

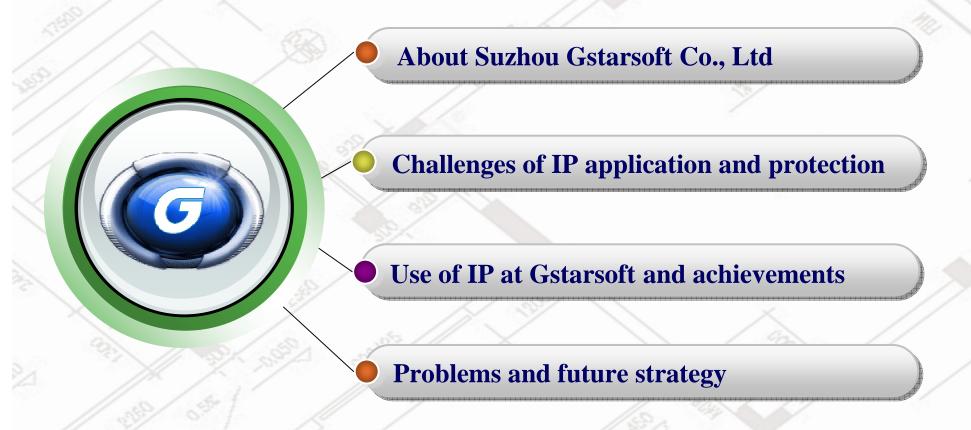


Strategic Use of IP at Gstarsoft

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Overview of Gstarsoft:

- Founded in 1992, Beijing, China;
- Currently Headquartered in Suzhou (China-Singapore Suzhou Industry Park);
- ❖ Staff: Around 300 employees (R&D 150);
- ❖ A leading provider of 2D/3D design, drafting and application software and solutions for diversified industries in China (especially for AEC and mechanical industry)
- Turnover(2010): 10M (USD)
 Growth rate : over 100% overseas and 60% at home









Product and Business Field:

Product:

GstarCAD software platform and related applications (13 language versions)

& Business Field:

Developing, selling and distributing 2D/3D CAD platform software and application software solutions. Providing CAD-related data process, customization and project service.





Business Network and Customer Profile:

& Business Network:

Over 100 business partners (distributors and application developers) in around 100 countries and regions

Customer Profile:

190,000 software installations in around 100 countries and regions, covering industries like AEC, Mechanical, Manufacturing, Electrical, Electronics, Civil, GIS/Survey/Mapping and so on.

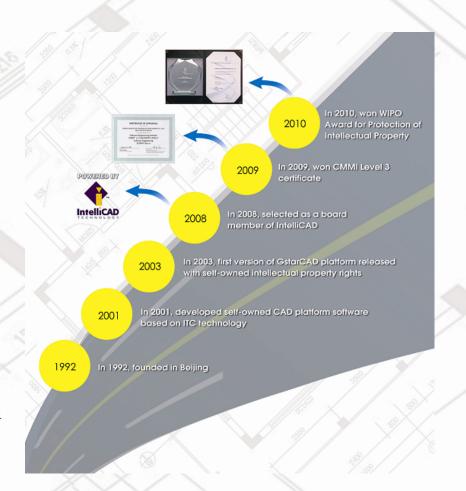






Company History:

- ❖ 1992: Founded in Beijing
- 2001: Developed CAD platform software of self-owned IP
- 2003: Released the first version of GstarCAD
- ❖ 2007: Released the first English version of GstarCAD and started oversea business
- 2009: Qualified for CMMI L3 certificate
- ❖ 2010: Won WIPO Award for Protection of Intellectual Property







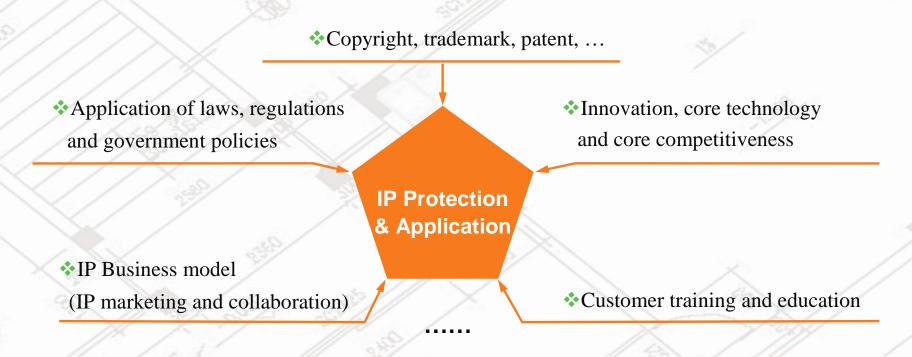
Challenge of IP Protection and Application

Based on experience in China and other countries, in protection and application of IP, the biggest challenge doesn't come from imperfection of legal system, but from public consciousness of IP, which in most cases is directly determined by economic development level and purchasing power, especially in developing countries





What does strategic use of IP mean for Gstarsoft?



For Gstarsoft the use of IP is not a single business case, it deals with overall cultural and commercial environment with interrelated aspects



Intellectual Property (IP) Protection: Protect your IP assets first

* Registration of software copyright: all the software solutions







- * Registration of trademark: GstarCAD, Gstarsoft
- Patent application: Core technologies

二〇〇五年 九月十九日



Application of IP:

- Ensure self-owned IP of all developed software products being protected via copyright and trademark registrations, complying with related laws and regulations at home and abroad
- ❖ Promote the use of GstarCAD software with legal copyright by providing innovative and useful solutions but much lower cost (core competitiveness)
- ❖ Fully understand related laws, regulations and policies and utilize them as the guideline of GstarCAD software development, marketing and sales activities
- Cultivate consciousness of software copyright protection among prospects and customers through IP marketing and sales activities
- ❖ Prompt IP education via providing free legal licenses of GstarCAD software to schools and other educational institutes, aiming future market and customers



Achievements:

- ❖ After over 10 years of great effort in IP protection and application, Gstarsoft and GstarCAD has become a famous 2D/3D CAD software provider in China and now we are aiming overseas market. Use of IP has brought Gstarsoft strong business growth during the past 5 years
- ❖ At enterprise level, more and more customers tend to legally purchase and use CAD software compared to 10 years ago. Gstarsoft has put "Legal copyright + Good solution + Low Cost + Added Value" a most effective way in its software IP promotion and protection.
- Continuous effort by Gstarsoft has been highly evaluated by Chinese government and WIPO. In November of 2010, Gstarsoft won "Utilization Award" for its active use and protection of IP by WIPO







Problems

- * How to strategically use IP to make Gstarsoft and GstarCAD more value-added brands?
- ❖ As a typical SME and CAD software company, how to increase sales revenue and profit via use of IP is still a problem. "Legal copyright + Good solution + Low Cost + Added Value" business model is effective on promotion of IP protection and application but the cost is obvious for a SME.
- ❖ How to deal with different economic, commercial and legal environments as a start-up SEM for international business?
 - Suggestions and advice of IP experts and successful experience of other SEMs is very good reference.



