

IPR and BUSINESS

Tim Wood

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- ◆ “there are few successful companies that have not followed a well structured approach to IPR”

Sir David Cooksey
Advent Limited

Your business comprises

- ◆ A product or service
- ◆ Marketing to sell it
- ◆ Finance
- ◆ IPR plays a key role in each

What are we talking about?

Here are some examples; I want you to tell me what to protect

- ◆ Invention
- ◆ Know how
- ◆ Look, Design, Aspect
- ◆ Name, Mark, Brand
- ◆ Internet
- ◆ Creative, artistic works

What is the purpose of IP?

- ◆ To increase barriers to entry
- ◆ To comfort your investors

IP in broad terms comprises

- ◆ Technology/invention \Rightarrow patents
- ◆ Standards
- ◆ Know-how \Rightarrow secrecy
- ◆ Design \Rightarrow automatic & registration
- ◆ Brands \Rightarrow trade mark registration
- ◆ Company name \Rightarrow registration
- ◆ Domain name \Rightarrow registration

Invention

- ◆ Product, Method
- ◆ New, Novel, Inventive
(secrecy, search: esp@cenet, uspto)
- ◆ Disclosure of secrets
- ◆ Incremental value of additional patents
- ◆ Disadvantage: cost

Invention - costs

- ◆ Cost of searches
- ◆ Cost of filing first application (ask for search)
- ◆ Cost of foreign applications
- ◆ Annuities
- ◆ Insurance
- ◆ Cost of court action
 - Infringement of IPR
 - Defending your IPR

Look, Design, Aspect

- ◆ Some aspects need to be registered
- ◆ Some protection is automatic
- ◆ Protection available: national, CDR, US
- ◆ Protection is specific
- ◆ Functional aspects
- ◆ Searches through uspto.gov
- ◆ Advantages: relatively cheap to obtain and enforce; you get a number

Trade Mark - strategy

- ◆ Distinctive, not deceptive; 'skilful allusion to the goods'
- ◆ Keep number of TMs to a minimum
- ◆ Take account of class of goods
- ◆ Defensive registration
- ◆ Use
- ◆ Becomes more valuable with use and time

Trade Mark - practical

- ◆ Searches (oami.eu.int, uspto.gov, icimarkes.fr)
- ◆ Choice of protection (national, CTM, Madrid)
- ◆ Can be renewed indefinitely
- ◆ Use with domain name as back-up
- ◆ Costs

Names

- ◆ Company name
- ◆ Domain name
- ◆ Searches (companies register, CCI, search engines, phone books, etc.)
- ◆ Policing your name afterwards

Ownership

- ◆ Inventor
- ◆ Your trading company
- ◆ Separate holding company
- ◆ Specialist (BTG, Research Corp. Anvar)
- ◆ Tax; going bankrupt; off-shore

Licensing

- ◆ As an alternative to marketing it yourselves
- ◆ To enter additional markets; produce income from remote markets
- ◆ To discourage competition
- ◆ To swap technology or settle a dispute; cross licensing

Licensing – getting started

- ◆ Finding a licensee
- ◆ Full licence or patent licence (with or without know-how, brand names)
- ◆ Checking your IP protection
- ◆ Valuation: R&D, patents, know-how
- ◆ Putting a dossier together
- ◆ Due diligence

Licensing conditions

- ◆ Payment structure - incremental
- ◆ Non-performance – minimum market penetration
- ◆ Exclusive, sole or limited
- ◆ Improvements
- ◆ Break clauses, duration
- ◆ Know how

Conclusions

- ◆ IPR can be an unproductive use of capital
- ◆ Consider the options ; then define a strategy
- ◆ Work out the role of IP in your strategy and act accordingly
- ◆ Focused IPR is now essential if you intend to raise venture capital or float
- ◆ Keep it up to date and promote it

...then

- ◆ If you are a **technology** company, focus on multiple patents
- ◆ If you market a product, invest in and develop one good **brand**
- ◆ Money spent on **searches early on** is seldom wasted
- ◆ You **will** probably need specialist advice to maximise your advantage

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