

## 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

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## 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**

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## Protecting your IP (The Protective Shield)



### PATENT

Global, efficient, expensive, resource consuming

### UTILITY MODEL (Poor Man's Patent)

National - local, cheaper, risky (no novelty search)

### DESIGN PROTECTION

National, mandatory in certain business areas

### TRADEMARKS, BRANDS

National, mandatory when leaving your niche

### SECRECY

Can be cost-efficient, is risky, requires secrecy agreements with employees => extra payments

### NICHE PROTECTION

Patent not worthwhile

### SPEED PROTECTION

Patent useless

### KEEP the BRAINS!

They contain your knowledge

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# 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

- Novelty** *Unknown to Mankind*
- Usefulness** *In a commercial-industrial context!*
- Inventiveness** *Not obvious to the skilled but unimaginitive specialist*

Not offensive to public moral  
Not diagnostic methods  
National differences within software & biotech

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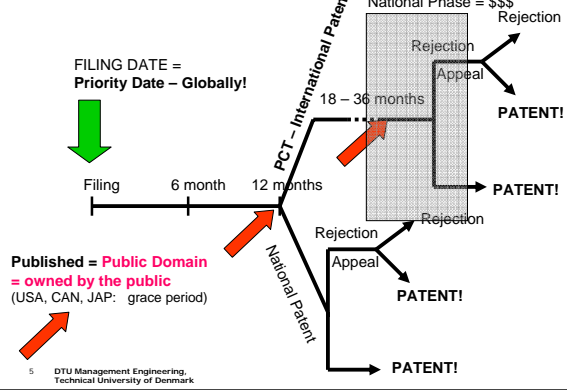
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# PATENT PROCESSING



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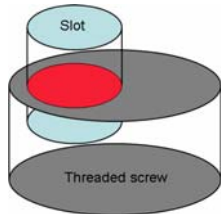
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# Patents - interaction and impact

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

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

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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>

Real good recipe for novelty search: [click here](#)

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Valuation of Patents

Accumulated costs versus perceived value of a patent

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## 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)?

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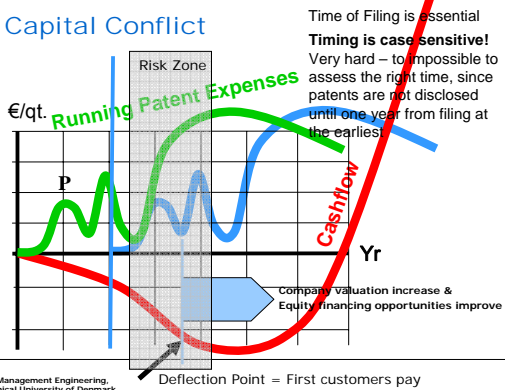
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## The Capital Conflict




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## 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. Biotech

Patents, stock options

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