

# Intellectual Property



## Agenda:

- **Intellectual Property Law: the basics**
- **Eight components in the protective shield:**
  1. *The Patent*
  2. *The Utility Model*
  3. *Design*
  4. *Trademark/Brand*
  5. *Secrecy*
  6. *Niche Protection*
  7. *Speed Protection*
  8. *Brain drain plumbing*
- **Valuation of IPR**
- **Buying and selling IPR**
- **The Capital Conflict**
- **Protection Strategies**

## IP By Definition:

Intellectual Property **is the ownership = the exclusive right to commercially exploit intellectual achievements = a specific monopoly**

**Monopoly is society's incentive to encourage you to pursue innovations in the interest of mankind**

**You need to specify your claims to allow others to object against or to stay away from your monopoly**

**Protection against other parties' exploitation is governed by national law and international conventions**



## Protecting your IP (The Protective Shield)

1. **PATENT**  
Global, efficient, expensive, resource consuming
2. **UTILITY MODEL** (Poor Man's Patent)  
National - local, cheaper, risky (no novelty search)
3. **DESIGN PROTECTION**  
National, mandatory in certain business areas
4. **TRADEMARKS, BRANDS**  
National, mandatory when leaving your niche
5. **SECRECY**  
Can be cost/efficient, risky, requires secrecy agreements with employees = extra payments
6. **NICHE PROTECTION**                      Patent not worthwhile
7. **SPEED PROTECTION**                      Patent useless

## THE PATENT

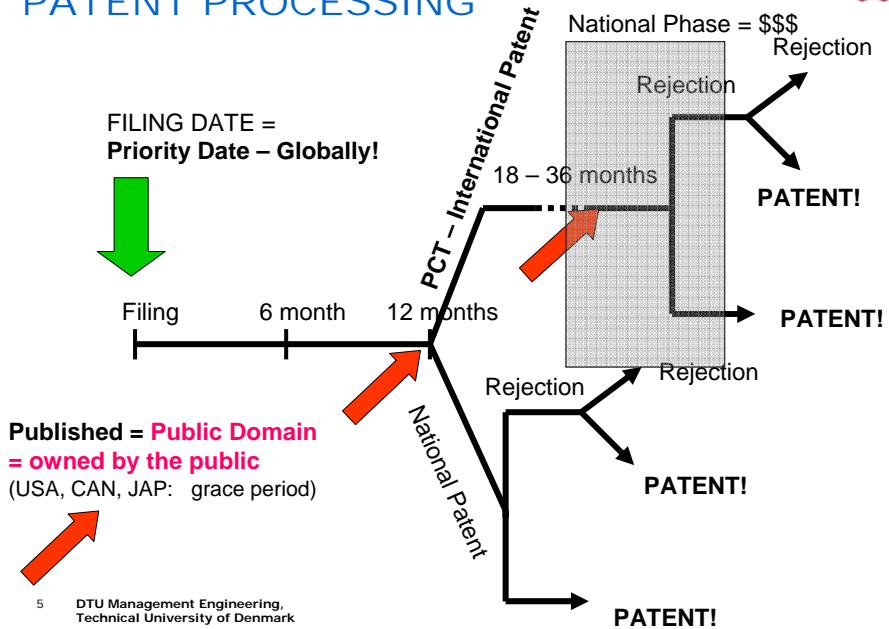
A geographically and time limited **monopoly** on **sales** and **production** of products, whose function rely on processes, procedures or constructional embodiments, which are described in the patent claims.

### To obtain a patent requires

<b>Novelty</b>	<i>Unknown to Mankind</i>
<b>Usefulness</b>	<i>In a commercial-industrial context!</i>
<b>Inventiveness</b>	<i>Not obvious to the skilled but unimagined specialist</i>

Not offensive to public moral

# PATENT PROCESSING

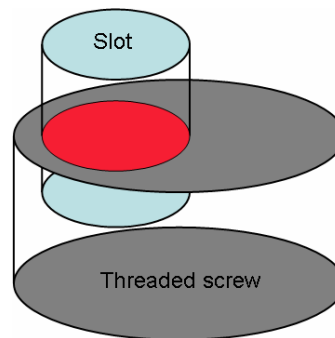


# Patents - interaction and impact



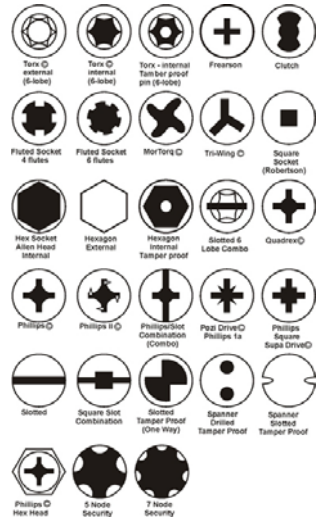
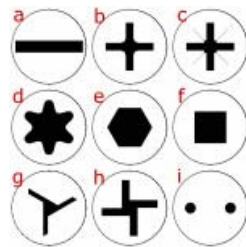
Any one **may file a subsidiary patent on an invention, which improves an existing and patented invention**

No one **is allowed to exploit the subsidiary patent without the permission of the owner of the existing patent**



**Subsidiary patents are door-openers to cooperation and license revenues**

**Subsidiary patents are door-openers to cooperation and license revenues - and only Man's fantasy sets the limits**



**The Novelty Search:**

- Identify your Freedom-to-Operate
- Look your competitors over their shoulders
- Find yourself a domain: make your claim

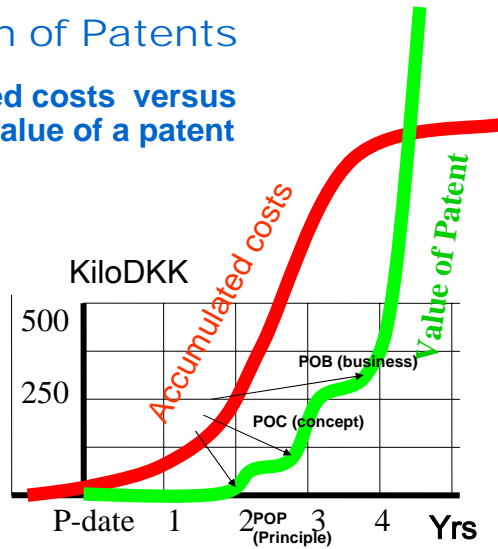
**The Google:**  
<http://www.google.com/patents>

**European Free Search Facility:**  
<http://www.espacenet.com/index.en.htm>

**Free patent search online:**  
<http://www.freepatentsonline.com>

## Valuation of Patents

Accumulated costs versus perceived value of a patent



## Selling Patents (Tech-trans)

### 1. Valuation

Commercial verification increases valuation

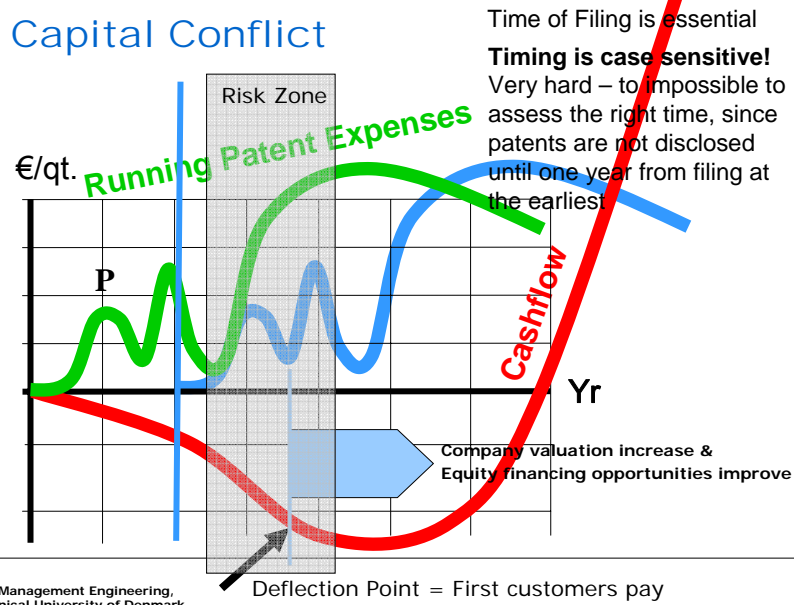
### 2. Tactics of Negotiation

- Hire professionals – the process is complex
- Non-disclosure agreements before hand outs.  
Include response deadlines, and non-attack obligations
- Keep a distance to major expenses
- Beef up your staying power

### 3. Sales procedure

- Serial or parallel contacts to potential buyers?
- Exclusive or non-exclusive licensing agreements?
- Hybrids? (Regional exclusive licensing agreements)?

## The Capital Conflict



## Protection Strategies, IP

### 1. Production

Secrecy agreements, niching, stock options, Non-compete obligations, patents, design, trademarks

### 2. Consultancy

Non-compete obligations, stock options, niching

### 3. ICT

Speed protection, niching, stock options, secrecy agreements, non-compete obligations – and patents

### 4. Biotec

Patents, stock options