

WIPO/INV/BEI/02/6

ORIGINAL:English

DATE:May2002

STATEINTELLECTUALPROPERTYOFFICE
THEPEOPLE'SREPUBLICOFCHINAWORLDINTELLECTUAL
PROPERTYORGANIZATION

**SECONDIINTERNATIONAL FORUMON
CREATIVITYANDINVEN TION –ABE TTERFUTUREFOR
HUMANITYINTHE21STCENTURY**

organizedby
theWorldIntellectualPropertyOrganization(WIPO)

incooperationwith
theStateIntellectualPropertyOffice(SIPO)of
thePeople'sRepublicofChina

Beijing,May23to25,2002

INVENTIONSANDINNOVATIONS –KEYELEMENTSINTHE
STRIVEFORCOMPETITIVE ADVANTAGE

THEROLEOFUNIVERSITIESANDRESEARCHANDDEVELOPMENT(R&D)
ORGANIZATIONSINTHEINNOVATIONCYCLE

*DocumentpreparedbyDr.JohnTurner,ManagingDirector,Flinders
TechnologiesPt yLtd.,BedfordPark(SouthAustralia)*

OUTLINE

1. Universities and research and development (R&D) organizations are an important part of a country's "national innovation system." The successful commercialization of inventions and innovation is important for the economic and social development of society generally. About 50 to 80 percent of the market value of modern business is due to intellectual property (IP) assets.^{1,2} Sound IP regimes are necessary elements for this success.
2. Universities and R&D organizations are potentially valuable sources of new IP and professional expertise. However, the IP created is usually at an early stage from a commercial point of view and may not even have commercial relevance.
3. Universities and R&D organizations can improve opportunities and outcomes for IP commercialization by having linkages to specialist technology commercialization organizations. There are many different models used throughout the world for promoting the components of the innovation cycle, i.e. investment, IP creation, innovation and commercialization. WIPO has undertaken a study into the establishment of innovation promotion centers in developing countries.
4. Flinders Technologies Pty Ltd. has been successfully commercializing early stage IP for over 14 years. The company has achieved an internal rate of return on seed -capital investments averaging 74 percent per annum. Nevertheless, relationships between the company and researchers can at times be difficult. The adoption of "standard" policies and procedures (e.g. policy for reward to inventors, assignment of IP rights, IP evaluation and commercial assessment procedures) assists in the management of relationships.
5. Finally, IP commercialization is a globally competitive business. This is a good reason why universities and R&D organizations should generally obtain advice from experienced professionals who have international linkages and can assist in optimizing the opportunities and benefits from IP. This applies in developed as well as developing countries.

[Powerpoint presentation follows]

¹ "Intellectual property is the oil of the 21st century. Look at the richest men a hundred years ago: they made all of their money extracting natural resources or moving them around. All today's richest men have made their money out of intellectual property", Mark Getty, "The Economist," March 4, 2000 (Grandson of John Paul Getty and son of John Paul Getty, Jr).

² John V. Turner, Topic 6, WIPO - SIPO Second International Forum on Creativity and Invention.