



Introduction to WIPO, and the Role of Effective IP Asset Management in Enhancing the Competitiveness of SMEs

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Introduction of WIPO



IP Asset Management

Source: 1. Pro Inno Europe, www.ip4inno.eu

**2. Review of Innovation Practices in Small Manufacturing Companies,
United States Department of Commerce**

**3. Old Model: Patents Protect Products. New Model: Patents Themselves are Products,
Forbes**

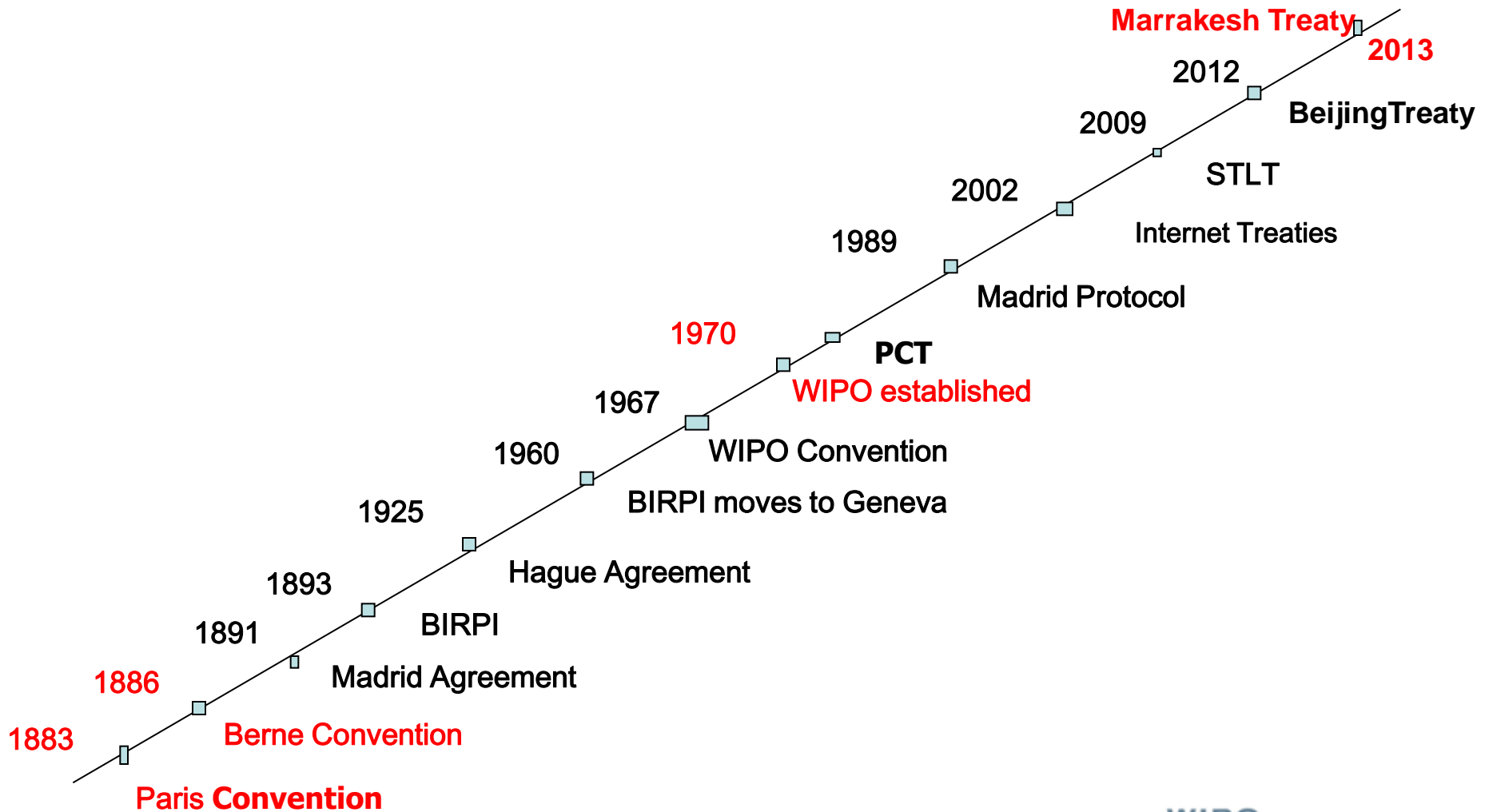
4. IP Strategy, Intellectual Property Management in Health and Agricultural Innovation

5. IP Management, Spruson & Ferguson

Introduction of WIPO

- History
- WIPO – facts and figures
- Strategic goals
- WIPO's main activities

Milestones : 1883 to 2013



Basic Facts about WIPO



WIPO's Mission:

To promote the protection of IP rights worldwide and extend the benefits of the international IP system to all member States

Status: An int'l intergovernmental organization

Member States: 187

Observers: 350 +

Staff: 1030 from over 100 countries

Treaties Administered: 26

Decisions by: GA, CC, WIPO Conference

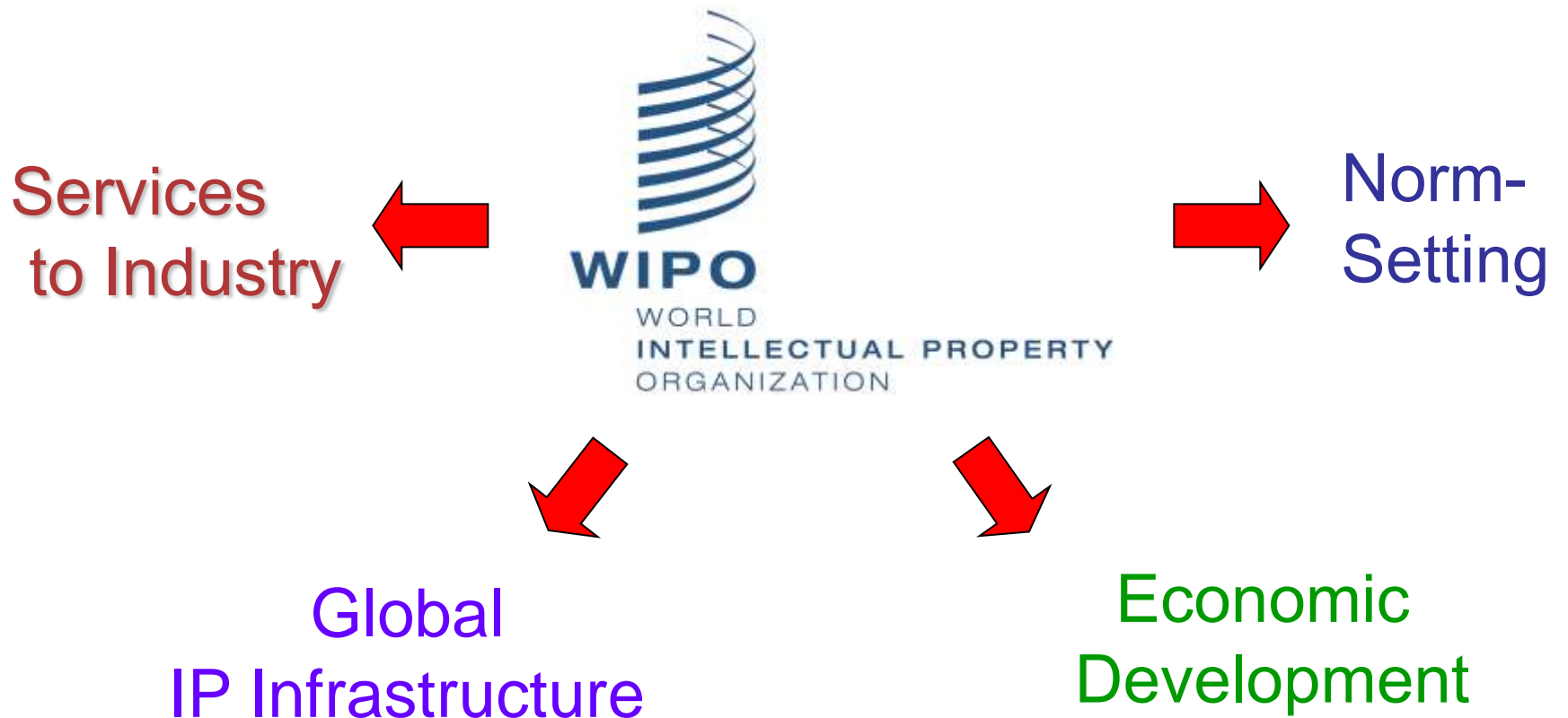
IP: Outreach

Public Sector & Policy-Makers



General Public, Civil Society

WIPO's Main Activities



Norm Setting



- AIM: Progressive development of international IP law for an IP system that is:
 - balanced/responsive to emerging needs
 - effective in encouraging innovation/creativity
 - sufficiently flexible to accommodate national policy objectives
- Topical issues reviewed/discussed in Standing Committees

Standing Committees

- ❖ Patents (SCP)
- ❖ Copyright & Related Rights (SCCR)
- ❖ Trademarks, Designs, Geographical Indications (SCT)

Aim: (i) Build consensus on topical issues;
(ii) Take into account interests of all stakeholders for a balanced, reliable, efficient, user-friendly, cost-effective system.

N.B. Enforcement issues are discussed within the Advisory Committee on Enforcement (ACE)

Cooperation for Development

Four Major Pillars based on partnership:

1. Establish a **strategic plan** for IP in conformity with national development plans
2. Strengthen **IP laws and regulations** for a balanced IP system that protects IP and also promotes innovation and creativity
3. **Strengthen infrastructure** esp. of IPOs for provision of 1st class services to all users/creative sectors & facilitate access to IP information from DBs around world
4. **Capacity-building** – training targeting all possible users (policy-makers, lecturers, creators, inventors)

Development Agenda for WIPO

- Adopted: September 2007
 - emphasis on use of IP for development
- Challenge: facilitate use of IP by developing countries for economic, social, cultural development
- 45 agreed proposals (6 clusters of activities)
 - Technical Assistance and Capacity Building;
 - Norm-setting, Flexibilities, Public Policy and Public Knowledge;
 - Technology Transfer, Information and Communication Technology (ICT) and Access to Knowledge;
 - Assessments, Evaluation and Impact Studies;
 - Institutional Matters including Mandate and Governance
- Committee on Development and Intellectual Property
 - monitor, assess, discuss and report on implementation of recommendations and discuss IP and development issues
- Development Agenda Coordination Division
 - Ensure agreed outcomes reflected in relevant programs

Global IP Infrastructure

- WIPO is coordinating with stakeholders to develop tools, services, platforms, standards, etc. that enable IP institutions to work **more efficiently** and **provide better and high quality services**.
- Activities include:
 - Technical assistance for modernizing IP offices;
 - Capacity building & networking by Technology Innovation Support Centers (TISCs)
 - Common platform for e-data exchange among IPOs
 - Tools (international classifications in TMs/design (IPC, Nice classification))
 - Standards & technical agreements
 - Databases (PATENTSCOPE, Global Brand DB)
 - Services (International Cooperation for Patent Examination (ICE), Patent Information Services, including Legal Status of Patents)
 - Forum for exchanging experience and lessons learned (Global Symposium of IP Authorities)

WIPO Academy

<http://www.wipo.int/academy/en/>



- Provides training to promote use of IP for development in line with evolving IP landscape
- Int'l, interdisciplinary approach to IP education
- Face-to-face training/distance learning
- Aims to promote international cooperation to enhance human IP capital through global networking with stakeholders and partners
- **PROGRAMS:**
 - Professional Development (IPOs)
 - Partnership Program (Universities, etc.)
 - Distance Learning Program (expanding portfolio of courses)
 - Executive Program
 - Summer Schools Program

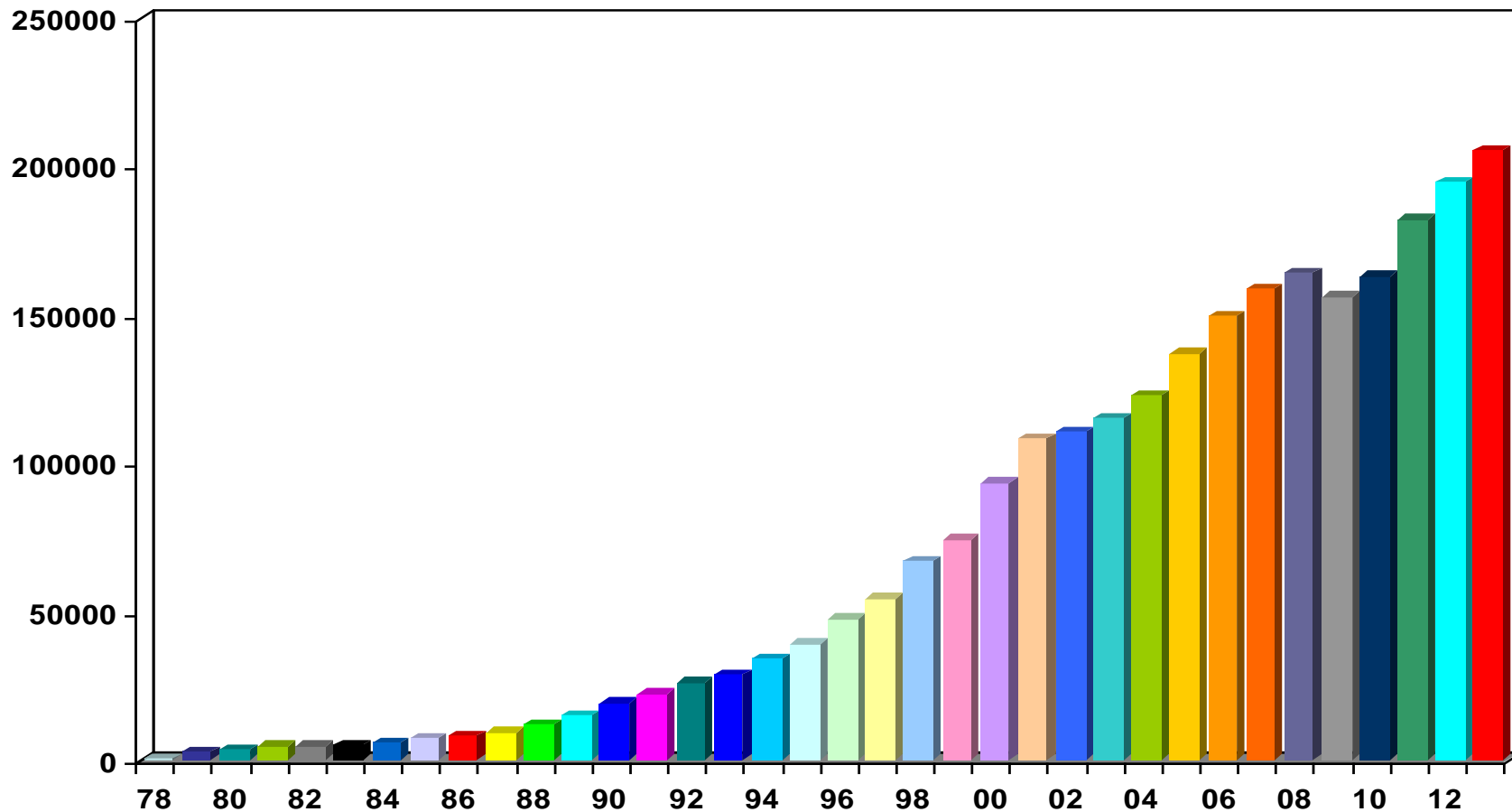
WIPO ... Provider of Premier Global IP Services

Core income generating business areas:

- ✓ Patent Cooperation Treaty (Patents)
- ✓ Madrid System (Trademarks)
- ✓ Hague System (Industrial Designs)
- ✓ Lisbon System (Geographical Indications)
- ✓ WIPO Arbitration and Mediation Center

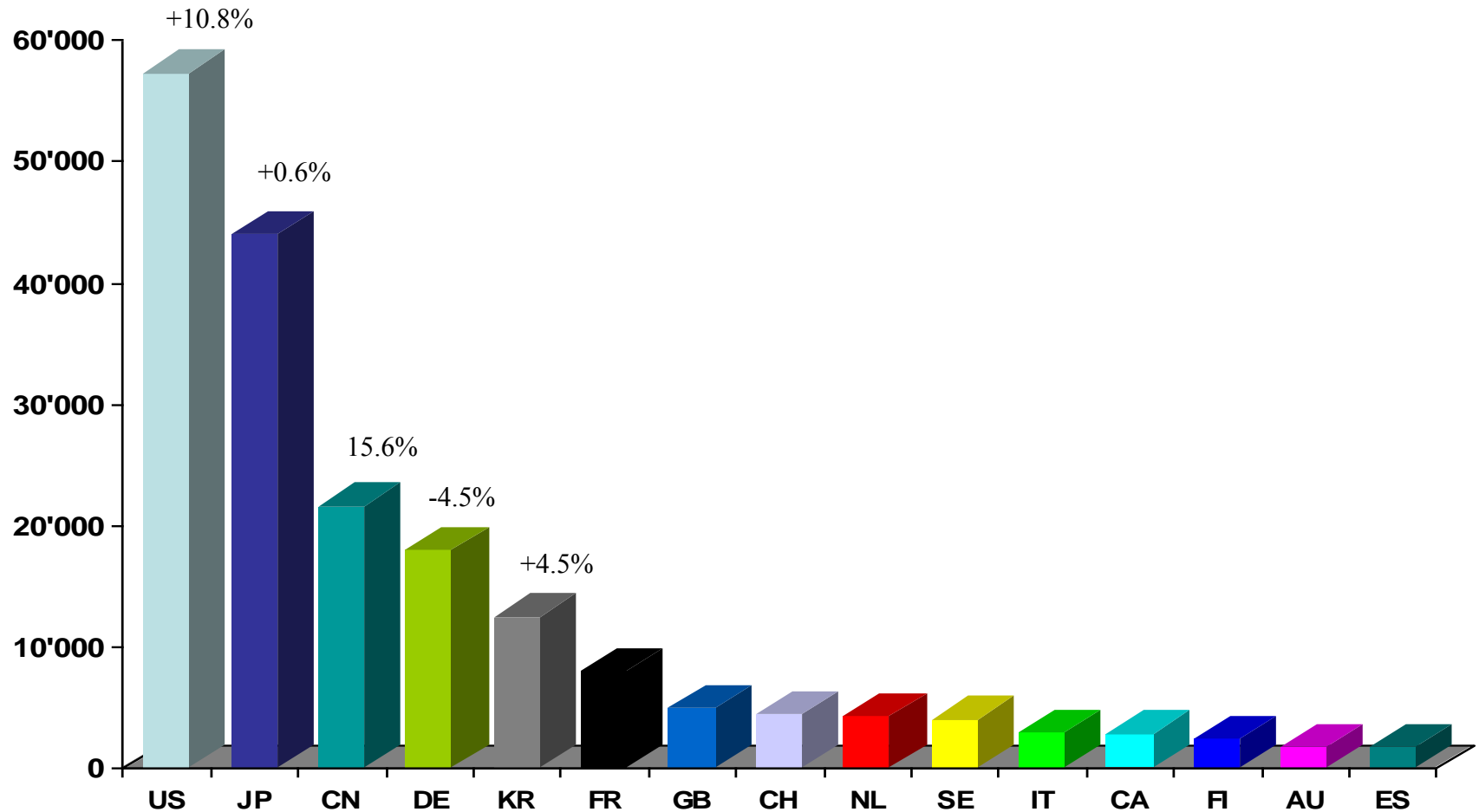
Aim: to be the first choice for users by continuing to offer cost-effective value-added services

PCT Statistics

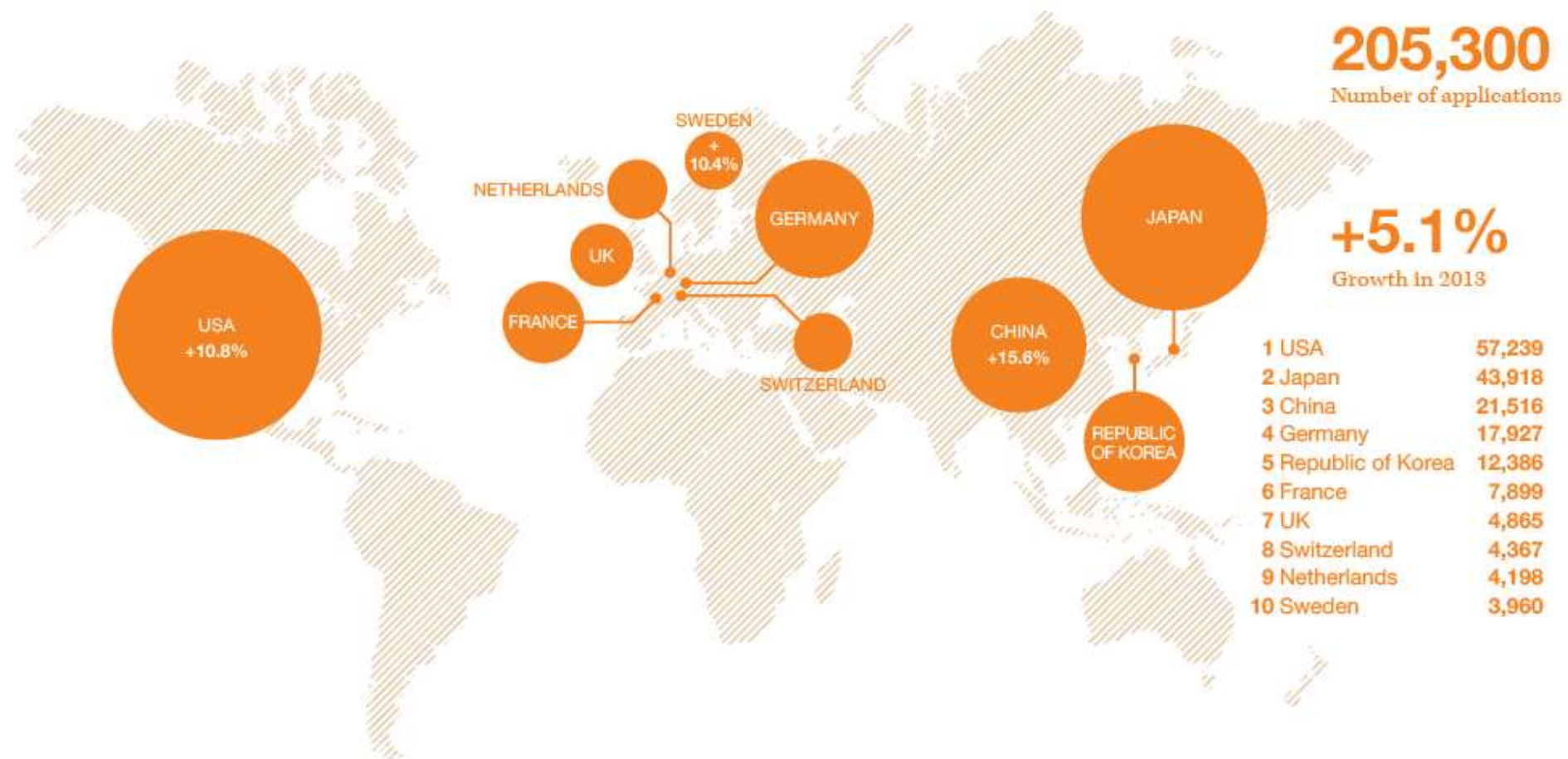


5.1 % growth 2013
148 Contracting States

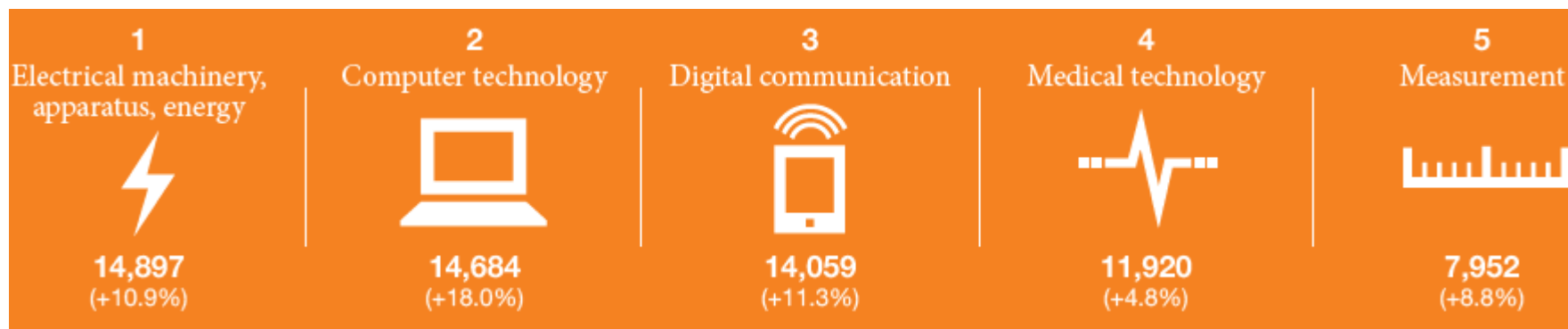
PCT: International Applications Received in 2013 (by country of origin)



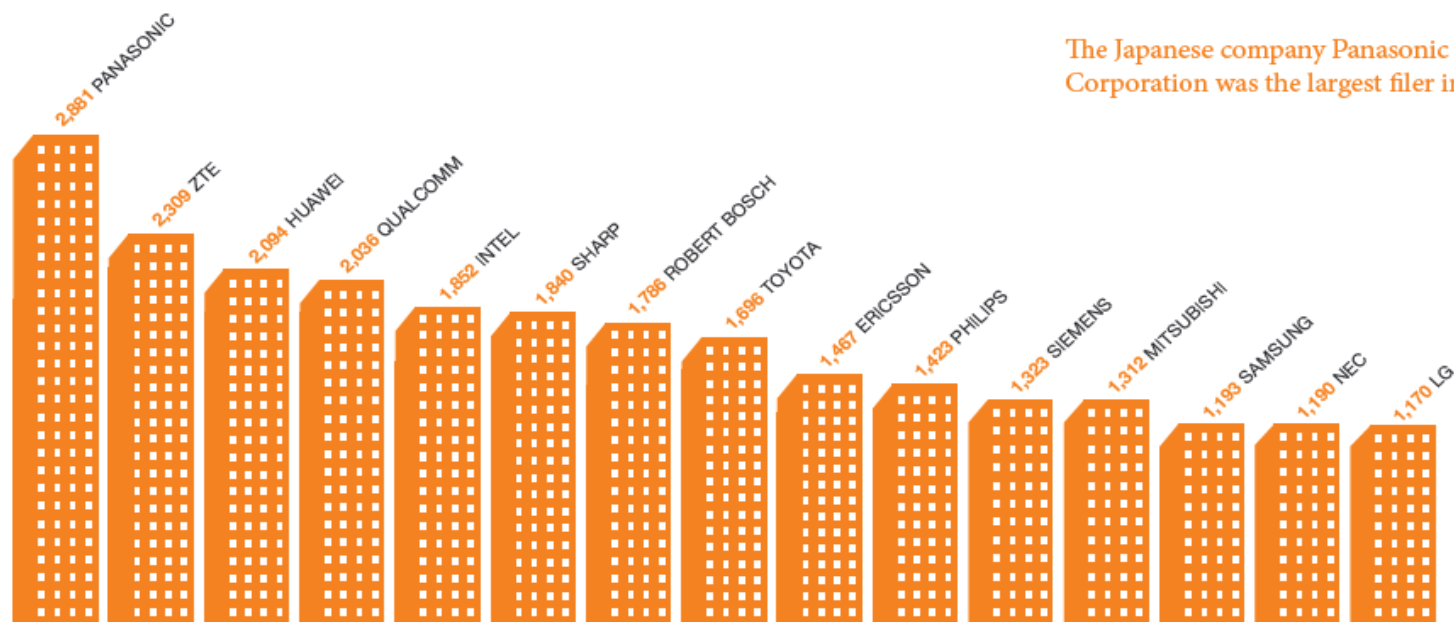
PCT Statistics: 2013



PCT Statistics: 2013 (2)



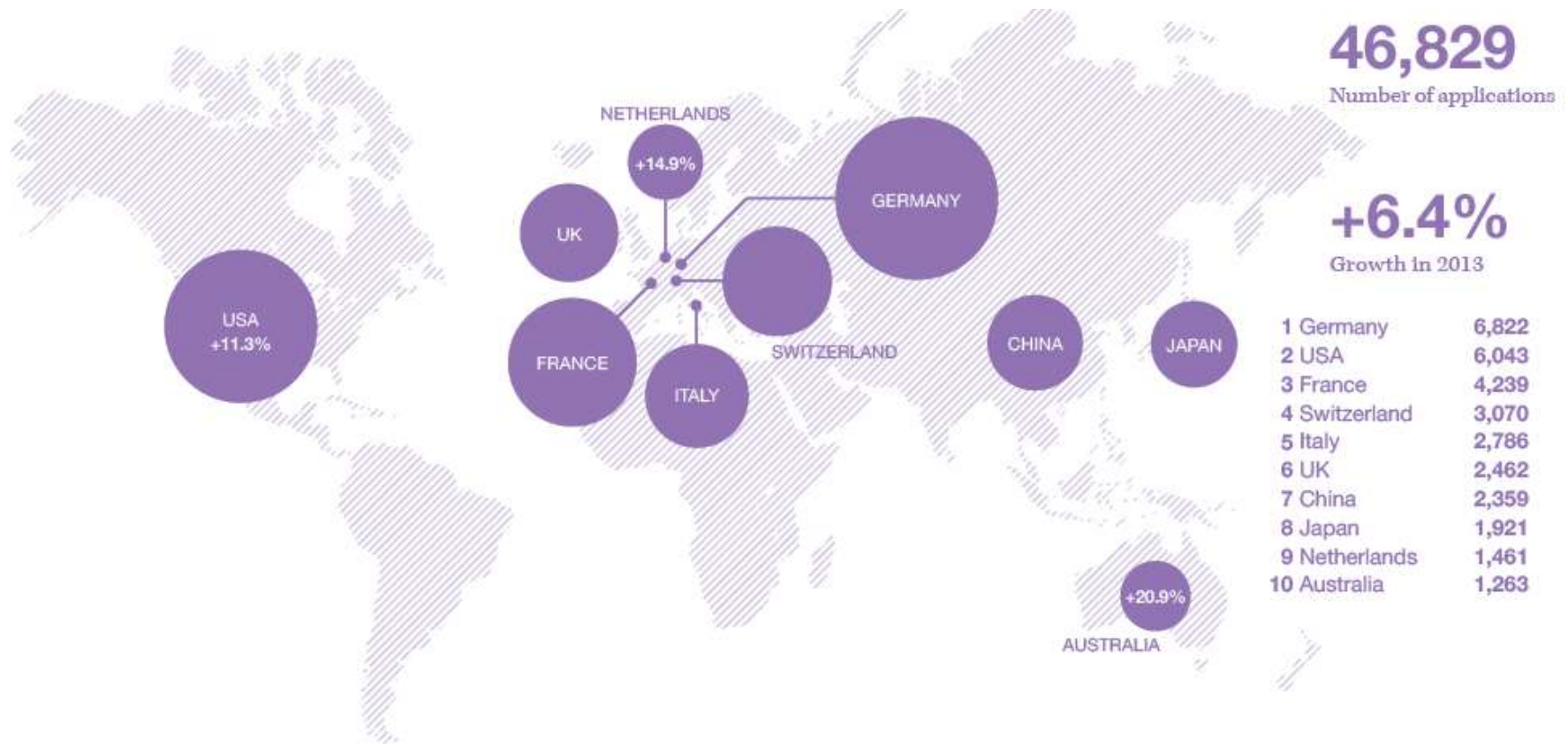
TOP 15 PCT APPLICANTS



The Japanese company Panasonic Corporation was the largest filer in 2013.

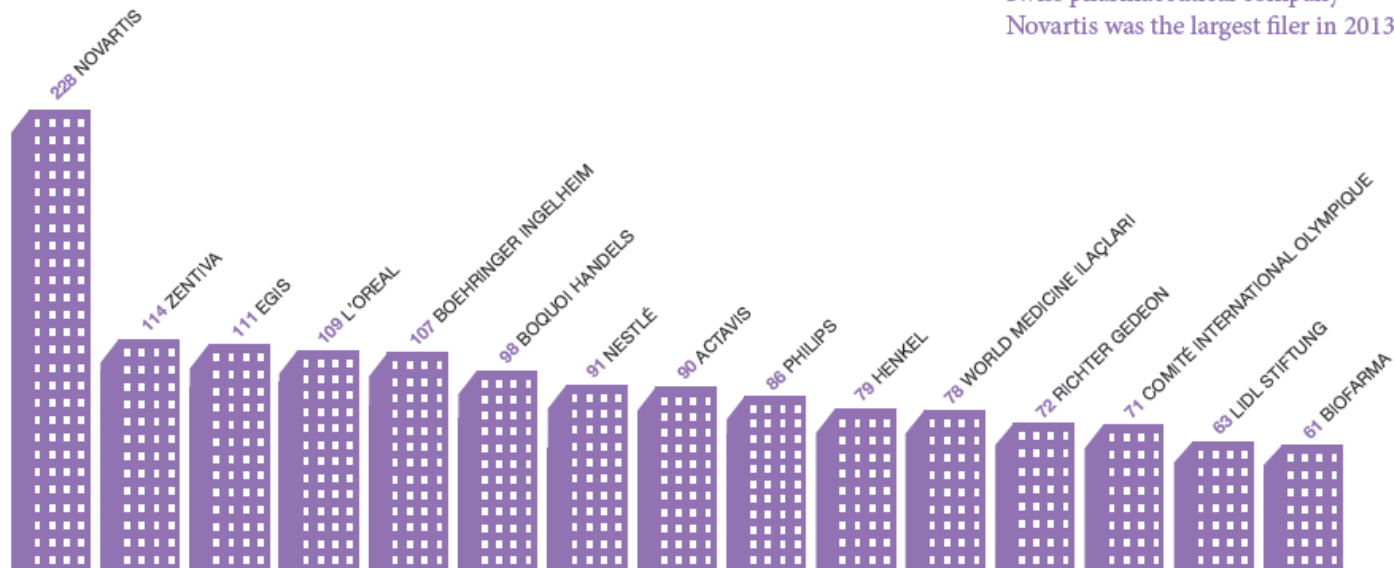
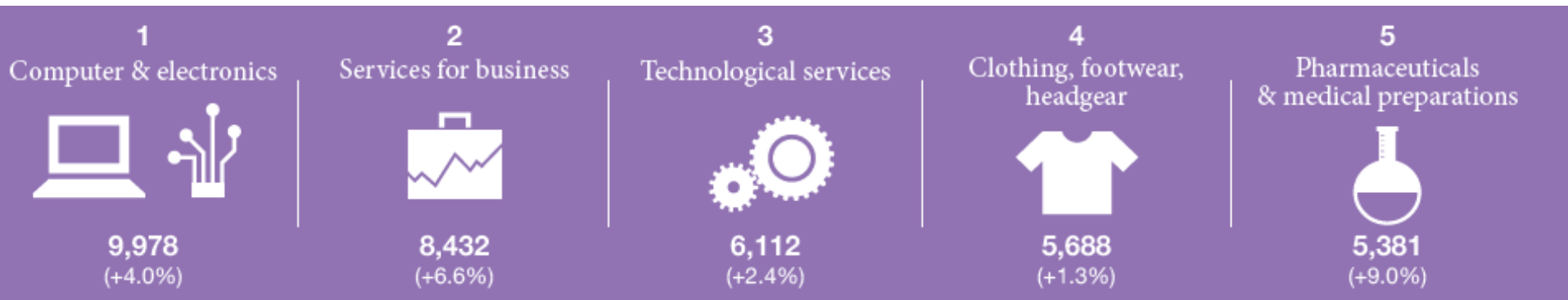
The Madrid System for the International Registration of Marks

Statistics for 2013



Contracting parties: 92

Madrid system: 2013 statistics contd.



WIPO Arbitration & Mediation Center

Alternative dispute resolution (ADR)

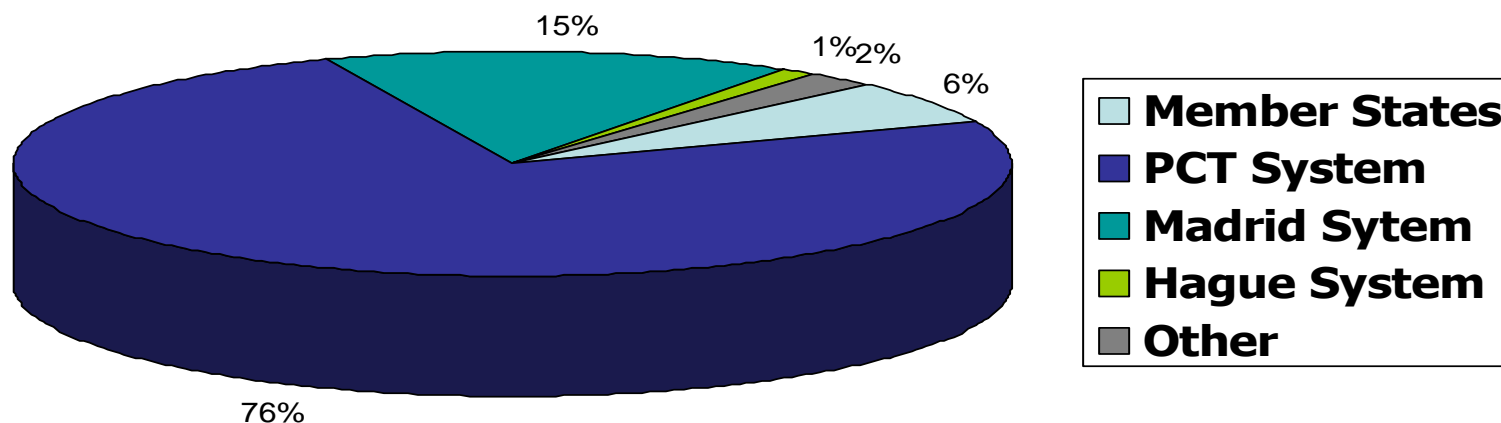
(<http://arbiter.wipo.int>)

- I. Classical Arbitration & Mediation Services
- II. Tailor-made dispute resolution procedures:
e.g.: UDRP - criteria:

- identical/confusingly similar
- legitimate interest
- bad faith

A cost-effective and expeditious procedure ...

WIPO's Main Sources of Revenue



Budget 2014-2015: CHF 673 million

3.8 % increase

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<http://www.wipo.int/sme/>

IP Asset Management

Principle of Innovation

- **Definition:** Innovation is the use of new technological knowledge, market knowledge, and business models that can deliver a new product or service, or product/service combinations, to customers who will purchase at prices that will provide profits.
- **The process of benefiting from ideas:** the exploitation of something new
- **Innovation is not R&D**
- **The process of innovation is not the same as simply inventing something**



Power of Innovation 1

- **Invention brings something new into being, while an innovation brings something new into use.**
- **Technical criteria are used to determine the success of an invention, whereas commercial criteria are used to determine the success of an innovation.**
- **Invention occurs when the technical solution to a problem meets the specific legal requirements for patenting. Innovation may or may not produce patentable ideas.**

Power of Innovation 2

- **Main reasons why companies are interested in product or technological innovations**
 - **To improve manufacturing processes in order to save costs and improve productivity**
 - **To introduce new products that meet customers needs**
 - **To remain ahead of the competition and/or expand market share**
 - **To ensure that technology is developed to meet actual and emerging needs of the business and its clients**
 - **To prevent technological dependence on other companies' technology**

Bagless Vacuum Cleaner



A vacuum cleaner without a bag. Developed by James Dyson, this vacuum cleaner uses centrifugal force to trap dirt, expel air and maximize suction

Google

Google Inc. is the developer of the award-winning Google search engine, designed to provide a simple, fast way to search the Internet for information.



Strategy and Management

- **Strategy: the determination of the long-run goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out these goals**
- **Strategy: general principles and aims that govern the courses of action**
- **Management: actual implementation of those courses of action**
- **External IP strategy: issues of exploitation like licensing and litigation**
- **Internal IP strategy: valuation, information, coordination and education**

Developing an IP Strategy

- **IP Strategy needs to be relevant to your organization**
- **IP Strategy will assist your organization to achieve its commercial goals**
- **IP strategy should drive your new product development and should minimize the risks involved in investing in the development of new products.**
- **Step 1: Identify commercial goals**
- **Step 2: Identify your IP rights and the competitive IP landscape**
- **Step 3: Align your organization's IP rights with its business goals**
- **Step 4: Formulate an IP strategy**

Developing an IP Strategy: Step 1

- **Step 1: Identify your organization's commercial goals**

- **Assess how you can achieve commercial goals from the perspective of IP. IP may be used as a tool to:**
 - **Block competing products**
 - **Generate income from commercialization**
 - **Deter potential infringer**
 - **Defend an infringement action**
 - **Attract investment**

Developing an IP Strategy: Step 2

- **Step 2: Identify your organization's IP rights and the competitive IP landscape**

- **Identify the IP rights held by your organization and the strength of each of those IP rights, e.g. its life span, coverage, validity and strength**

- **Develop an understanding of the IP landscape surrounding your IP.**
 - **Awareness of the competitive IP landscape will enable you to identify potential IP barriers**
 - **Identify and pursue future trends and gaps in the market strategically**
 - **Monitor your competitors' activities, identify their strengths and weaknesses, and predict their next move**

Developing an IP Strategy: Step 3

- **Step 3: Align your organization's IP rights with its goals**
- **Consider how IP may assist a particular strategy or evaluate how valuable a particular IP asset is for your organization**
- **Considerations for assessing the value of an IP asset:**
 1. **Revenue Contribution: What IP supports your most profitable products?**
 2. **Margin Contribution: To what extent does the IP give your products an advantage over those of your competitors?**
 3. **Marketing Benefits: Will consumers perceive your products as being of better quality because of the IP?**
 4. **Organizational Value: Is the IP necessary to raise funding for expansion?**

Competition* (brands, designs, patents)



0,80 CHF

26 patents; 148 ®; 17 designs
(Swissreg)



1,65 CHF

31 patents; 38 ®; 7 designs
(Swissreg)



2,20 CHF

226 patents; 35 ®; 40
designs (Swissreg)

* An American economist, Edward Chamberlin, has named this sort of competition as *monopolistic competition*.

Competition (brands, patents, designs, copyright)



HTC – One M8 4G Cell Phone – (AT&T) \$199.99 with 2-year contract extension

(USPTO) 146 utility* and 31 design** patents; 47 ® (HTC One)



Samsung – Galaxy S 5 Cell Phone (Sprint) \$199.99 with 2-year contract extension

(USPTO) 4,466 utility* and 870 design** patents; 66 ® (Galaxy)



Apple – iPhone 5s 16 GB (Verizon Wireless) \$199.99 with 2-year contract extension

(USPTO) 755 utility* and 83 design** patents; 47 ® (iPhone and iPad); 225 entries in the copyright office



Sony – C6903 Xperia Z1 Unlocked \$ 585.00

(USPTO) 2,031 utility* and 83 design** patents; 31 ® (Xperia)

* USPC H04M and H04W; ** USPC D14/138R)

Developing an IP Strategy: Step 4

- **Step 4: Formulate an IP strategy for your organization**
- **Once the process of aligning the IP portfolio and your organization's goals is completed, you will be able to identify:**
- **Core IP: IP which is core to your organization's business**
- **Surplus IP: IP which is no longer aligned with your organization's strategy**
- **IP Gaps: IP needed to better support your organization's current strategies**

Offensive IP Strategy

- **Offensive IP strategy: aim to develop IP that an organization can use to take action against an infringing party**
- **Defensive IP strategy: obtain IP to minimize the risk of being sued by others for infringement**

- **Developing an offensive IP strategy**
 - **focuses on acquiring and protecting IP that gives your organization an advantages over its competitors**
 - **requires high-quality rights and the resources to enforce those rights**
 - **the IP rights should be able to block likely design around alternatives**

Defensive IP Strategy

- **Need to have a thorough understanding of the competitive IP landscape, your organization's goals and planned strategies and potential obstacles in your path**
- **It aims to steer clear of or at least reduce the impact of any obstacles and the associated risks**
- **Possible elements**
 - **obtaining a license to exploit any blocking IP**
 - **designing around the blocking IP**
 - **developing or acquiring an IP portfolio as a bargaining chip for cross-licensing purpose**
 - **opposing the rights of the blocking IP**
 - **forming an alliance within your industry**

Management of an IPR Portfolio

- **A set of actions and decisions so that the company having IPRs will have the most profitable portfolio of IPRs (patent, trademark etc.)**
- **Principle: The IP strategy is in line with the business objectives**
- **IPR portfolio management also includes the constant follow-up on the changes of the competitors' portfolio**
- **In order to keep IPR related expenses at a reasonable level, the IPR portfolio should be managed with consideration on the following:**
 - **Patent an invention only if it can be exploited**
 - **Revise IPR portfolio and abandon what only generates unnecessary expenses**
 - **Be aware of your territorial strategy**

IP in Business

- **Find partnerships / joint ventures**
- **License out rights to gain revenue streams**
- **Establish a competitive advantage in the marketplace**
- **Prevent imitators**
- **Invent-in-front of competitors**
- **Capacity building: raise the ability to fully exploit its inventions should gradually increase over time as proceeds from the exploitation of initial inventions are reinvested**

What is your IP environment

■ IP Research

- Is there IP in your Industry?
- Do your competitors use IP and how?

■ IP Strategy

- How should you use IP?
- What types of IP fit with your culture?
- Do you have a plan for enforcing IP?

Patents themselves are Products

- **Strategic approach**
 - **consider business, legal and technical information about innovation and competitive environment**
 - **in order to determine which innovations to protect and how best to protect them**
- **Strategically focused patent portfolio development is a key process in protecting IP**
- **Rather than using R&D to produce new products or services, generate patents**
- **Patent themselves are the real product that is then sold or licensed**

Patent in Business

- **Patents serve as:**
 - **licensing tools**
 - **negotiating chips & deal makers**
 - **assets on the company accounts**
 - **means to impress investors & share-holders**
 - **signposts to others in the market**
 - **means to scare rivals**
 - **means to prove ownership of ideas**

- **Patents not as an end in themselves; but as part of a broader strategy to make profit**

IP Research 1

- **Patent information is an invaluable source of research information; much of what appears in patents does not appear in academic and technical journals**
- **Most of what is published in patents is not protected, and is therefore free to use**
- **Patent information is also a source of commercial information, leading to customers, suppliers and new partners, as well as warning about developments by rivals and changes in the market**
- **Exploiting patent information is quite separate from owning, licensing and enforcing patents**

IP Research 2

- **IP research can help you understand how IP is used in your industry**

- **Therefore IP research should take multiple angles**
 - **Search around your known competitors**
 - **Search in your industry (find new IP competitors)**
 - **Search around your own IP (find potential partners or infringers)**

Advanced IP Research

- **IP research can also be used for more advanced competitive intelligence, such as:**
 - **Finding and/or researching potential partners**
 - **Reverse engineering competitors' IP strategy from their IP activities**
 - **Monitoring the activity of key competitors (Predict competitor moves, e.g. companies typically secure a brand name, domain name, etc. before a product is launched)**
 - **Developing a new product or service**
 - **Preparing to enter a new market or geography**
 - **Researching potential employees**

Thank You for Your Attention!

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