

Intellectual Property Rights

... A must for all enterprises



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CEO

"VISION-IPR"

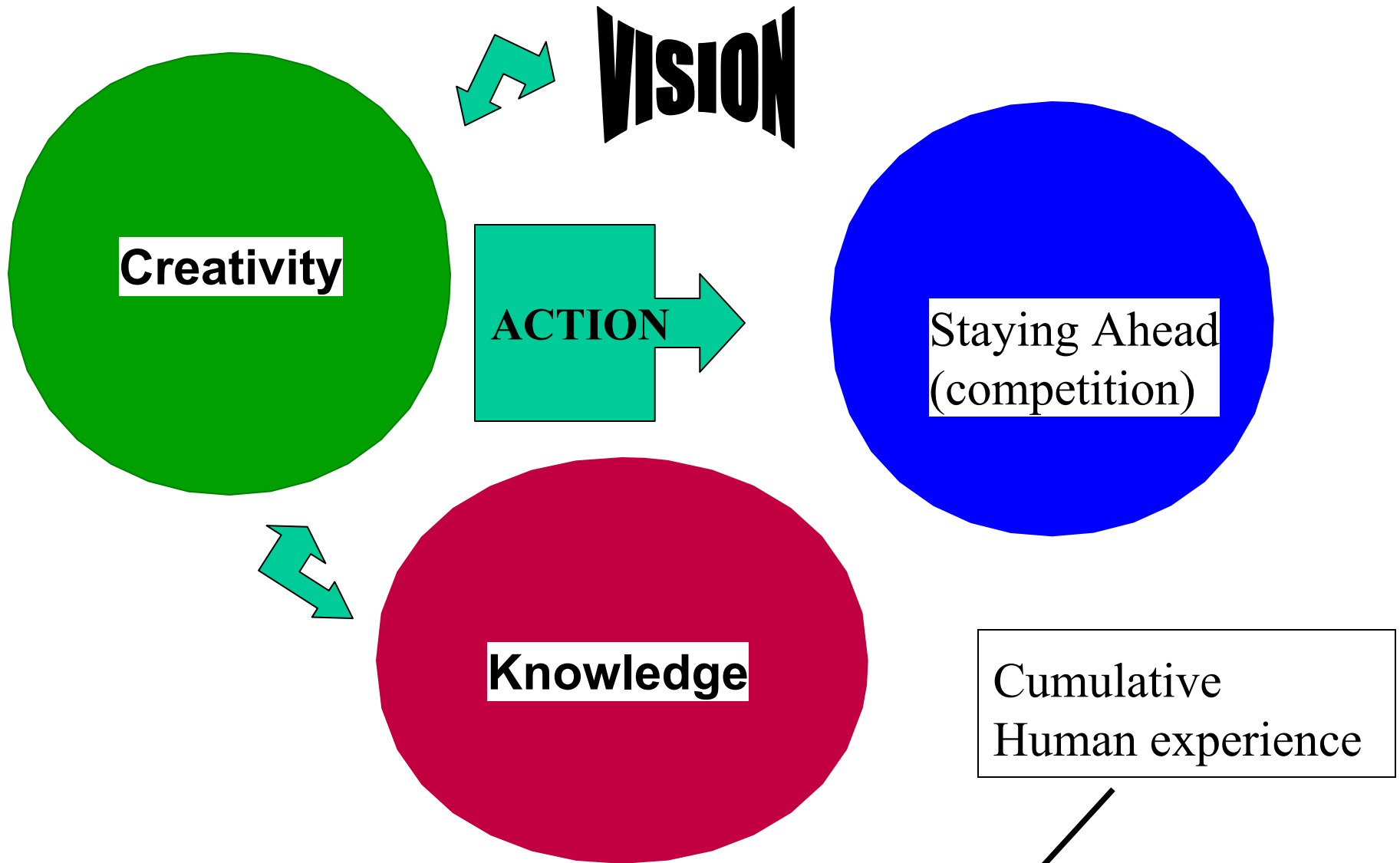
201 Sun View Heights, 262 Sher-e-Punjab,

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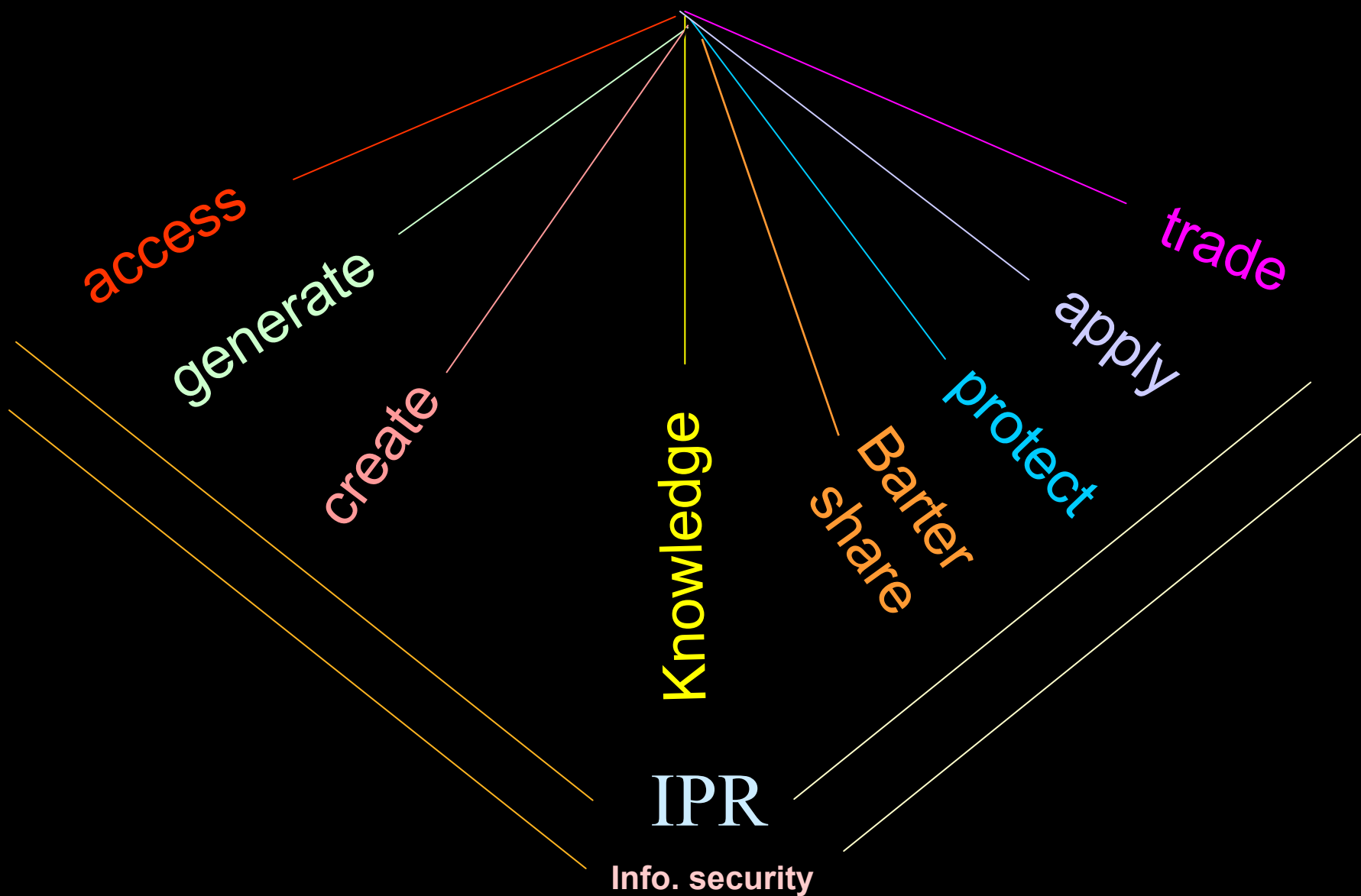
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WIPO Workshop "Train the Trainers" NIMSME, Hyderabad 13-17 August 2007



$$\textit{Competition} \sim \text{fn}[(\text{knowledge}).(\text{creativity}).(\text{vision}).(\text{action})].\textit{ipr}$$



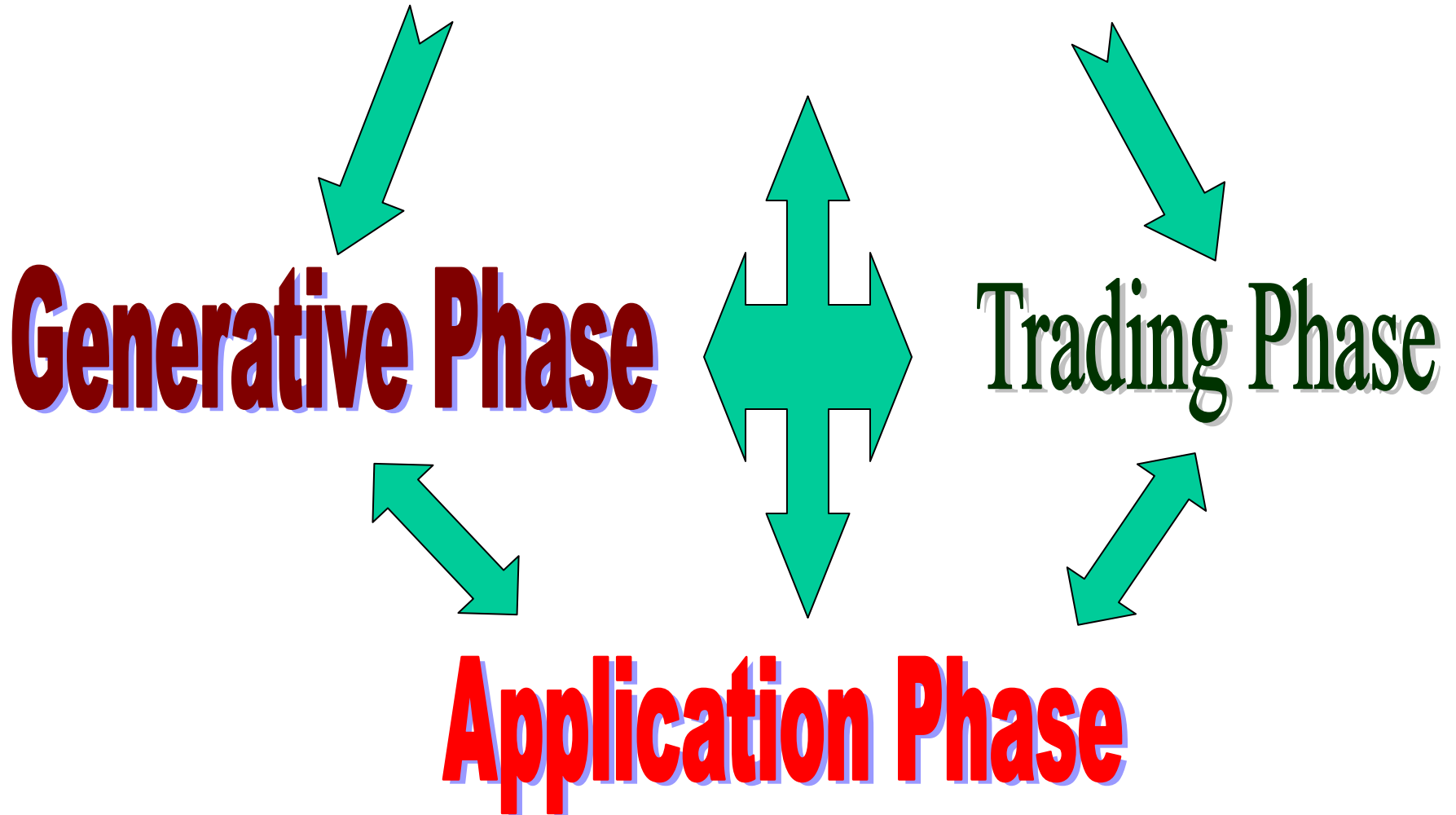
The Knowledge Canopy

A Paradigm Shift in Knowledge Dynamics

Speed

Internationalisation of Frameworks

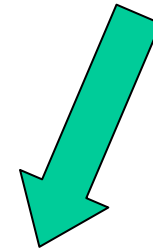
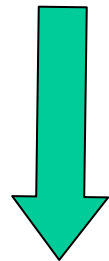
Knowledge



TRIPS

SPS

TBT



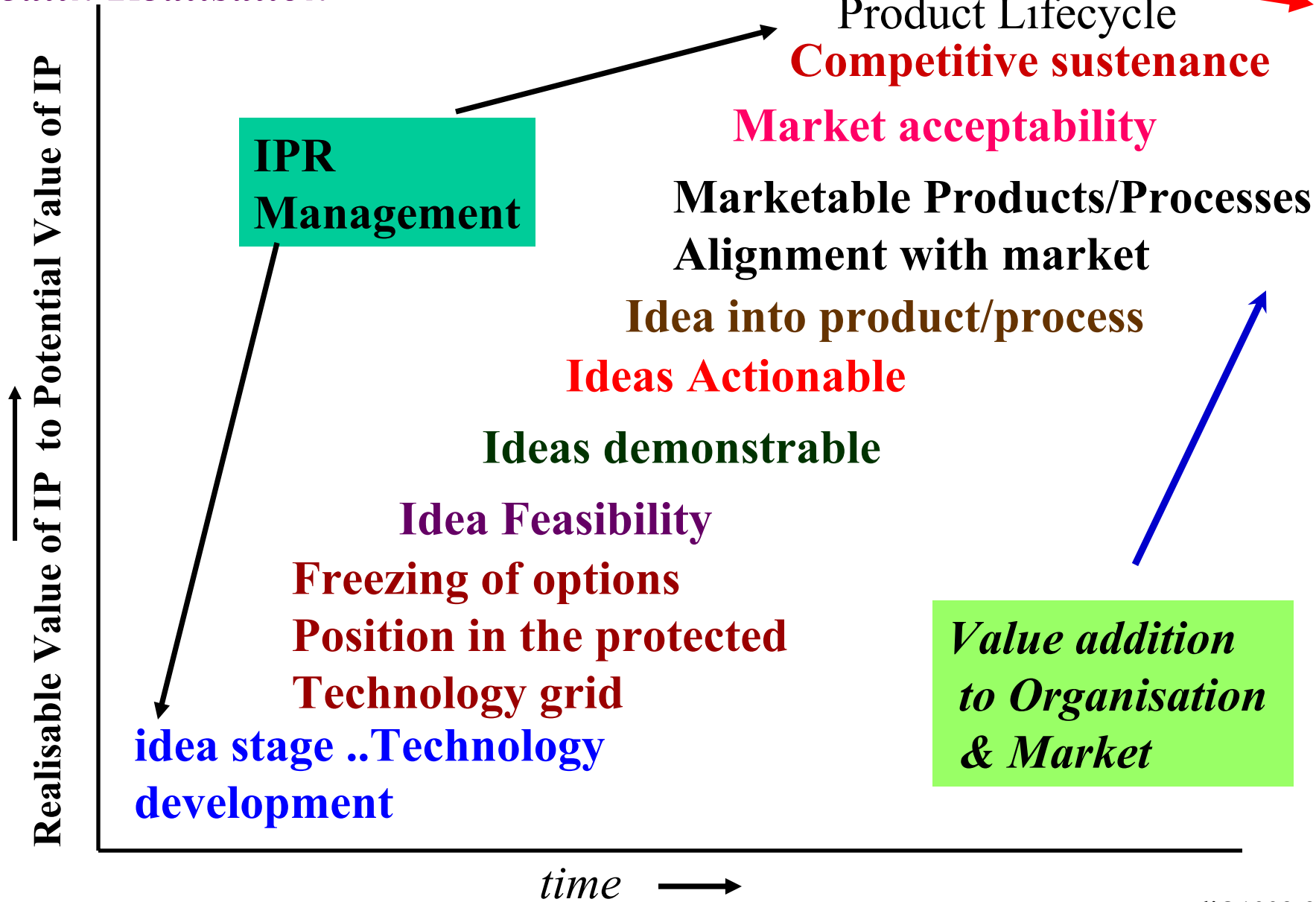
Knowledge Differentiators



**Govt. control on
technology transfer**

IPR Enabled Knowledge Incubation and Wealth Realisation

Hi to Low Risk



Value Creation ????

Wealth Generation ??

Wealth Realisation ??

Said Thomas Edison ,,,

Make it a practice to look out for novel and interesting ideas that others have used successfully.

Your idea has to be organised only in its adaptation to the problem you are working on.

**Key issue : Ownership of
Knowledge**

Knowledge Prospecting

versus

Knowledge Piracy

IPR plays a decisive role

Balancing of Interests

Framework for Societal Governance



Private

Producer

Industrialized Economies

Monopoly

Public

Consumer

Developing Economies

Competition

“Private Interest Must Yield Public Good”

PROTECTION OF NEW PLANT VARIETIES

GEOGRAPHICAL INDICATIONS

**LAYOUT DESIGNS FOR
INTEGRATED CIRCUITS**

TRADEMARK

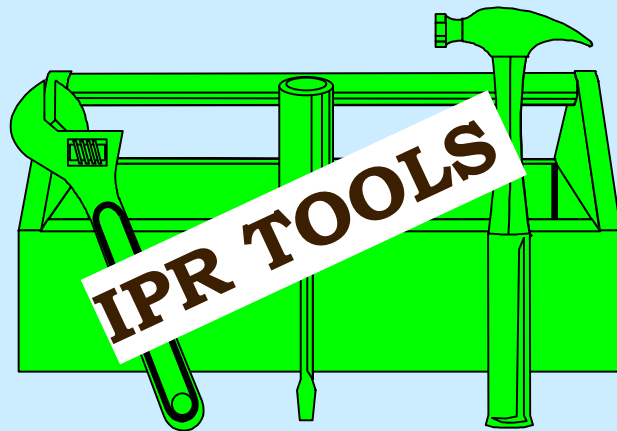
SERVICE MARKS

DESIGN REGISTRATION

COPYRIGHT

TRADE SECRETS

PATENT



**ANTI COMPETITIVE
PRACTICES IN
CONTRACTUAL
LICENSES**

WHAT IS A PATENT

- ✦ **A PATENT IS A GRANT BY SOVEREIGN OR STATE TO A PERSON GIVING EXCLUSIVE RIGHT to prevent others to “MAKE., USE EXERCISE AND VEND” his INVENTION FOR A LIMITED PERIOD, IN EXCHANGE FOR DISCLOSING IT IN A PATNET SPECIFCATION**
Such that any one trained in the art can reproduce the invention.
- ✧ **OWNER HAS A QUALIFIED RIGHT TO USE THE INVENTION**

What is a Trademark

- **Trademark** **Marks Used To Distinguish Goods**
 - **Words, Signs or combinations. Even distinctive Shapes, Sounds and Smell may be used.**
 - **It indicates source or origin of the product and helps to give the product a distinctiveness**
- **Gives the Owner of the trademark an exclusive right over its use.**

What is Copyright

- **Copyright** **Literacy, Musical, Artistic Work e.g. Books, Periodicals, Lectures, Dramas, Maps, Art Reproductions, Models, Photographs, Cinematographic Films, Sound Recordings, " Computer Software "**

A bundle of rights that helps to protect expressions that are original

Ownership

Rights

Responsibilities

INTELLECTUAL PROPERTY RIGHTS

STRATEGIC ELEMENTS

- PROTECTION OFFERED BY EACH ONE OF THE TOOLS
- PERIOD OF VALIDITY
- GEOGRAPHICAL LIMITS
- ENFORCEMENT FEATURES
- LICENSING ISSUES, BENEFIT SHARING
- OTHER LEGAL IMPLICATIONS

A clear appreciation of these.... Imperative for all enterprises

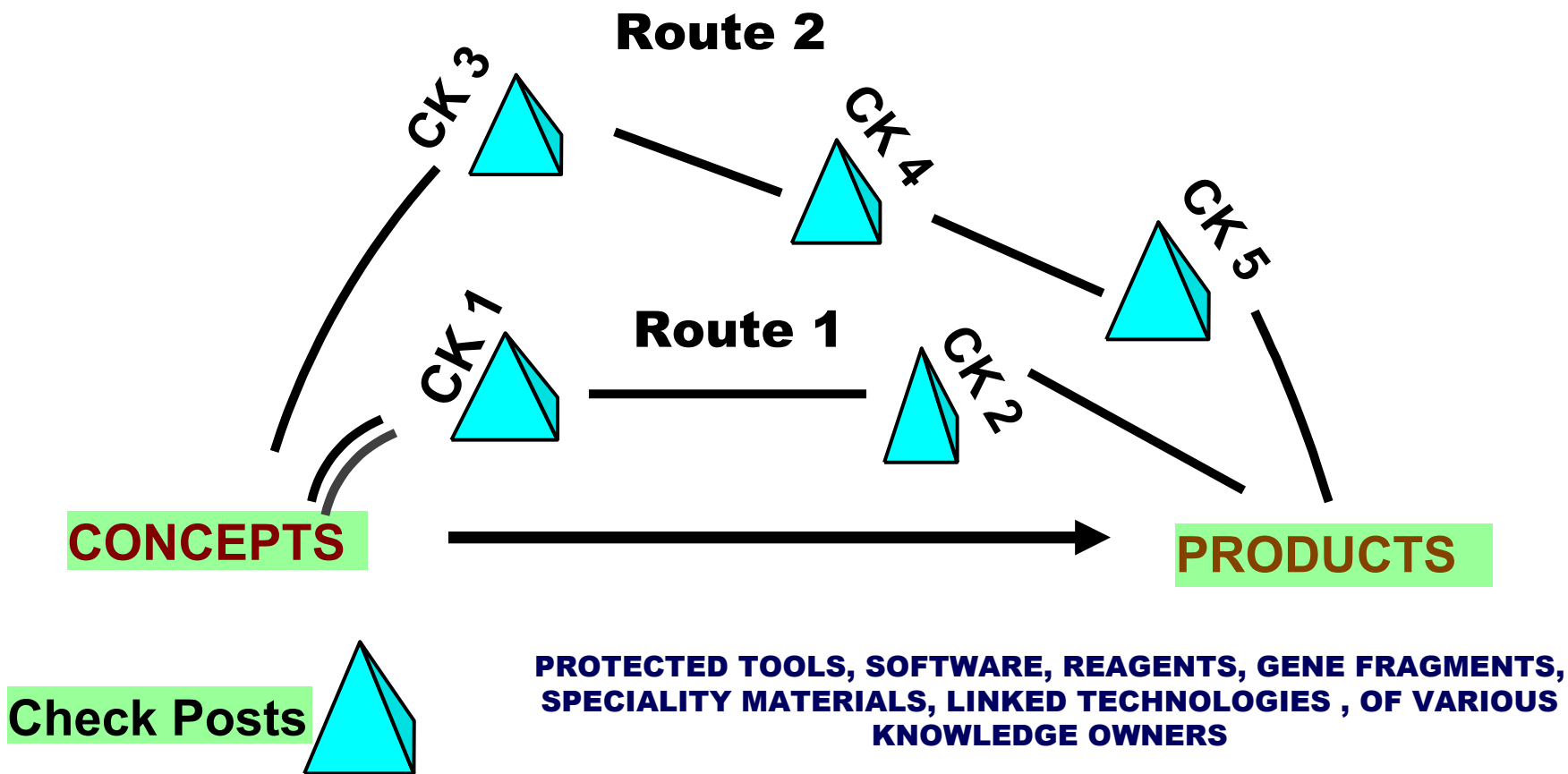
What can one do with one's
rights?

Identify them

ACCESSIBILITY

vis-a-vis

AFFORDABILITY



Check Posts on the Innovation Highway

Beware !!!!

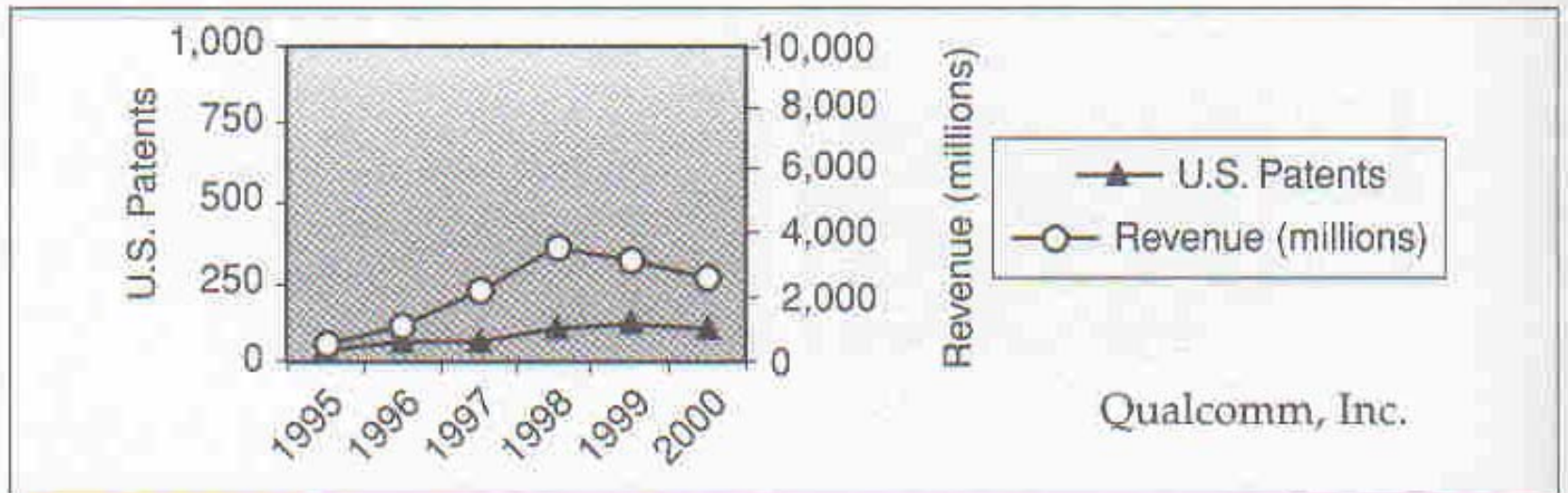
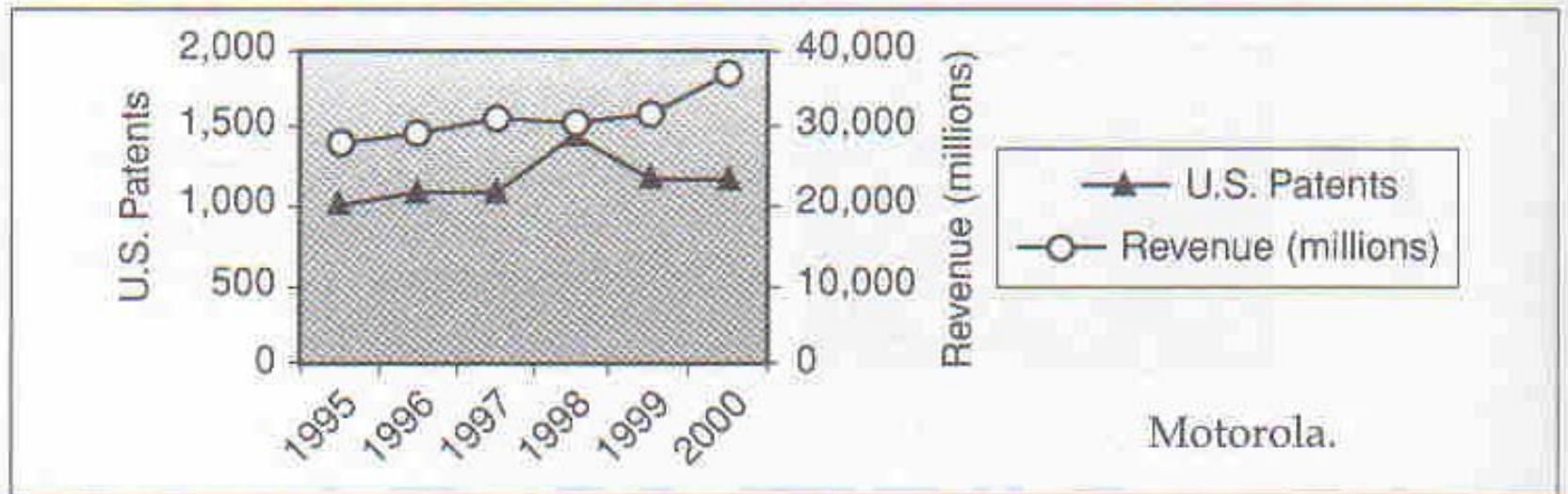
Premature disclosure of information

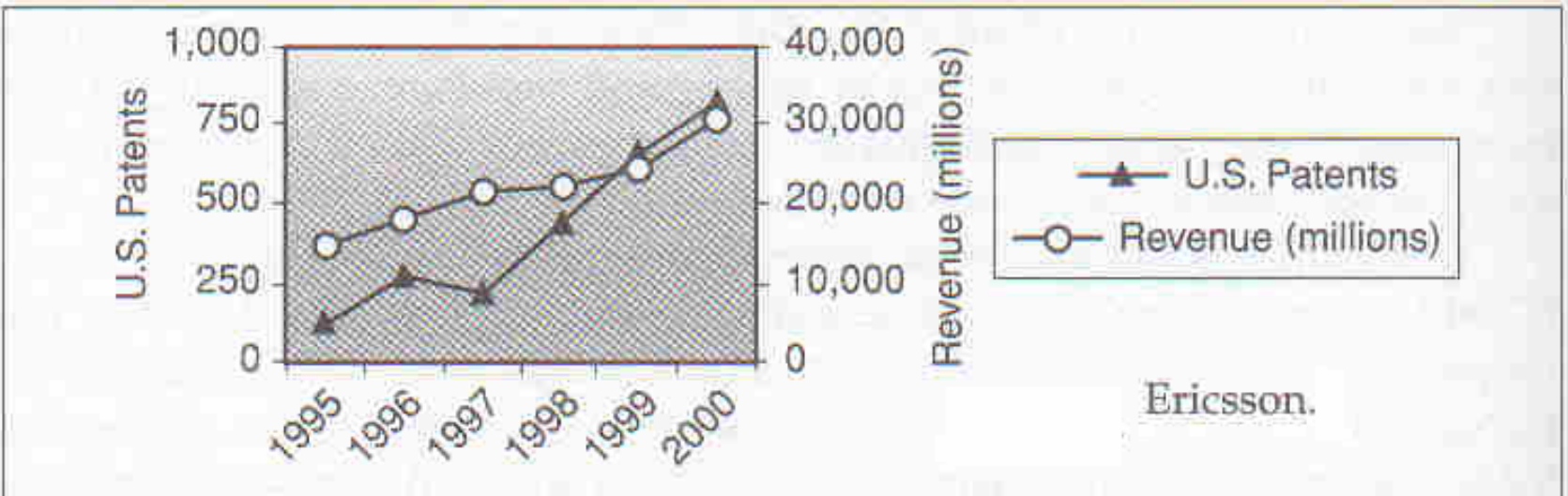
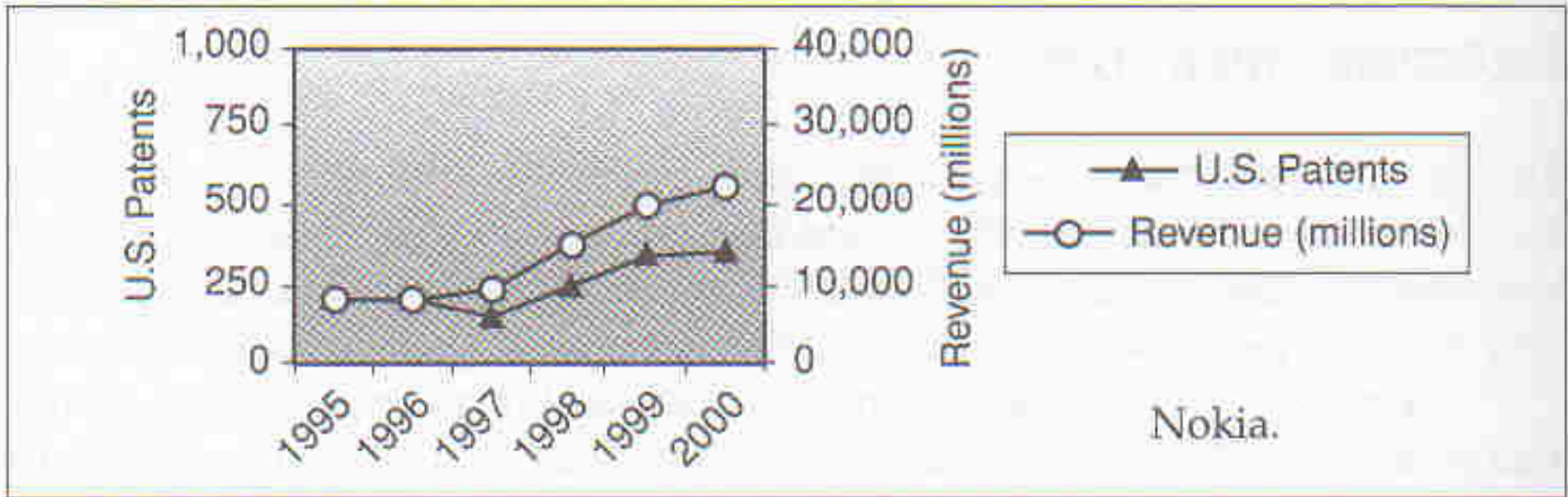
Seek usage clearance

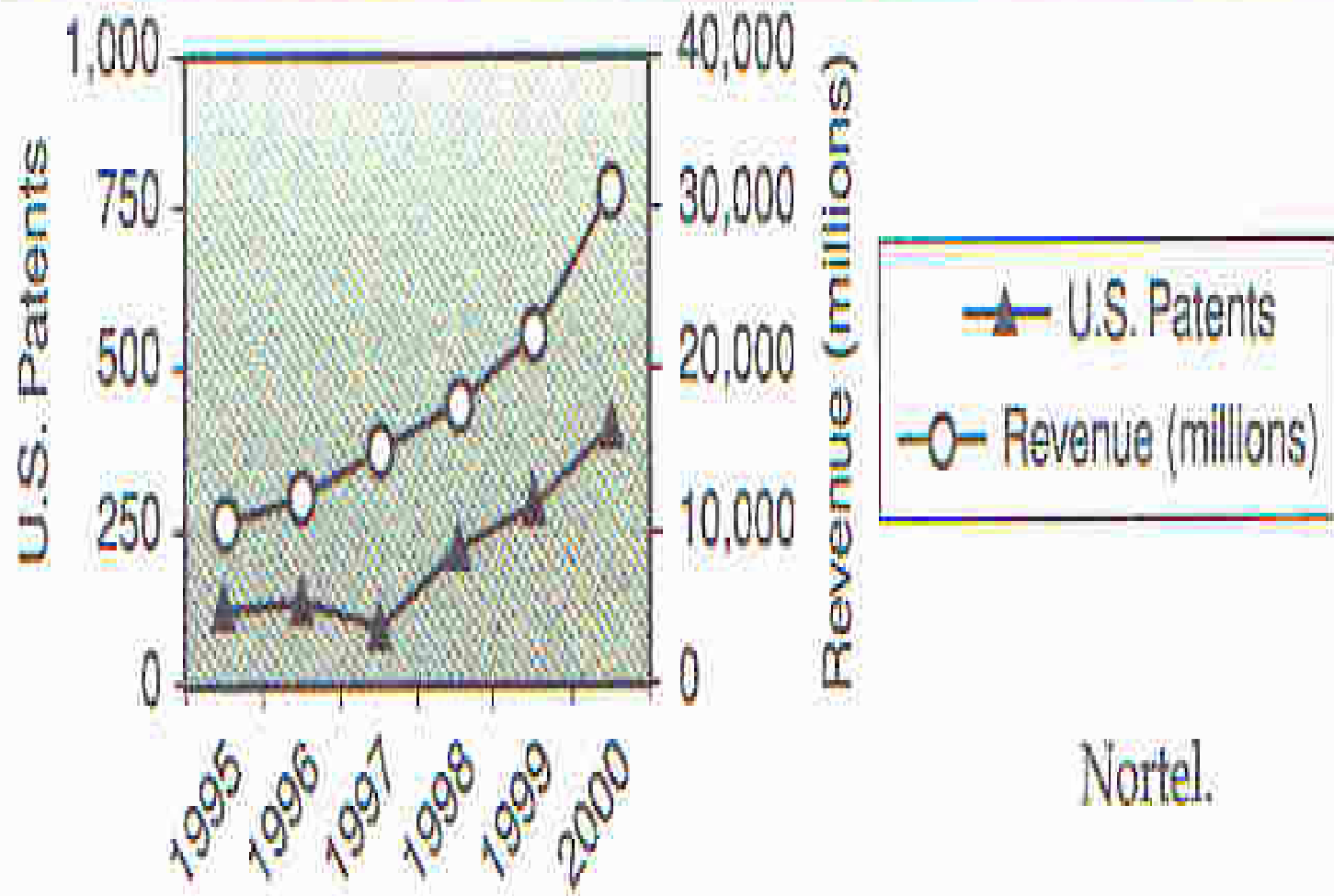
Public Testing of Inventions

Patent Activity as indicator of revenue growth

A few examples







Nortel.

Gillette

- Manufacturers of male and female grooming products, writing instruments and correction products, tooth brushes, oral care appliances, and alkaline batteries.
- Products include blades, razors, shaving preparations and hair epilation devices among others.
- **Internationally recognised brand names such as BRAUN, PARKER PEN, WATERMAN, LIQUID PAPER, ORAL B, DURACEL..... Flagship Brand .. GILLETTE**
- **Products protected and nurtured by Trademarks in various parts of the world**

Gillette

Gillette Company Asset Values (US \$ million)

	Value (\$ m)	Total (%)
Working Capital	2,850	4.9
Fixed/Other Assets	5,131	8.8
Intangible Assets (est. 10% of TIC)	5,854	10.0
Intellectual Property	44,700	76.3
Total Invested Capital (TIC)	58,535	100.0

Information source: PRICEWATERHOUSE COOPERS publication

“ Valuation of Intellectual Property”

Case Studies

- **Honeywell in 1993 won \$ 96 million from Minolta for infringement of Honeywell's auto-focus technology for cameras. Then got licensing deals worth \$ 400 million from other manufacturers.**
- **Historic judgement of 1990 . Polaroid awarded \$ 900 million from Kodak. Of this \$455 was as lost interest on the damage of \$ 454.**

Key Players with Protected Tobacco Processing technologies

<u>Name</u>	<u>Period</u>	<u>Patents</u>
Hauni Maschinenbau AG	1995-98	19
Korber AG	1988-94	30
Hauni-Werke Korber	1973-87	19
Topak Verpackungs Technik	1998-99	6
Decoufle	1973-98	14
RJ Reynolds	1974-94	12

Overall Patenting Scores in USA of various companies during the period 1971 - 1999

RJ Reynolds : 530; Hauni : 52; Korber : 141;

Brown Willianson: 308, Decoufle : 14

Technology/ Company	Appt/Method Rod shapes	Appt/Method mass flow	Test Appt/Method	Packaging	Others
Hauni Maschinen		fibrous. mat. filter rods eva. surpl. air	mass, wt, dia density of particles	manipulating containers for trays	cooling systems
Korber	sealing elements for ends, fluid flow through ventillation zones, rolling and radiation treatment	merging mass flow, changing directions, altering space, transporting arrays, making streams	monitoring cond filament belts, test end portions, diameters,	apply adhesive, wrapping mechanisms for rod making machines, packing rod shaped articles	perforating paper, bobbin changing,
Hauni-Werke Korber	pneumatic transporter	sing. layer to mult-layer flows,	rod shaped	perforating wrapping material	withdrawing leaders of webs from reels
Topak	superimpo- sing rows			loading/transfe ring packets.	
Decoufle	aligning articles	trans. rods, cutter guide		collecting objects	heating adhesives

Patent Portfolio Building

Seed, nurture, cultivate and harvest
Inventions to create the Present,
Immediate Future and distant future
portfolios

Measuring IP Performance

How does one value one's intellectual assets

A structured approach is necessary

Evolving Approaches

- IP Royalty financing
- IP Securitisation
- Strategies for Capitalising future returns
- Role of Collateral Trustees
- IP driven M&A transactions

valuation of IP for transactions.....

Controlling Counterfeiting

.....A never ending challenge

IPR Litigation

Creating Business Opportunity
and
Strategy

How does one realise the value of
one's intellectual assets

A structured audit is necessary

Managing Intellectual Property Rights

 **Policies**

 **Organisational Structure for IPR**

 **Information Classification & Ownership**

 **Implementation Procedures**

 **Enforcement & Monitoring**

 **Actions**

 **Audit**

IPR as an organisational culture

Rationale for IP Protection

- Organise in the best possible way human, economic and social relations thereby providing a framework for a fair distribution of the limited human resources available
- Stimulate creativity and inventiveness
- Protection for investments
- Recognition to inventors and enhance ethical standards in society

Motivation for IP Protection and Management

- IPR Management helps to integrate the institution's innovation process with a wide range of R&D partnerships
- Institutional IPR encourages partnership with other developers especially with SMEs in the innovation supply chain.
- Optimal use of extra-institutional knowledge. Avoid duplication and manage funds for R&D effectively

Motivation for IP Protection and Management

- Create and retain R&D and Market Leadership.
- Freedom to operate in a global environment
- Enhance institutional image
- Protection/Management of Institutional Knowledge Assets
- Competence and Knowledge Building
- Earnings from innovations to pay for further research and acquiring other technologies (e.g. structuring contracts, licensing and cross-licensing)
- Contribute to long term growth

Develop Business - Research Strategy

Plan for IPR

What does the market need???

Defensive ??????

Offensive ?????

Know How v. Patent?

Managing Intellectual Property

CONCEPTS

- Business Opportunities
- Technology Options
(mapping exercise)
- Strategic Options

**INNOVATION
PROCESS**

- Working through the
- IP grid
- Patents & other IPR
Filings/Registrations
- Strategy for
Foreign Filings
- Licensing Options
- Joint Developments

OUTPUT

- Fit in IPR Portfolio
- Marketing tieups

MARKET

- Product Lifecycle
- Managing IPR Portfolio
- Monitoring IPR
- Policing IPR
- Enforcing IPR

Record Maintenance & Updating IPR Information

IPR... Strategic Options

INNOVATIONS

Acquire Externally ?

Generate Internally ?

PART INTERNALLY/EXTERNALLY ?

resource based

Human

Infrastructure

IPR

IPR... Strategic Options

INNOVATIONS

Acquire Externally ?

Generate Internally ?

PART INTERNALLY/EXTERNALLY ?

IPR

Inadequate human resource or expertise or competitor far ahead. Take licence or contract research & development.
Who will own IPR. Sign NDAs/MOUs

All complimentary infrastructure and resources available in-house. IPR integrated with innovation and business

Some resources and expertise available in-house. Complimentary “quality resources” elsewhere. Strike collaborations, JVs Strategic Alliances, Marketing arrangements.

Managing Intellectual Property

CONCEPTS

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Managing Intellectual Property

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Record Maintenance & Updating IPR Information

Managing IPR

... Innovation Phase

- Working through the IP grid
- Bypassing laws by designing experiments to gain IPR
- Decisions on Patents & other IPR Filings/Registrations

Project Implementation

- Strategy for Foreign Filings
- Litigation Strategy (clearing IPR mine fields)
- Licensing Options
- Joint Developments

**Business driven
Decisions**

Signing of NDAs/IPR assignments with employees/contractors, MOUs with possible partners, Trade Secrets, milestone payments, royalty and other benefit sharing arrangements

Managing Intellectual Property

CONCEPTS

**INNOVATION
PROCESS**

OUTPUT

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(mapping exercise)
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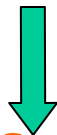
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Record Maintenance & Updating IPR Information

Managing IPR

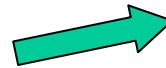
... Output Phase

- Fit in IPR Portfolio
- Marketing tie-ups

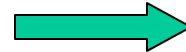


Options for IPR
value extraction

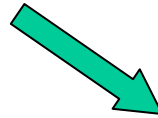
(e.g. venture capital,
business incubators, etc.)



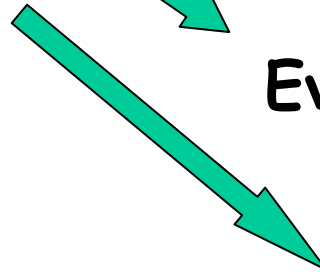
Valuation of the IPR



Evaluate fit
with business strategy
and growth plans



Evaluate Licensing Options



Technology life cycle
analysis

Managing IPR

... Market Phase

IPR protection during product life

- Product Life-cycle
- Managing IPR Portfolio
- Monitoring IPR
- Policing IPR
- Enforcing IPR

*IPR notification on products
and services*

*IPR Portfolio Maintenance
Strategy*

**Synergy with other IPRs
in the organisation**

**Litigation Strategy
to retain leadership**

Value of Competitors' IPRs

Monitoring possible infringers

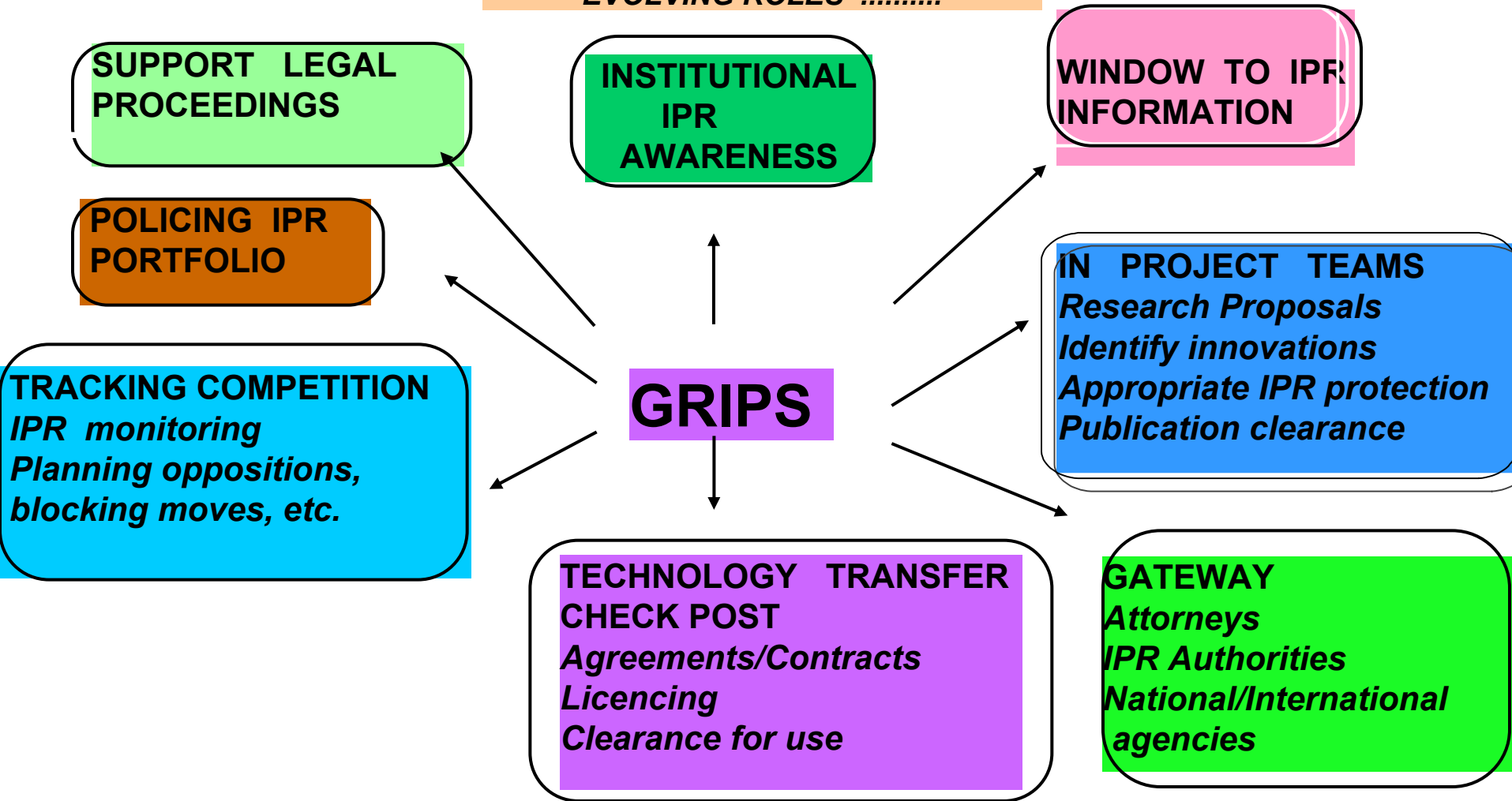
Action against infringers

Institutional Imperatives

- Institutional IPR Policy
- Integrating IPR into business strategy & project management
- Effective Use of IPR information
- Identifying areas of possible infringements
- Licensing strategy
- Policing of institutional IP assets
- Litigation strategy
- IPR audit
- Effective utilisation of International Conventions.

GROUP INTELLECTUAL PROPERTY SERVICES (GRIPS)

EVOLVING ROLES



INSTITUTIONAL STRATEGY, SPEED, CONFIDENTIALITY, QUALITY
..... THE KEY

Where The Mind Is Without Fear

***Where the mind is without fear and the head
is held high;
Where knowledge is free;
Where the world has not been broken up into
fragments;
by narrow domestic walls;
Where words come out from the depth of truth;
Where tireless striving stretches its arms towards
perfection;
Where the clear stream of reason has not lost
its way;
into the dreary desert sand of dead habit;
Where the mind is let forward by Thee
into ever-widening thought and action;
Into that heaven of freedom; my father
let my country awake .***

Rabindranath Tagore (1901)