

VALUE ADDITION THROUGH IP IN TECHNOLOGICAL INNOVATIONS, DESIGN AND BRANDING IN THE AGRO-FOODS VALUE CHAIN

Dar Es Salaam, December 17, 2009

Marina Sauzet

WIPO SME Division

World
Intellectual
Property
Organization



OUTLINE

■ Value Addition in the Agro-food value chain

- What is “value addition”?
- Why is it important to add value?
- How to add Value in the Agro-food value chain?

■ How IP can add value in the Agro-Foods value chain?

- IP and technological innovation
- IP and marketing and differentiation strategies

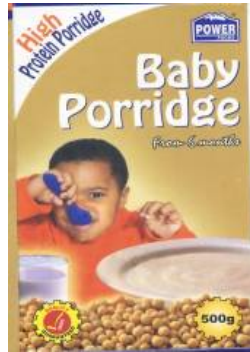
What is value addition?



- Value added agriculture is a process of **increasing the economic value and consumer appeal of an agricultural commodity.**
- It is a production/marketing strategy *driven by customer needs and preferences.*

Examples

- Examples of value added agriculture are: **food processing, (including: drying, canning, juicing, smoking...), unique packaging, labeling and marketing.**



Why is it important to add value in the agro food value chain?

- **Make more money**: an added value agricultural product has more market value than a commodity

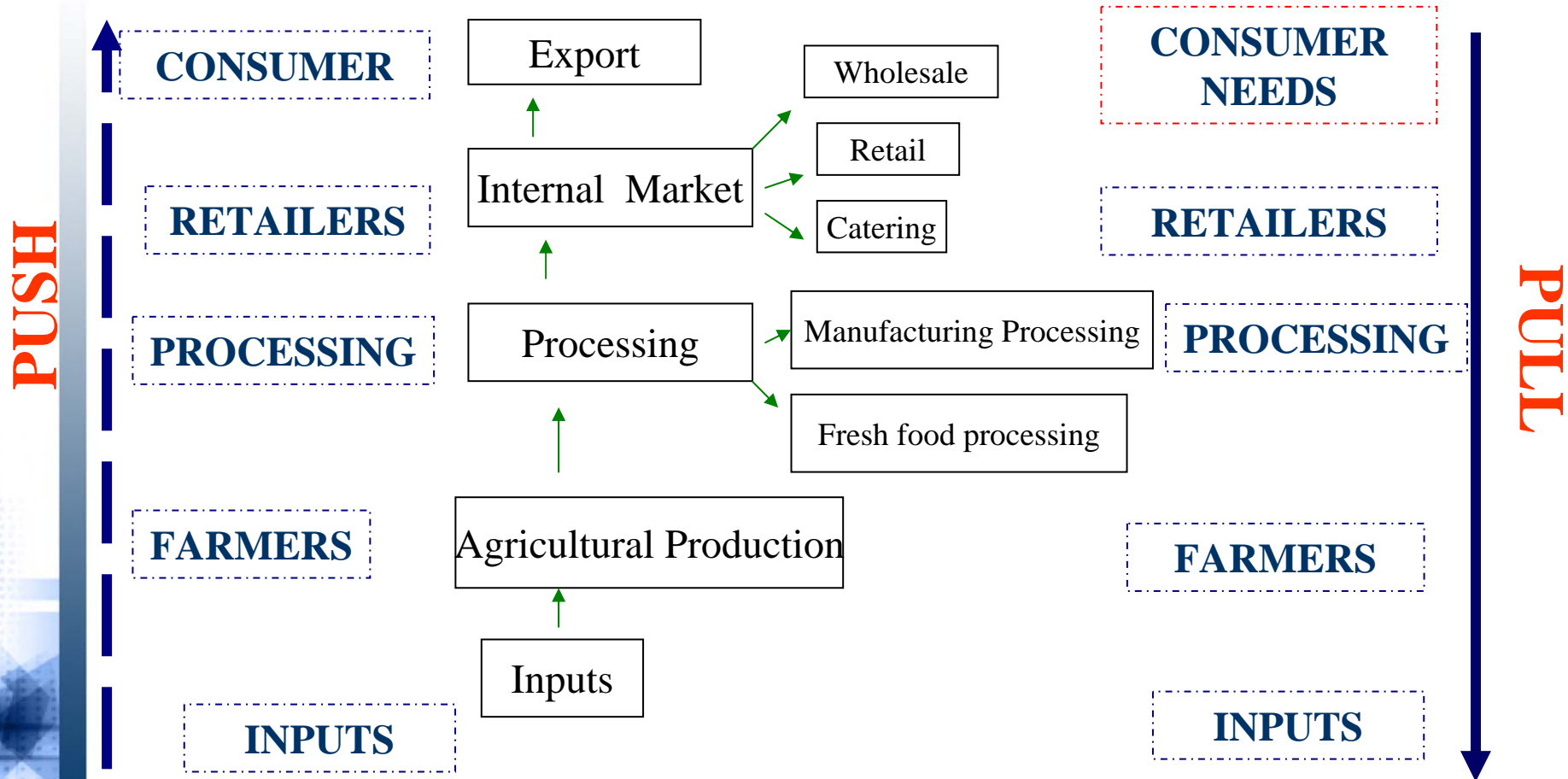


- **Meet changing tastes and preferences** of consumers such as: *convenience, quality, safety, health, variety, price, and social and environmental consciousness*

- **Compete by differentiating a product** in a highly competitive market



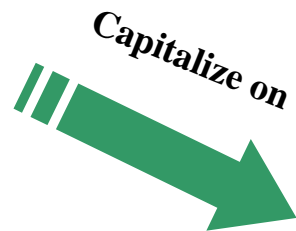
How to add value in Agro-food value chain?



How IP can add value in the Agro-Foods value chain?

Agro-foods Market's Opportunities and Threats

Where do we want to go?



Competitive Advantage

With IP

How do we want to get there?



Product's Strengths and Weaknesses

Where are we?

How IP can add value in the Agro-Foods value chain?

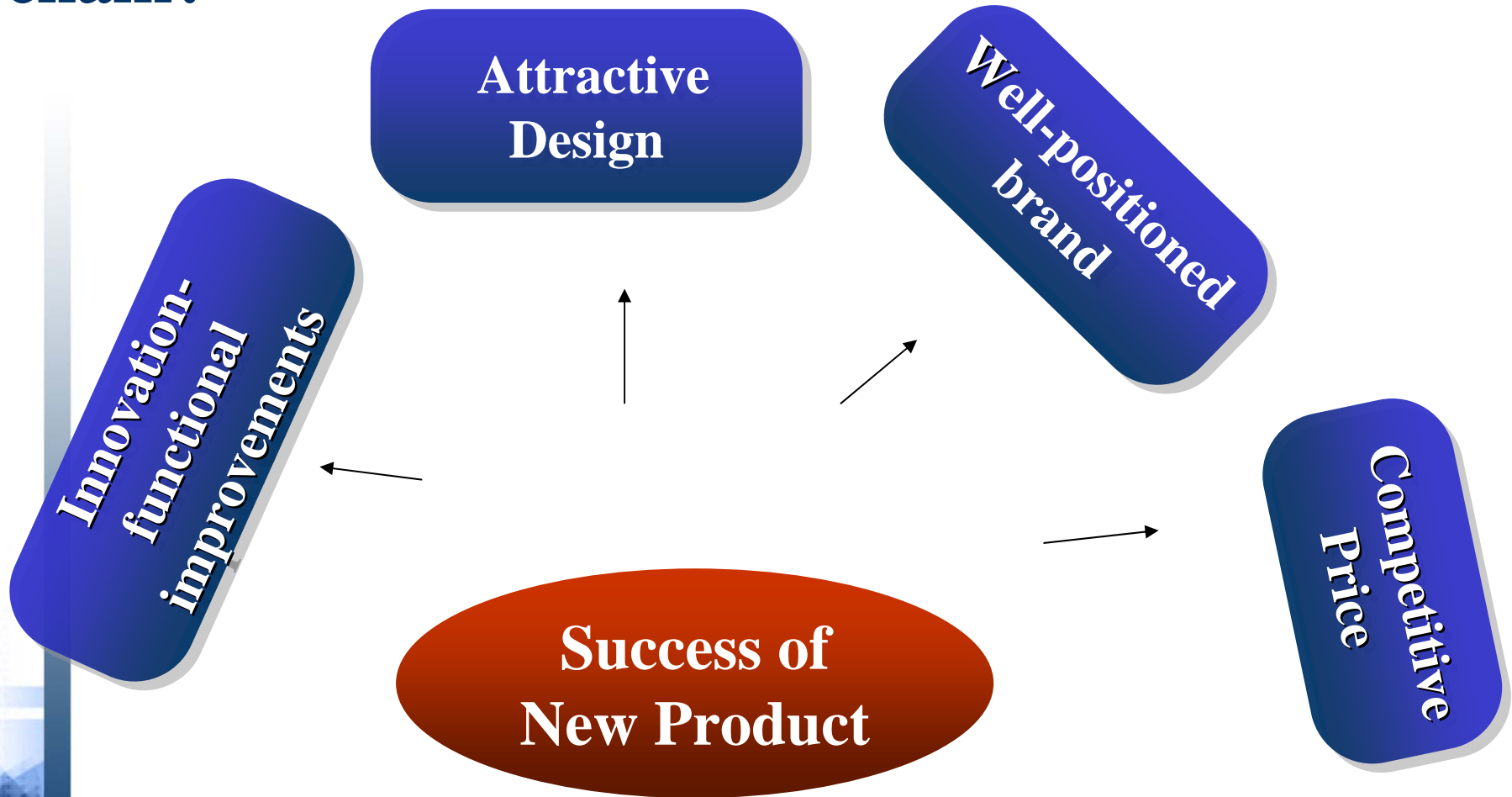
■ **Product's Strengths and Weaknesses: Where are we?**

- Is there a technological improvement that is needed for the Agro-product?
- Does the product need a specific packaging that will appeal the consumer?
- Does the product have a particular quality due to its geographical origin? A particular ingredient?
- Is there a special plant variety that will improve the product?
- Does the product have specific competitive advantages?

How IP can add value in the Agro-Foods value chain?

- **Agro-foods Market's Opportunities and Threats: Where do we want to go?**
 - What are consumers' expectations for this particular product?
 - What are the specific requirements for the product (type of certifications to guaranty safety, quality...)?
 - What are the processing technologies opportunities for the product? The drying opportunities? The jamming opportunities?
 - Is there a niche market: organic market, Fair trade ...
 - What are the food labeling and packaging opportunities?
 - Are there opportunities in other sectors (cosmetics, bio fuel, medical...)

How IP can add value in the Agro-Foods value chain?



IP and Technological Innovation

The role of Patent information

(WO/2006/121222) VECTOR AND RODENT HOLDING DEVICES DURING PARASITE TRANSMISSION EXPERIMENTS IN THE LABORATORY

Biblio. Data Description Claims National Phase Notices Documents

Latest bibliographic data on file with the International Bureau

Pub. No.: WO/2006/121222 International Application No.: PCT/KE2006/000014
Publication Date: 16.11.2006 International Filing Date: 11.05.2006
Chapter 2 Demand Filed: 11.05.2006

IPC: A01K 1/03 (2006.01)

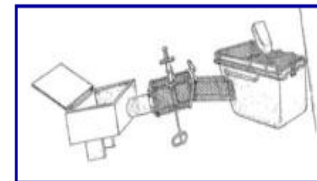
Applicants: KARI- TRYPANOSOMIASIS RESEARCH CENTRE [KE/KE]; P.O. Box 362, Kikuyu (KE) (All Except US).
KARIUKI, Ndungu [KE/KE]; (KE) (US Only).

Inventor: KARIUKI, Ndungu; (KE).

Priority Data: KE/P/04/00409 11.05.2005 KE

Title: VECTOR AND RODENT HOLDING DEVICES DURING PARASITE TRANSMISSION EXPERIMENTS IN THE LABORATORY

Abstract: A device for holding rodent and vector during vector infection and transmission process (Fig: 7 & 8) comprising of a rodent holding compartment (Fig 1 & 2 - 1, 2, 3, 4, 5 & 6) and a vector cage (Fig 4); said rodent holding compartment having means for resting it on the bench (1 & 2 - 14, 15), and further fitted with means for engaging the vector cage (Fig 1; 12, 13) and fitted with a rodent release sliding door (Fig 1; 18) and a ladder (Fig 1 & 2 -A); said ladder leading the rodent to a resting cage (Fig 6) through entrance (75) that is closed with door (74) and the said rodent holding compartment accompanied by a special rodent cage (Fig 3) for introducing the rodent into the rodent holding compartment; said special rodent cage comprises of component A joined together and a door B to form an enclosure and a rodent escape route C.



Publication date →

Publication no. →
Classification →

Applicant → →

Inventor →
Priority date → →

Title ▶

Abstract ▶

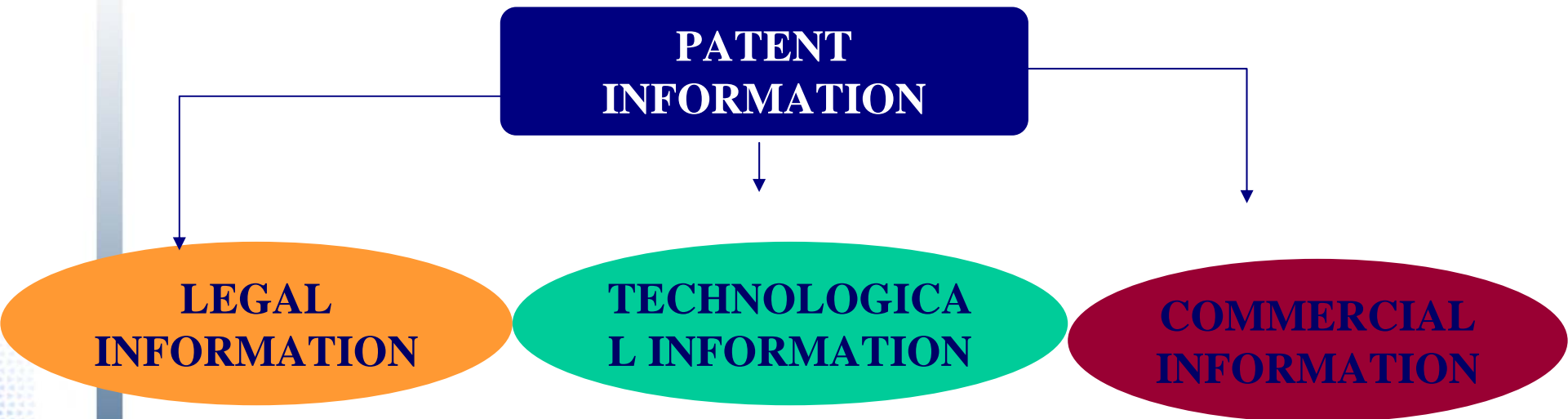
← Application no.

← Filing date

← Drawing

IP and Innovation in the Agro- Food value chain

Information gathering: The role of Patent information



www.wipo.int/patentscope/en/search/national_databases.html

www.piug.com

IP and Technological Innovation

The role of patent information

Analyzing the	allows to find
applicants	cooperating companies
inventors	top inventors in a company
IPC symbols	fields of expertise, R&D focus
priority data (dates)	activity chart of a company
country codes (national patents)	importance of markets
designated PCT states	(foreign) markets of interest

IP and Technological Innovation














The role of patent information

Analyzing the	allows to find
applicants / proprietors	market leaders, competitors
inventors	experts in a field of technology
IPC symbols	related technology
priority data (dates / countries)	evolution/origin of a technology
country codes (national patents)	importance of foreign markets
designated PCT states	geographic importance

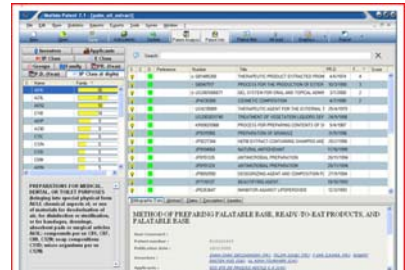
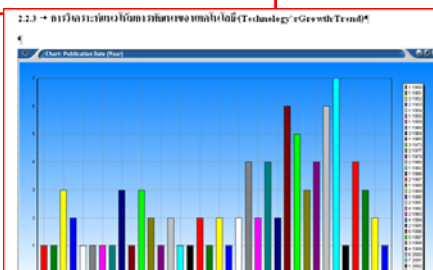
IP and Technological Innovation

• Case of Toryod in Thailand

วิเคราะห์ข้อมูลเทคโนโลยีและทำแผนที่สิทธิบัตร

-  แผนที่สิทธิบัตร เรื่อง พอลิเมอร์ของกรดแลคติก (Polylactic acid) **NEW!**
-  แผนที่สิทธิบัตร เรื่อง พอลิไฮดรอกซีแอลคาโนเอต (Polyhydroxyalkanoate) **NEW!**
-  แผนที่สิทธิบัตร เรื่อง การสกัดน้ำมันปาล์ม (Patent Map of Palm oil extraction)
-  แผนที่สิทธิบัตร เรื่อง น้ำมันปาล์มสกัด (Patent Map of Palm oil extract)
-  แผนที่สิทธิบัตร เรื่อง นาโน (Patent Map of Nano)
-  แผนที่สิทธิบัตร เรื่อง ชาเขียว (Patent Map of Green Tea)
-  แผนที่สิทธิบัตรผลิตภัณฑ์ข้าว และกรรมวิธี (Patent Map of Rice Product and Process)
-  การวิเคราะห์แนวโน้มเทคโนโลยีเกี่ยวกับมะพร้าวจากเอกสารสิทธิบัตร (Patent Map of Coconut)
-  แผนที่สิทธิบัตรแลคติกแบคทีเรีย (Patent Map of Lactic Bacteria)
-  แผนที่สิทธิบัตรโปรไบโอติก (Patent Map of Probiotic)
-  แผนที่สิทธิบัตรการบำบัดด้วยน้ำ (Patent Map of Water Massage)
-  แผนที่สิทธิบัตรเครื่องมือ เครื่องจักรและอุปกรณ์อาหาร (Food Machine)
-  อุปกรณ์ เครื่องมือหรือวิธีการที่เกี่ยวกับสัตวแพทยศาสตร์ (VETERINARY INSTRUMENTS, IMPLEMENTS, TOOLS, OR METHODS)

Patent Map used to analyze, select and comment the most relevant data relevant to the cluster policy developed by the country.



IP and Technological Innovation

Improve product and processes

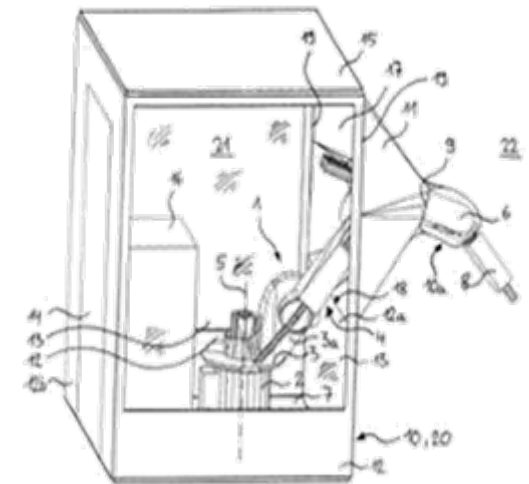
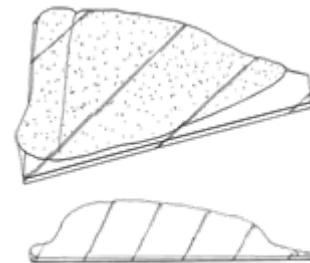
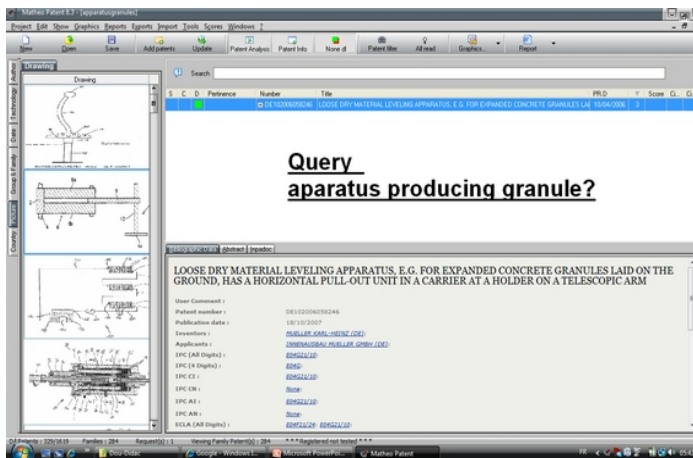
- Find innovative or/and resistant plant varieties

Lost food production caused by pathogens and insects

Source: FAO, Aug. 2009



- Find new technology for products and new processes with Patent information



Use of robots in the high hygiene environment

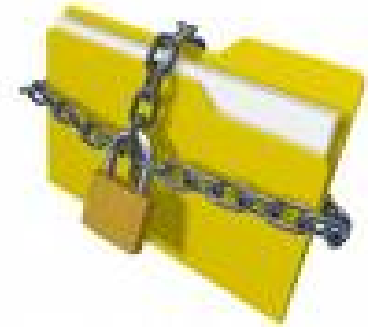
Special shaped food or packaging

369 Patents

IP and Technological Innovation

Protection of Innovation

- Protection of plant varieties : **Plant Breeder's Rights**
- Protection of technological innovation: **Patents, Utility models**
- Protection of “information that gives competitive advantages”: **Trade Secrets**



Teosinte Primitive maize Modern maize

Benefices of the protection?

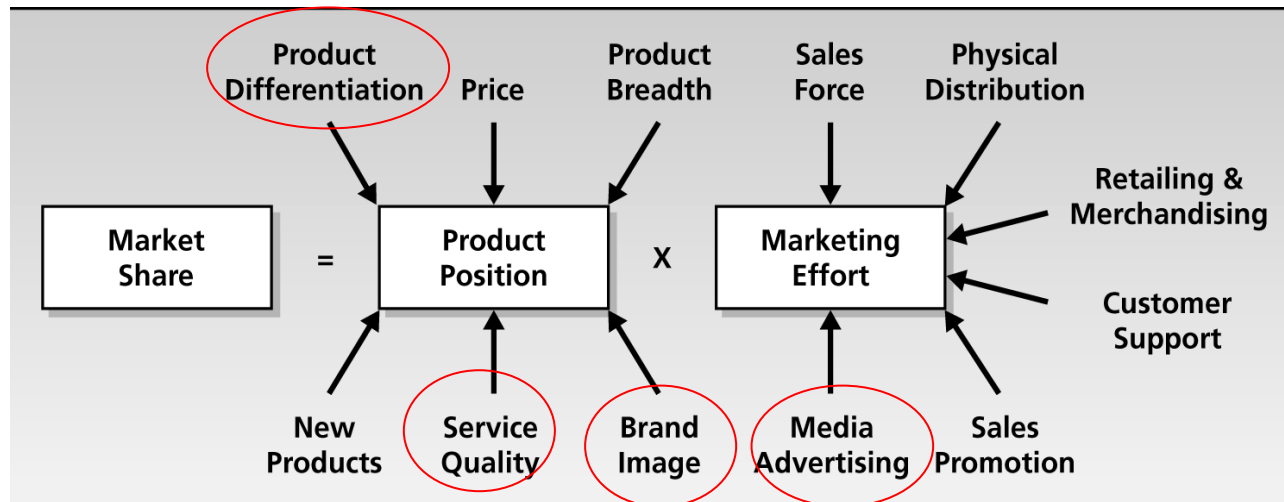
- Recover investments: Keep market exclusivity and competitive advantage: Monopoly of rights
- Marketing reference: favorable image and credibility
- Financing opportunities: Possibilities to license or sell

IP and Design and Branding

Marketing and Product Differentiation

- DIFFERENTIATION is the act of designing a set of meaningful differences to distinguish the company's offering from competitors' offerings.

- Kotler (1997)

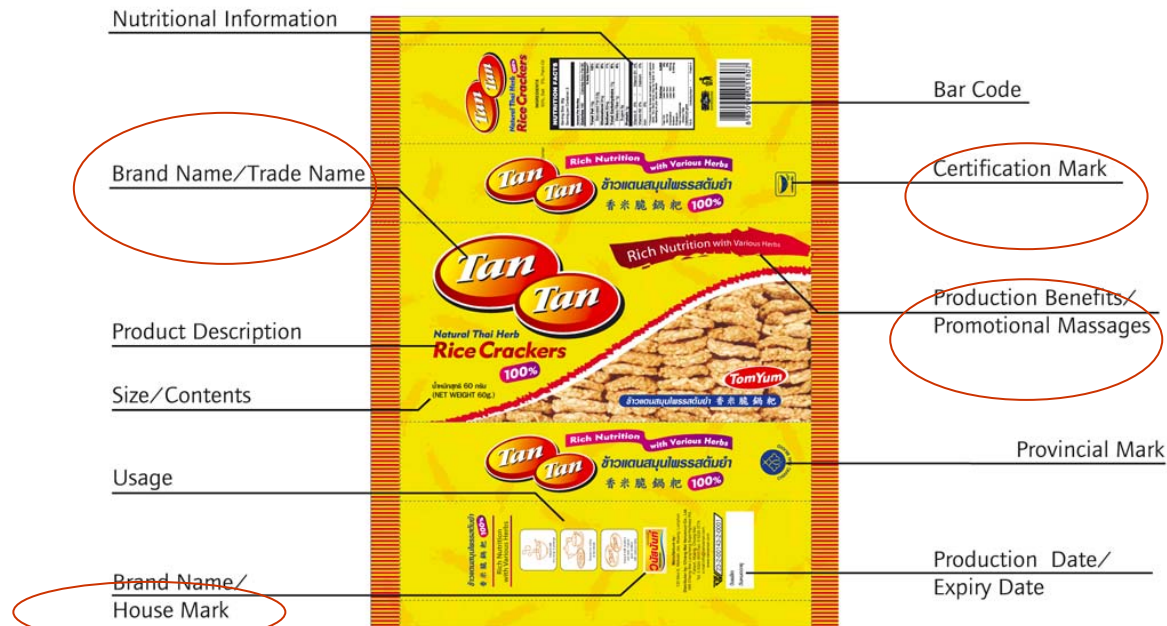


COMMUNICATE SPECIFIC product's characteristics that will sell the product to consumers

IP and Design and Branding

Marketing and Product Differentiation

The Importance of Food Labeling and Packaging: most important marketing tool for a product, first point of contact between a consumer and the producer.



IP and Design and Branding

Marketing and Product Differentiation

- **What is a trademark?**

Registered sign capable of **distinguishing** the goods or services produced or provided by one enterprise **from those of other enterprises.**



Type of Trademarks:

Product or service marks, collective marks and certification marks, well-known marks

IP and Design and Branding

Collective Marks



5200 members of the 16 apple producing cooperatives working in Valle di Non and Valle di Sole (Italy)

- **Registered signs** which distinguish a **common characteristics of goods or services** of different enterprises using the collective mark.
- **Owners: either associations** or other entity, (public institution, cooperative)
- **Economies of scale** (registration cost, advertising campaign, enforcement, etc.)
- **Reputation** acquired on the basis of common origin or other characteristics of the products made by different producers/traders
- **Consistency** of product quality

IP and Design and Branding

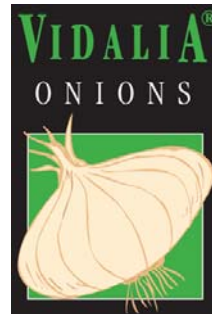
Certification Marks



- Registered signs: goods/services have been **certified** by **an independent body** in relation some characteristics: composition, manner of manufacture, quality, origin, material, accuracy, etc.
- **Owner: independent** enterprise, institution, governmental entity, etc. that is **competent** to certify the products concerned
- **Guarantee** for consumers of certain quality
- **Access to new markets**
- Benefit from the **confidence** that consumers place in users of certification mark
- Strengthen **reputation**

IP and Marketing and Branding in the Agro- Food value chain

Geographical Indication



- **Agricultural products with given qualities**, reputation or other characteristic essentially linked to its **geographical origin**
- **Guarantee** for consumers of certain quality due to the origin of the product
- **Access to niche market**
- **Employment** in the region and know how kept in the region
- **Tourism** around the agro food product

IP and Marketing and Branding in the Agro-Food value chain

Industrial Designs and Food Labeling and Packaging



■ Aesthetic Feature of a Product:

- three-dimensional features (**shape** of a product)
- two-dimensional features (**ornamentation, patterns, lines** or **color** of a product; or a combination of one or more such features)



- Makes a product **attractive** and appealing
- Target specific **market segments**
- Create a new **market niche**
- **Strengthen** brands

IP and Strategic collaborations



Exploiting your IP assets: Licensing and Franchising Opportunities

- **License= agreement for the use of the IP right in commerce in a specific manner and for the time period specified in the agreement.**

- **Technological licensing in and out:**

Example Ring pull

Licensed to Coca-Cola at **1/10 of a penny per can.**

148,000 UK pounds a day on royalties



- **Franchising:** License to use an established brand and know how



Keep in mind...

Technological improvement of your product and/or process

- **For SMEs in the Agro-food value chain:**
 - Patent Information
 - Patents and Utility models
 - Trade secrets
 - Plant Breeders' rights
 - Licensing in or out
- **Aimed at**
 - Access strategic information
 - Maintain exclusivity for your innovation
 - New business opportunities
- **Tools used to access innovation and exclude others from using it without your permission**

Keep in mind....

Design and Branding of your product

- **For SMEs in the Agro-food value chain:**
 - Trade Marks (product mark, collective mark, certification mark)
 - Industrial Designs
 - Geographical Indicationsare business branding tools
- **Aimed at**
 - Promoting product recognition
 - Promoting customer loyalty
 - Promoting repeat business
 - Enhancing the reputation of the product and its producer
 - Guaranty the consistency of the product's quality
- **Tools used to capture economic benefits to a business**

Conclusion

Value addition relates to technology, new organizations and partnerships, processes, products, and marketing

Creating Value

Use IP to assess the market and Improve existing processes, procedures, products and services or creating new ones

QUALITY

Capturing Value

Changing the distribution of value in the production chain with strategic collaboration in the value chain.

PRICE

THANK YOU FOR YOUR ATTENTION



Marina Sauzet

www.wipo.int/smes

marina.sauzet@wipo.int