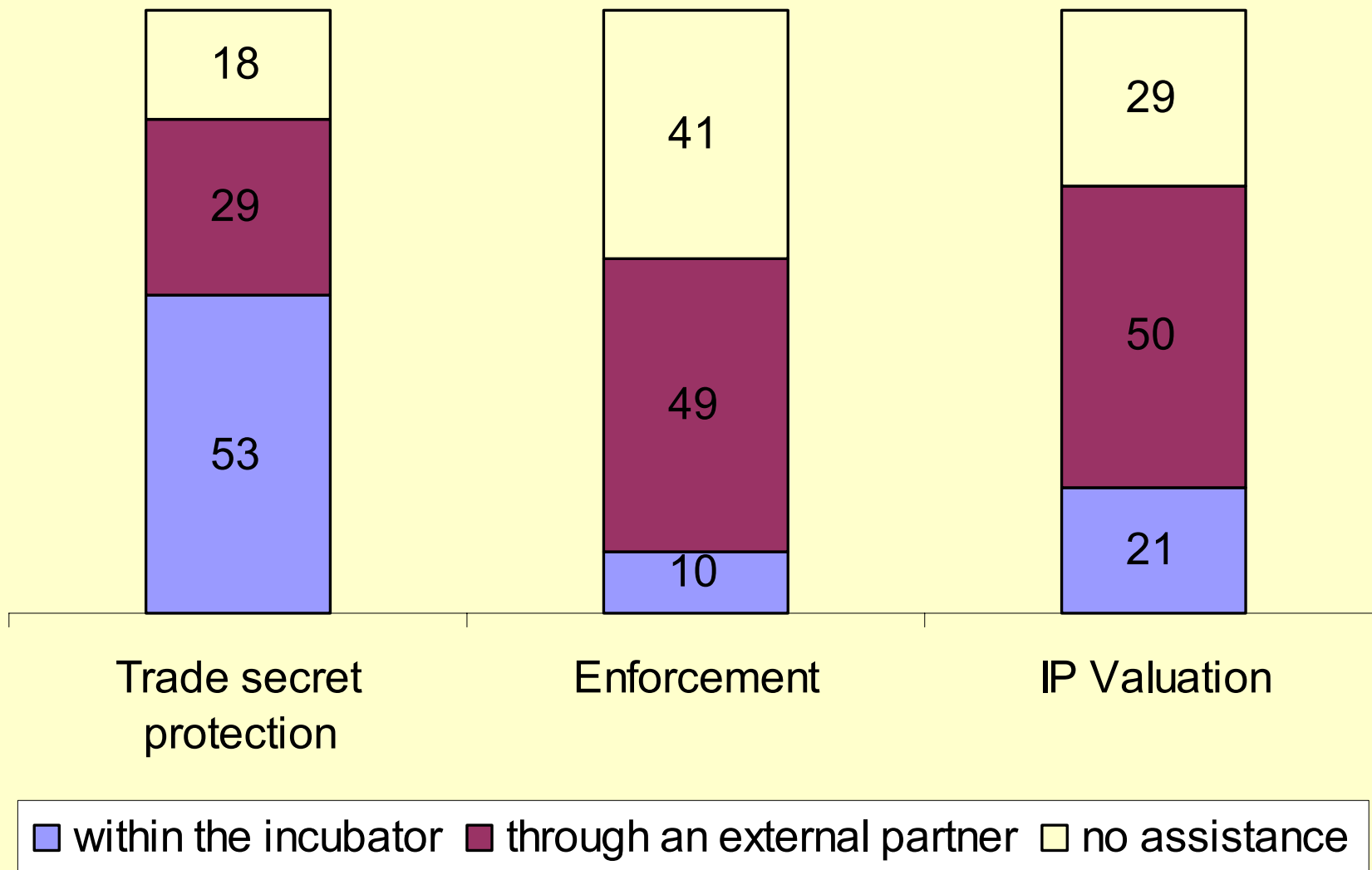


## Does the incubator facilitate access to or provide any legal or technical assistance in any of the following areas? (1)





## Does the incubator facilitate access to or provide any legal or technical assistance in any of the following areas? (2)





# Conclusions of pilot survey

- Most IP rights are considered by incubator managers to be either very or quite important for tenants
- Trade secret protection proved to be of particular importance to incubator managers, followed by patents, trademarks and copyright
- Most technology incubators take IP rights into consideration when selecting tenants (57% very or quite important)



## Conclusions of pilot survey (2)

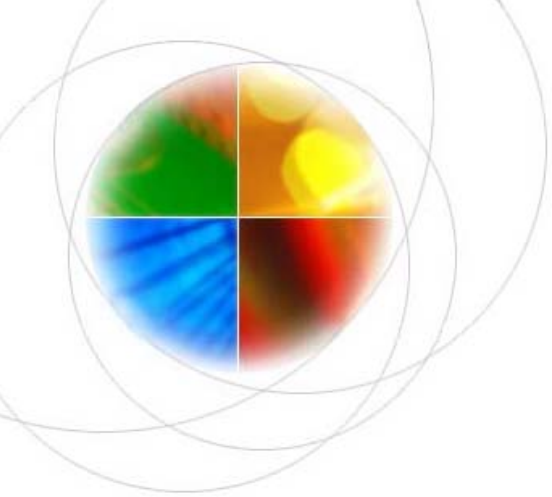
- Most technology incubators have staff responsible for IP rights and provide some kind of support to tenants (e.g. 90% provide support, in-house or external, on patent searches)
- The modality of service provision depends significantly on the type of IP service
- Few incubators provide financial assistance to tenants (excluding support kind)





# Conclusions of pilot survey (3)

- Many incubators provide initial support (e.g. TM applications) and direct tenants to external partners for specialized support (e.g. drafting patent claims, IP valuation, enforcement, etc.)
- Links between incubators and universities, government agencies, law firms and venture capitalists important in determining whether a service is provided and how it is provided.
- Incubators often act as “brokers” between tenants and other external institutions or service providers.



**THANK YOU**