
Benchmarking National and Regional Support Services in the Field of Industrial and Intellectual Property for SMEs

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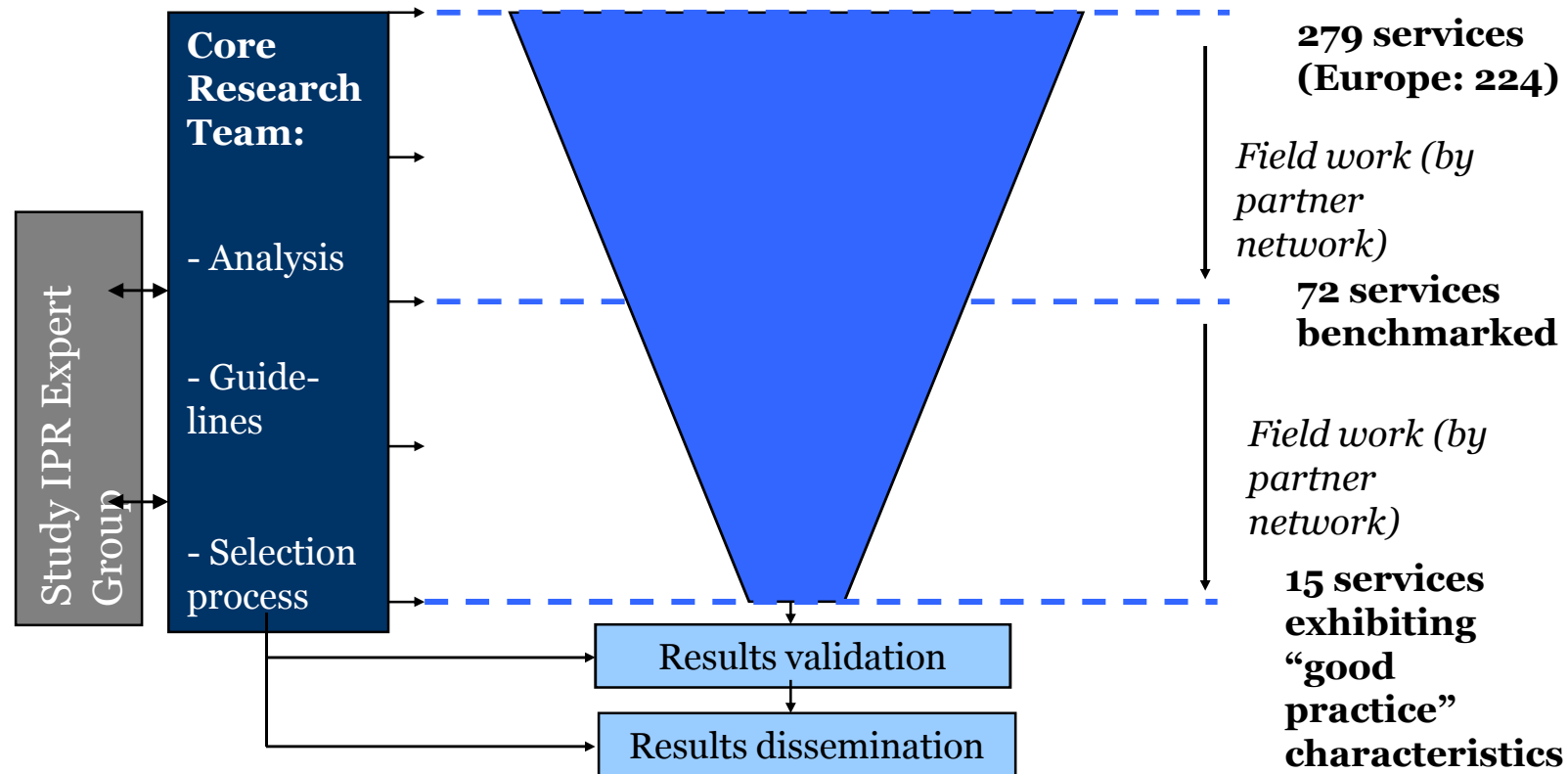
Warsaw, April 2 2009



Study SME-IIP in a nutshell

- **Aim:** The study aims to identify, analyse, classify and benchmark support services in the area of IPR for SMEs
- The project was carried out in **three phases**:
 - **Phase 1:** Identification and analysis of existing support services
 - **Phase 2:** Benchmarking of relevant support services; development of a short list for a “Good-Practice” analysis
 - **Phase 3:** In-depth analysis of selected services with “Good Practice”-elements; examination of survey results; development of case studies
- **Geographical coverage: Mostly EU-27 and some overseas countries (USA, Japan, Australia, Canada)**
- **Additional separate study for Switzerland**
 - Support Services in the Field of Intellectual Property Rights (IPR) for SMEs – A review (2008, on behalf of Swiss Federal Institute of IP)

Study design and methodology



Response rates for user survey in EU study

Nr.	title of the service	address pool ⁽¹⁾	contacted users	executed interviews	response rate
1	INSTI SME Patent Action (GER)	3000	460	52	11 %
2	Patent Information Centre Stuttgart (GER)	132	132	35	27 %
3	IK2 (SWE)	85	81	50	62 %
4	IOI (NLD)	200	94	50	53 %
5	IP Prédiagnosis (FRA)	82	82	30	37%
6	What's the key? Campaign (UK)	15	14	13	93 %
7	IA Centre Scotland (UK)	256	136	46	34%
8	serv.ip (AUT)	542	95	56	59 %
9	Intellectual Property Assistance Scheme (IRE)	53	53	41	77 %
10	VIVACE (HUN)	4000	450	50	11 %
11	SME Services of the Research Centre Henri Tudor (LUX)	47	41	20	49 %
12	Foundation for Finish Inventions (FIN)	138	85	49	58 %
13	Promotion of Industrial Property (ESP)	154	90	53	59 %
14	SME services of the Danish patent office (DK)	79	79	35	44 %
15	Technology Network Service PTR (1er brevet) (FRA)	385	253	50	20 %
TOTAL				630	

(1) Number of available contacts

*) The case studies are presented in lose order – the numbering does not represent a ranking of any type and is used only for easier referencing.

Source: Radauer et al., 2007

Identification process

TOWARDS GOOD PRACTICES

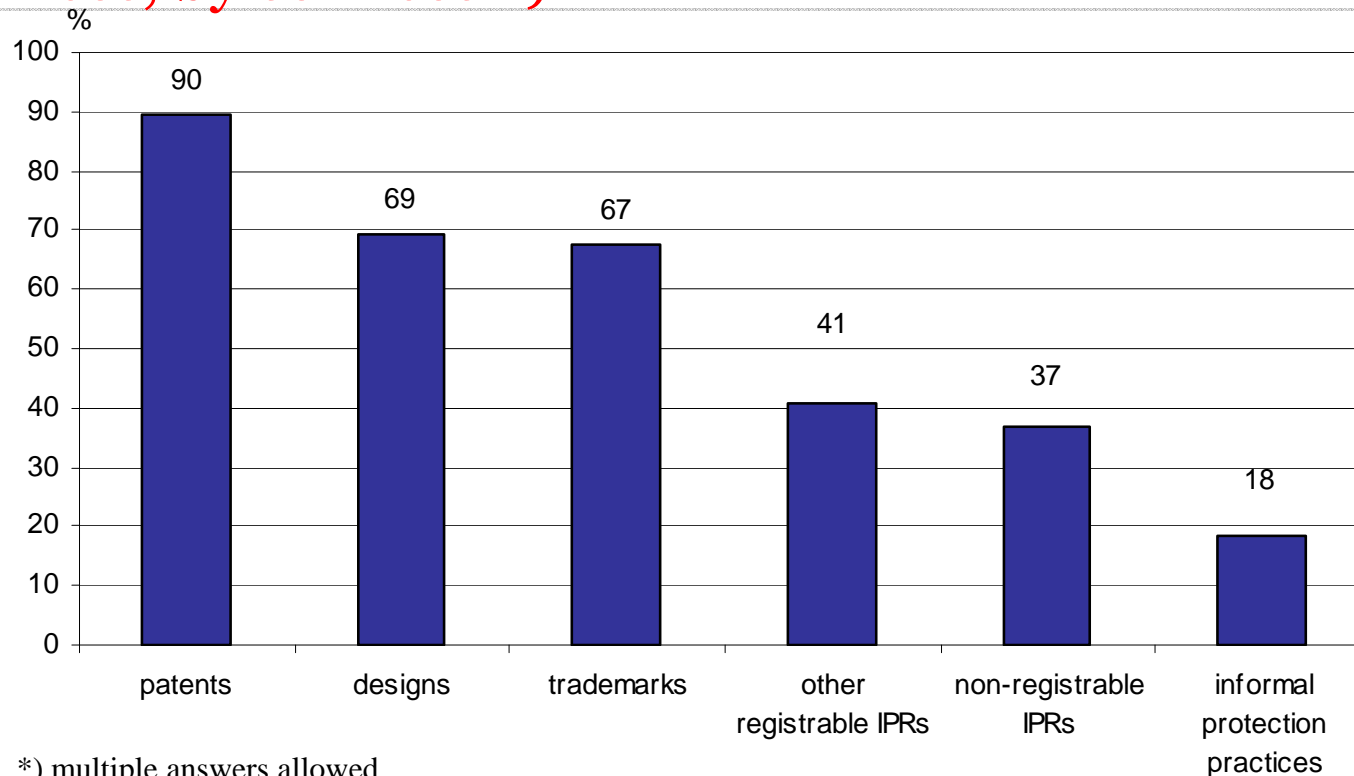
Selection criteria for identifying relevant support services

- **Source of funding**
 - Inclusion of only publicly funded services
 - **SMEs as target group**
 - **Explicitly**
 - Implicitly, if the service has **significance for SMEs**
 - **Service design**
 - Service targeted as **a whole or in (analysable) parts** at IPR
 - **Degree of legal formality**
 - Focus on **registrable IPR** (esp. **patents**)
 - Inclusion of other IPR with less legal formality, if a country does not have a high enough number of services targeting registrable IPR
 - **Geographical coverage:** national and/or regional
- Another (informal) selection criterion in some (few) instances: willingness of the service provider to collaborate and provide information
-

Overview of identified support services

- In total, **224 support services for SMEs** in the field of IPR in Europe have been identified.
 - *database listing: 279 services (incl. overseas)*
 - *high variation among countries*
 - *number of services identified overseas: 55*
- Only **35%** of the services were explicitly **dedicated services for SMEs**.
- Most services (**80%**) were offered **nationwide**, the rest at a **regional/local level**.

Degree of legal formality of IPR covered by identified services, by services *)

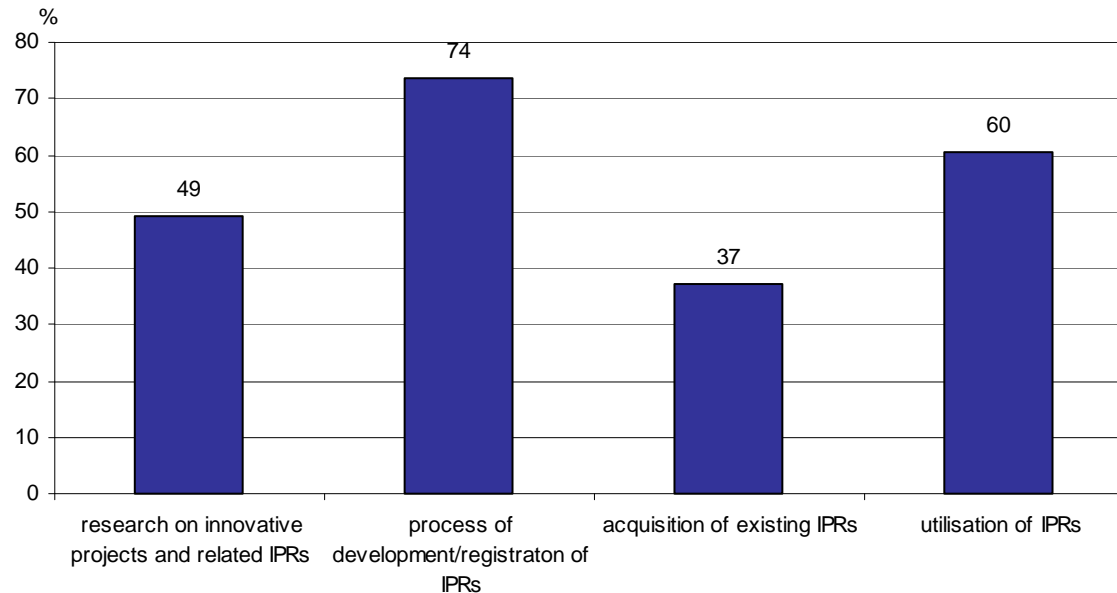


*) multiple answers allowed

Source: Radauer et al, 2007, identification process, n=279

→ Regardless of selection criteria, **most public funded services target registrable IPR (esp. patents)**

Phase of IPR usage targeted, by services *)



*) multiple answers allowed

Source: Radauer et al., 2007, identification process, n=279

- Most services address the process of **development/registration of IPR**
- **Multiple phases** covered by many services

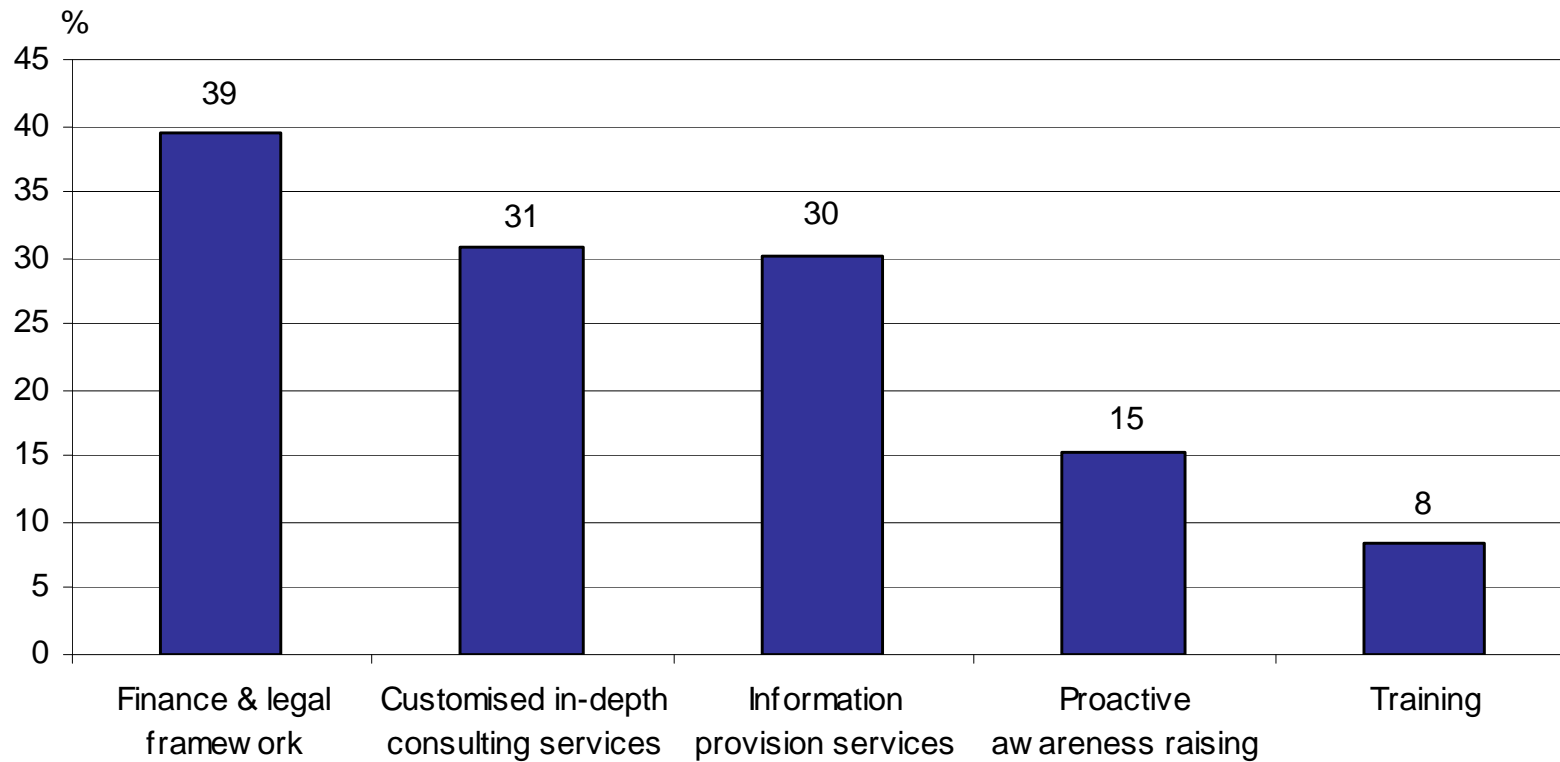
Building a sound classification system

- **Issue: multiple counting**
 - *e.g., “consulting services” are often also “information services”*
- Number of categories
- **Issue: Embedded services vs. integrated services**
 - ***Embedded services:*** *Service part of another service or service portfolio which is not targeted at IPR*
 - ***Integrated services:*** *Services part of a portfolio of IPR-related services*
- **Review of classification system**, taking into account
 - *Qualitative service descriptions*
 - *Comparisons between countries*
 - *Other classification systems (OECD/WIPO etc.)*

Evidence-based “functional” classification system

- 1. (Pro-active) awareness raising services & Public Relations**
→ actively address SMEs and/or promote the usage of the IPR system
- 2. (Passive) Information provision services**
→ (passively) offer information to interested parties, partly for research purposes
- 3. Training**
→ Educational measures where SMEs do benefit to a larger proportion
- 4. Customized in-depth consulting and advisory services/points**
→ broader scope
- 5. Financial assistance & legal framework**
→ Subsidies for patent filings, tax credits...

Functional classification, by services *)



*) multiple counts allowed

Source: Radauer et al., identification process

Benchmarking (Phase 2)

TOWARDS GOOD PRACTICES

Benchmarking indicators (I)

- **Development and Design**
 - Type and scope of **preparatory activities**
 - Time of preparation activities
 -
- **Implementation**
 - **Budgets and resources** used
 - **Governance**
 - Evidence of an effective administration
 - Existence of quality assurance mechanisms
 - **Marketing activities** employed
 - ...

Benchmarking indicators (II)

- **Performance**
 - **Existence** and values of any performance measures
 - User up-take
 - User satisfaction
 - Number of filed patents with support from the service
 - Number of successful projects
 -
 - Assessment of **added value/additionality**
 - Assessment of **impacts**
 - **Strengths** and **weaknesses**
 - ...

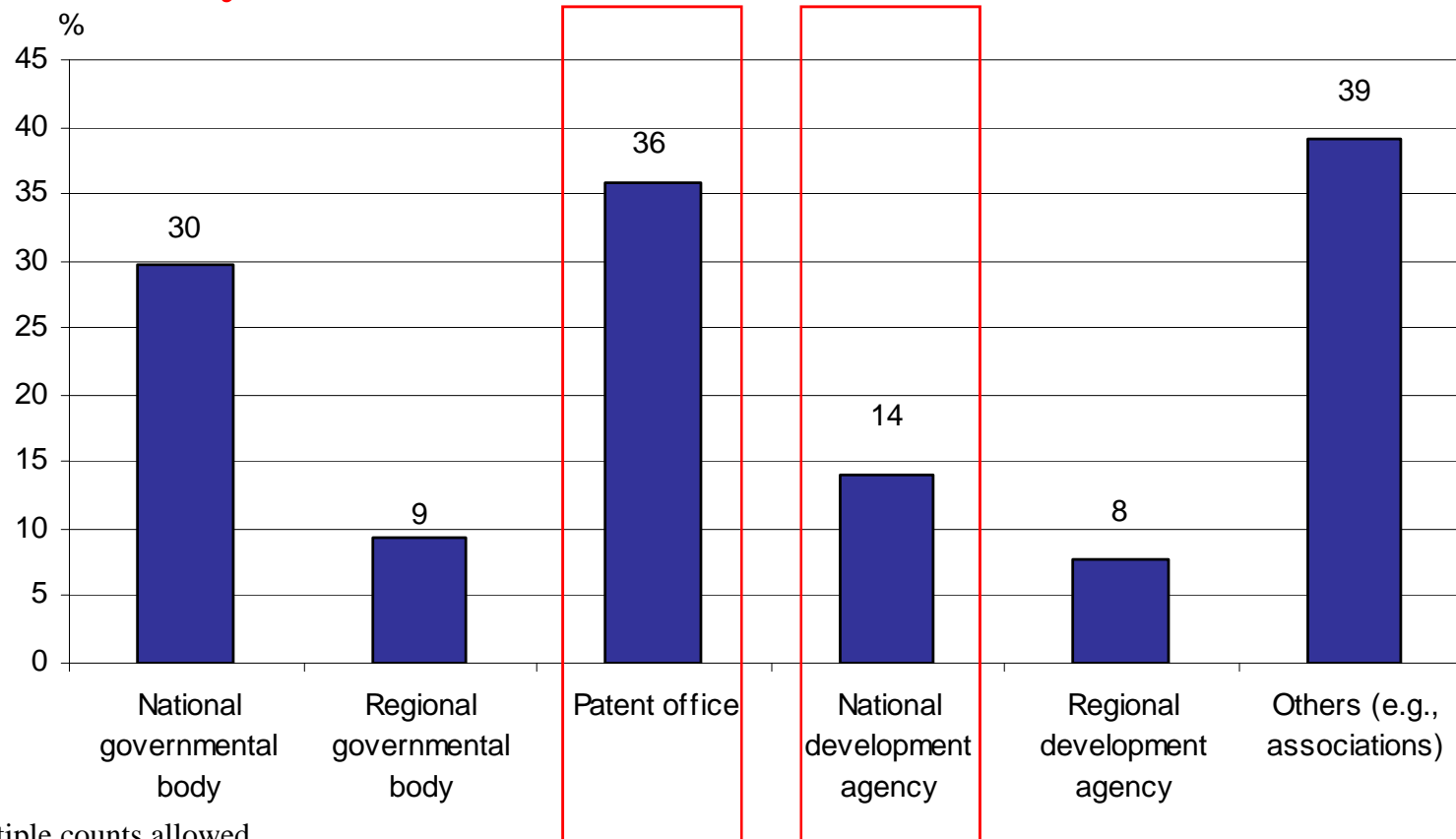
Towards Good Practices: Selection criteria for the benchmarking phase

1. **Clearness** of the **objectives** stated
2. **Clearness** of the **service design** and service offerings
3. **Scope** of the service offerings
4. **Level of innovation** of the instruments employed
5. **Take-up** by SMEs and/or other **available performance measures**
6. **Country context**
7. **Policy context**

Towards Good Practices: Overview of benchmarked services

- In total, **72 services** were subjected to benchmarking.
 - In the end: comprehensive data gathered from **66 services**.
 - **Overall: “good practices” as a whole were hard to spot!**
 - **Plenty of opportunities to learn about “elements of good practice”**

Type of service offering institutions of benchmarked services, by services *)



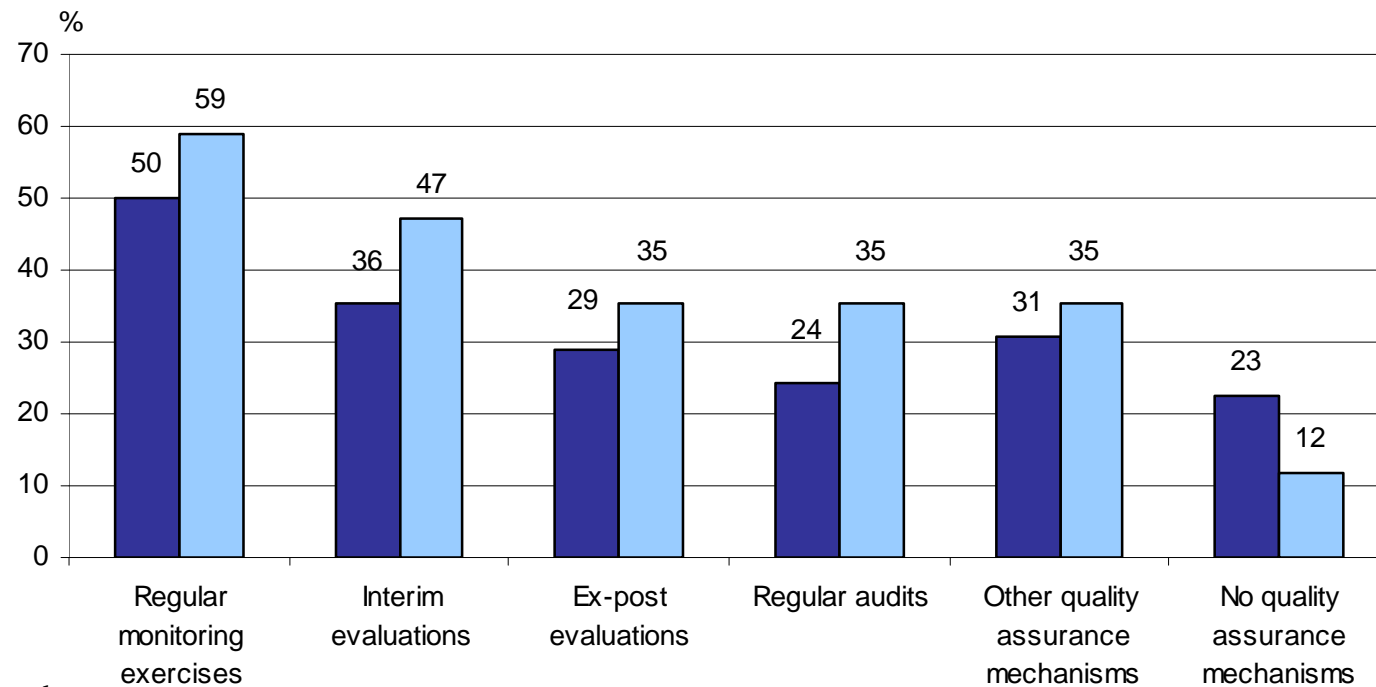
*) multiple counts allowed

Source: Radauer et al. 2007, benchmarking process, n=66

Institutional map

- **High/increased activity levels** from the **National Patent Offices:**
 - seem to look for new **new roles**
 - active in **(pro-active) awareness raising activities** and in **(technical) information provision (e.g., patent searches)**
 - Most of the time **new in the innovation policy landscape**
 - **Case of Switzerland: IP Office not even mentioned in OECD innovation report chart on the national innovation system** (Radauer & Streicher 2008)
 - **Challenges**
 - **Technology/development agencies**
 - cover IPR, but IPR services there are **often marginalised**
 - **National governmental bodies**
 - Have their IPR services often implemented by organisations other (“Other” category) than the PTO or technology/development agencies
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Quality assurance mechanisms in place, by services *)



*) multiple counts allowed

Source: Radauer et al. 2007,
 Benchmarking process, n
 (benchmarking services) = 66, n
 (Good Practices) = 15

■ Benchmarked services ■ "Good Practice" elements exhibiting services

Evaluation culture (I)

- Only around **5 out of 10 services** are subject to formal **evaluation exercises**
 - **23%** stated that they had no form of quality assurance mechanisms in place
 - Issue seemingly more with **services from the PTOs**
 - Evaluated services perform better than non-evaluated ones
 - Lack of evaluation culture has implications...
 - ...in terms of **customer (need) orientation**
 - ...in terms of **accountability**
-

Evaluation culture (II)

IPR support services are, in terms of investigated implemented innovation policy instruments, to a large extent **uncharted territory!**

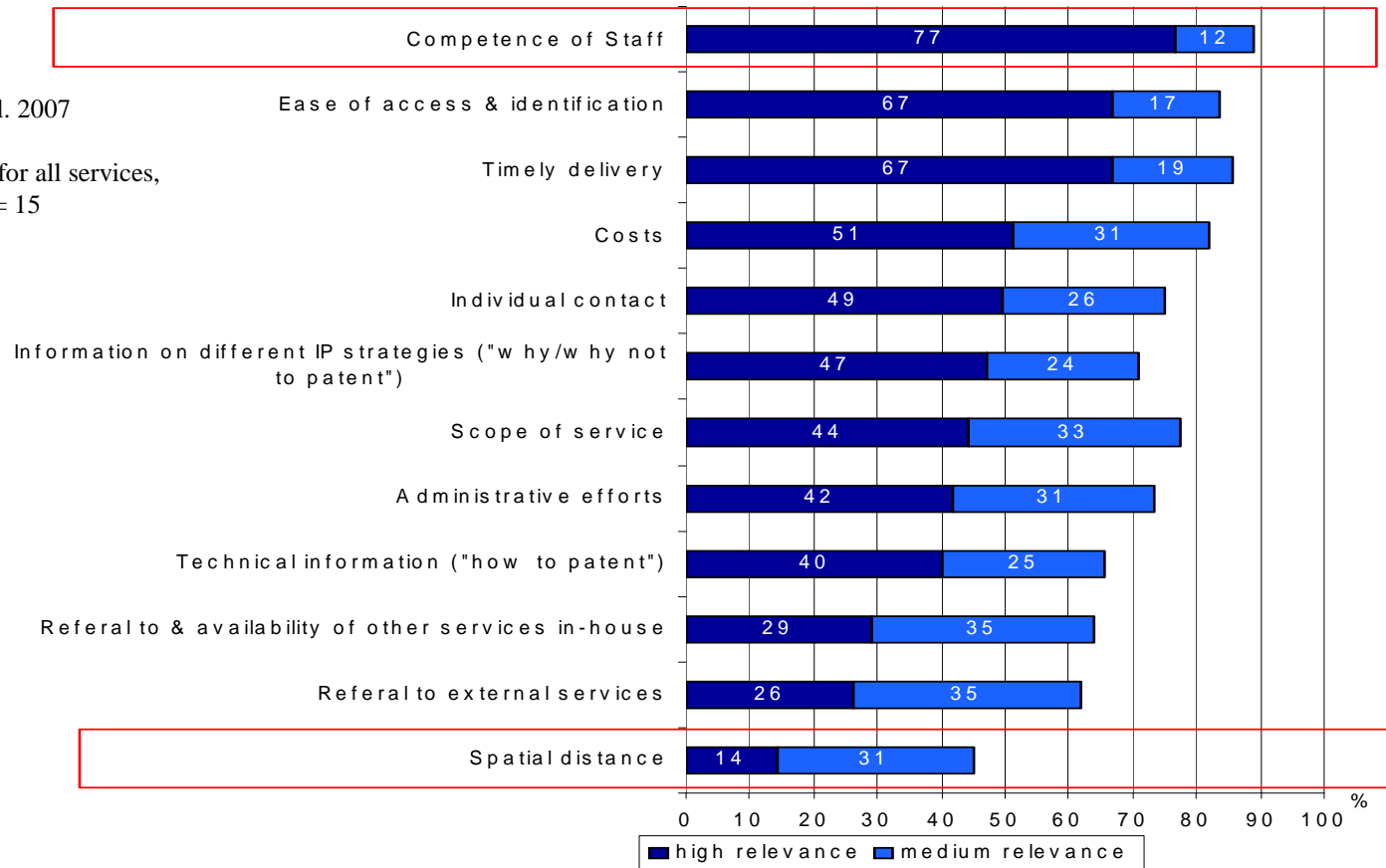
→ **Systems failure!**

Key quality factors for the provision of IPR services, user perceptions

Source: Radauer et al. 2007

Aggregated answers for all services,
Services considered = 15

n = 630



Human resources as key ingredient

- Core success factor: **Competence of staff**
 - Underlined explicitly in around **60%** of the benchmarked services as a success factor.
 - Also underlined in user surveys in the good practice analysis.
 - Reason: IPR matters are usually more complicated and require technical, legal and business/strategic knowledge

Human resources and educational offerings

- Serious issue: **Availability of qualified staff**
 - Calls for senior staff with **experience**
 - Not every local and regional service can offer sufficient number of experts
 - Issue of reward schemes
 - Literature indicates **lack of educational offerings** in this respect
 - A good IPR service has to have a minimum scope (otherwise: referral)

Networking and service portfolios

- The level of **integration/networking** with other services matters.
 - *Services integrated into a portfolio of other services perform better than isolated ones.*
 - **Synergy effects** in terms of competence available and built throughout service operation
 - achieve minimal size of service easier
 - ***However, no service can cover the whole spectrum of IPR issues!***
 - **referral activities** important

Visibility as a success factor

- Another important success factor: **Ease of identification**
 - A weakness with many services
 - Many support services are more easily identifiable, because they are the only service of their kind in the country/region (**uniqueness** as a success factor).

Patent focus vs. IP protection/appropriation in general

- **Scope of the service offers**
 - Most services are **patent-centric** (with some provisions for trademarks)
 - Issue: Information on „**why**“ and „**why not**“ to **patent**
 - *Who (from the service advisers) would advise Coca-Cola to go for a trade secret regarding its recipe if it were patentable?*
 - **Lack of services covering all different IP protection instruments!**
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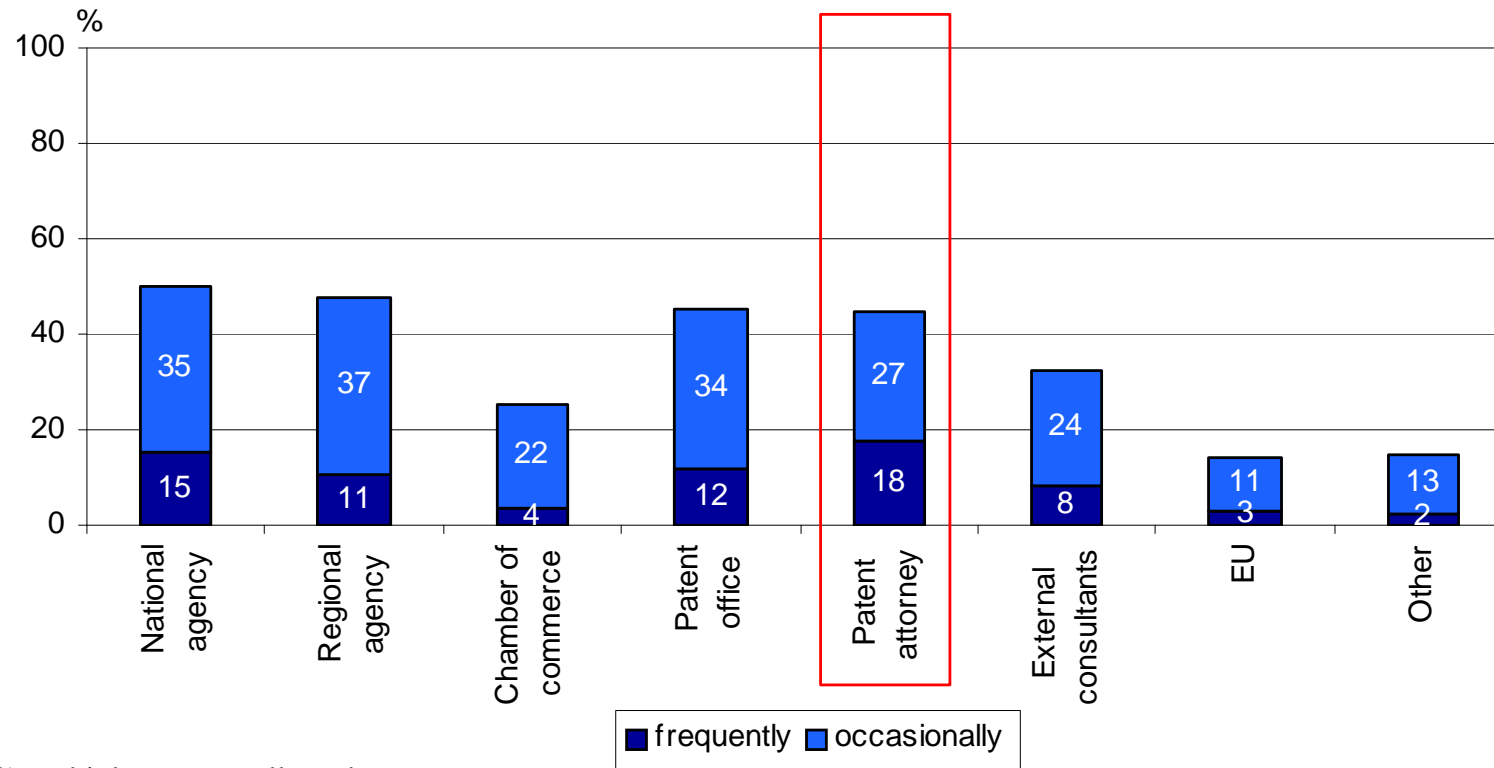
National or regional approaches? (I)

- Because of the success factors explained before: Preference for a **nationwide offered integrated service (package) with regional outlets.**
 - Central unit can have the (otherwise scarce) expertise.
 - Regional outlets refer to the central unit
 - High visibility
 - Networking with other institutions required (but there are limits to networking)

National or regional approaches? (II)

- Services of **smaller scope** and/or operated only at a **regional level** can also make sense...
 - ...if they **complement nationwide offerings**
 - ...if they have **clear goals** and **targets** and respective service designs in the regional context
 - ...if they are also **networked** enough
 - Issue of **critical mass!**

Usage frequency of different IPR service providers, percentage of (good practice) service users *)



*) multiple answers allowed

Source: Radauer et al. 2007, user survey, n = 630

Private or public service offerings?

- Issue of **“Crowding out of private service providers”**
 - *By extending public service offerings (esp. by the PTOs) **conflicts** may arise with private offerings*
- Some thoughts (with evidence from the Swiss study)
 - Conflicts arise often once the degree of counselling gets too large (thus: focus on awareness raising, first time consulting)
 - But situation can also be a win-win situation
 - Case of the service “Accompanied patent searches”
 - **Success factor:** Close collaboration with private sector representatives
 - E.g., through advisory boards
 - Careful reasoning along the lines of market failure is absolutely necessary
 - Clear division lines between subsidised and commercial services
 - The latter should be priced at (higher) market prices.

Who should offer IPR support services from the public sector? (I)

- **Who should offer publicly funded IPR support services for SMEs?**
 - Depends on the **design of the innovation (support) system** and **historic context**.
 - **PTOs**
 - Have abundant knowledge on **technical** and **legal matters** concerning registrable IPR
 - Are perceived to be **“independent”** and **“reliable”** (yet **slow**)
 - **Development agencies**
 - **Well known/accepted** by SMEs in terms of general and innovation support available
 - Better knowledge of **business context**, wider service portfolios but **less IPR know-how**

Who should offer IPR support services from the public sector? (II)

• **General know-how gap** with both organisations in terms of **unregistrable IPR** and **informal protection practices?**

→ *Two options:*

a. **Scale down PTOs** on core competence of patent filings and searches, enrich development agencies with IPR know-how & link both more together

b. **Enrich PTOs** further and create “**institutes of intellectual property**”, but link them with development agencies, anyway

→ *In any way: Linkage/permeability seems important!*

→ *Development/technology agencies should act as entry points, not the PTOs!*

Other success factors and Good Practice elements

- Other important **success factors** (and **good practice elements**)
 - **Timely delivery**
 - In the context of IPR (patents) especially of relevance (“who is first gets the patent”)
 - The role of **costs**
 - IP protection costs are considered to be the major obstacle by SMEs
 - existence of well-designed financial subsidy can help, but in other ways one might initially think of
 - subsidies cannot compensate for a cheaper European patent
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Thank you

For further enquiries contact

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The studies can be downloaded at

EU study

http://www.proinno-europe.eu/admin/uploaded_documents/NBAX07004ENC_web

Swiss study:

<http://www.ige.ch/e/institut/documents/i1050101e.pdf>

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