

Role of Effective Intellectual Property (IP) Asset Management in Enhancing the Competitiveness of SMEs in Domestic and International Markets

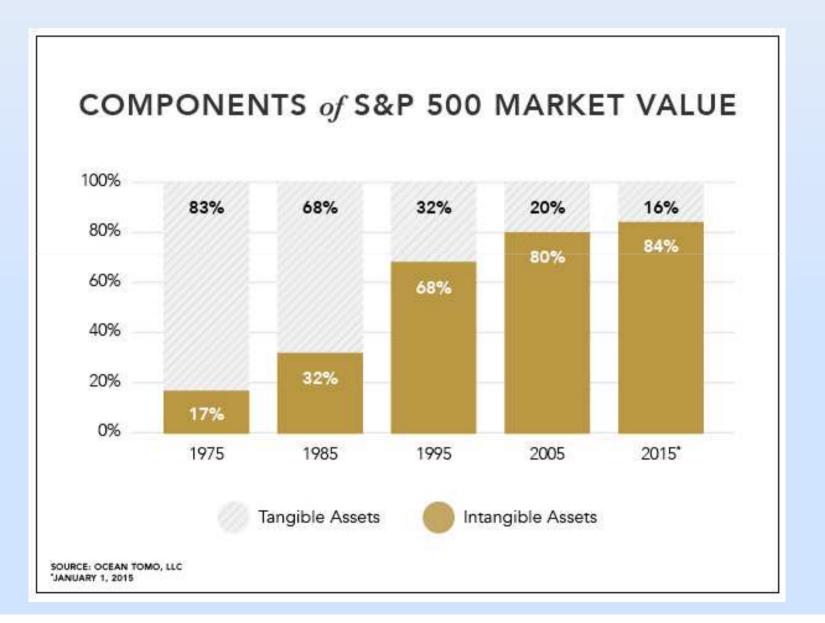
Kyiv, October 18 and 19, 2016

JAVIER SÁNCHEZ DE PABLOS HEAD OF SERVICE. DISSEMINATION, COMMUNICATION AND COMPANY RELATIONS DIVISION OPEM (SPANISH PATENT AND TRADEMARK OFFICE)











Intellectual Property is one of your business's most valuable assets



The triangle of business success: innovation, trademaks and exports Executive summary

Q M P Ñ X N A Q Y R É A P A I A M O NNOV G R 3 Δ \cap \A/ S R C F G Х ()F F S S R 0 S ACI 0 N Y Ρ V \cap \cap F P Р F



Intellectual Property is one of your business's most valuable assets



The triangle of business success: innovation, trademaks and exports Executive summary

Q M P Ñ X N A Q Y R É A P A I A M O G B D G I N N O V A A T E N T E S T S I A X P O Y H I N F G W I J S T L N L U

Relationship existing among companies that have a commitment to the protection of innovation via industrial property and their exports.

Focus on **trademarks**, patents, utility models and industrial designs,





The triangle of business success: innovation, trademaks and exports Executive summary

main results of this study show that:

- Three quarters of the contribution to Spanish exports is carried out by companies that are committed to protection via Intellectual Property
- The companies with a patent, utility model or industrial design and supporting its activity in a brand strategy multiplied by 30 its export activity.
- In terms of employment, the export activity of companies that have some of the types of industrial property included in this study, representing the 73.84 % of total employment generated by the Spanish exports.





- Knowledge is becoming the predominant element in differentiating enterprises from their competitors
- In a knowledge-based economy, competitiveness of enterprises, including SMEs, is increasingly based on ability to provide highvalue-added products at a competitive price
- Globalization and trade liberalization has made it crucial for most enterprises, including SMEs, to become internationally competitive even when operating wholly in the domestic market





- Without intellectual property registration there is a strong risk that investments in R&D, products and marketing may be stolen/copied
- Intellectual property rights enable SMEs to have exclusivity over the exploitation of their innovative new or original products, their creative designs and their brands.





But Intellectual Property registration is not the goal. The goal is ensure our business is properly protected

A comprehensive IP strategy will ensure that your IP is protected and will build value for your business in the future.

IP strategy must be integrated in the business strategy.

It is important to proactively manage IP portfolio: R & D working only on the most interesting inventions, acquire IP if it is cheaper or faster than our own developments, licensing our patents ...



Trademarks Strategy



	07	ORGANIZATION
¿Should register trademarks?	 Trademarks convey intellectual and emotional attributes and messages about you, your company, products and services. Trademarks make it easy for customers to find you. It is the first thing customers enter into a search engine or social media platform when looking for your products and services. Your brand could be the critical factor in driving a customer's purchase decision. If third parties register your trademark, you must stop using it at your business 	YES always
¿ls it very expensiv to register a trademark?.	 e Trademarks are a bargain to obtain , although it depends on the number of classes of Products and services in which we record and the number of countries we require the protection Average price in Spain Registration: € 150 per class (45 classes) 	NO
¿How long does a trademark last?	 Trademarks never expire. The mark is granted for 10 years renewable for successive periods of 10 years without limit Renovation fee is another €150 every ten years. 	∞



Trademarks Strategy



How should be a trademark?

- Search for prior rights and the state of the art
- Make it easy to remember
- The trademark should not have negative connotations
- Check availability of Internet domain

Example: G. Eastman: "The letter" K "had always been my favorite, seems to me a strong letter, incisive"



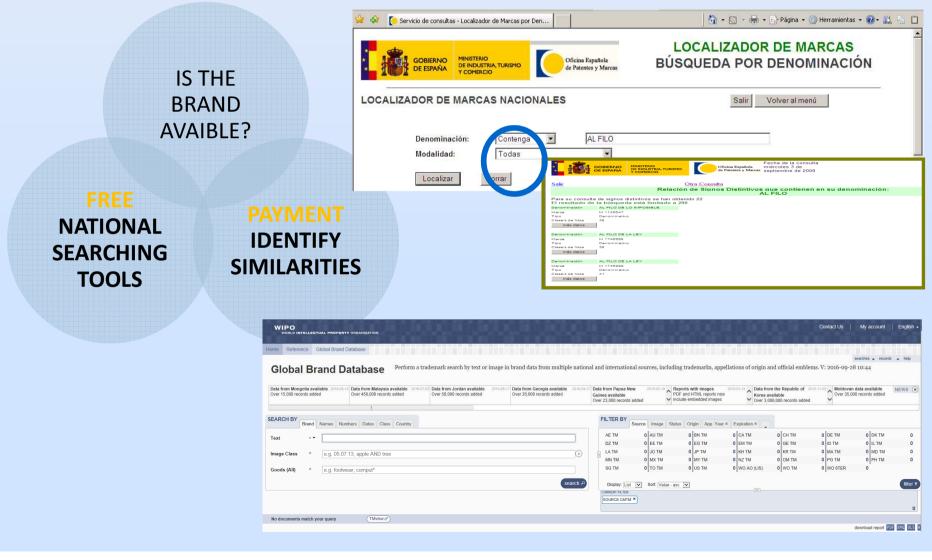




Trademarks Strategy



What to know before applying a brand?









- <u>Duration</u>: 5 years, renewable for successive periods of 5 years up to 25 years.
- Design Protection is <u>territorial</u>. We should register the design in those countries in which we are interested in commercializing or granting licenses.
- Grace period of 12 months. It allows to test the product in the market, its acceptance and possibilities of success, etc. before taking the decision to register.
- Community law includes protection on <u>unregistered design</u>. Its scope of protection is more limited than the registered design and the duration is 3 years with no possibility of any extension.









Design Strategy



¿Should register Designs?

- On many occasions, consumers choose one product over another because of its aesthetic appearance so Design could determine its success in the marketplace
- The designs, considered especially valuable, create an image of the company providing a competitive differentiation
- The design can also be protected as three-dimensional Trademark and /or copyright

Register designs is always appropiate







Patent Strategy Reasons for patenting



Solid market position and competitive advantage:

A patent gives its owner the exclusive right to prevent others from commercially using the patented invention, thereby reducing uncertainty, risk and competition from imitators. Possibility of taking legal action, against those who copy or imitate your protected invention.

Improving financing

Ownership of patents may enhance their ability to raise capital to put a product on the market
Additional income from licensing or assignment

Positive image of your company.

Some companies mention or list their patents in advertisements to show an innovative image.



Patent Strategy Alternatives to patents Source EPO Patent Kit



Dissemination of information (publication)

- It is cheap.
- It avoids third parties protect by patent the same invention.
- It does not grant exclusivity.
- The invention is known by competitors.

Secret (create a industrial secret)

Cheap (but there is a cost to maintance the confidentiality).
The invention is not revealed.
There is no protection against reverse engineering or reproduction of the invention.
The "secrets" often leak quite fast.

Do nothing

• It requires no effort.

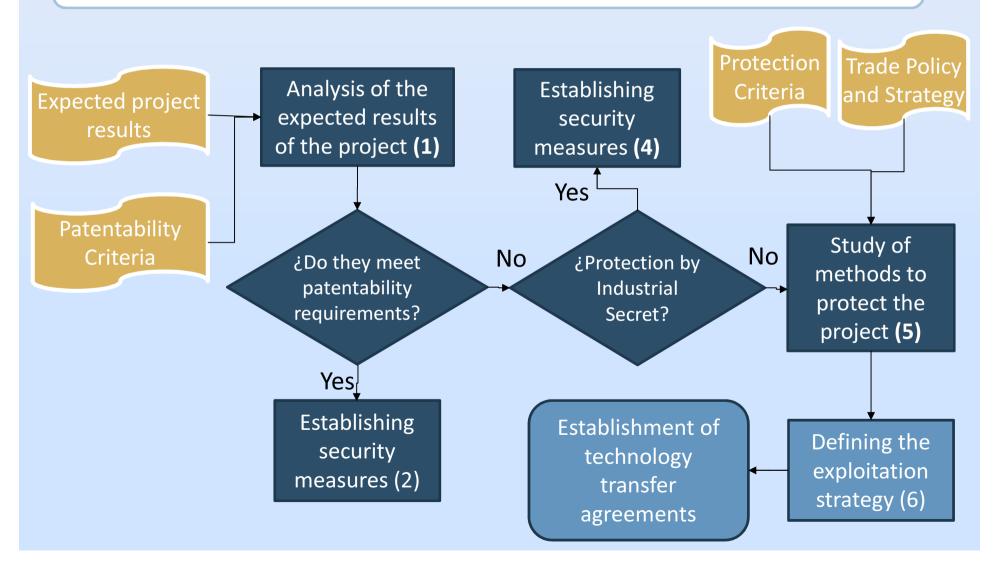
- It does not grant exclusivity.
- Often competitors find out the details.



IP Assets Management Case of protection decision process



The decision process on the mechanism of protection of industrial property is an important element, as well as the factors and criteria involved in it.







From selling products to sell Technology

- Spanish SME in the telecommunications sector
- 80 inventions protected by over 300 patents
- The spanish company with more US patents
- Has won more than 150M € in lawsuits to Samsung, LG, HTC, Motorola, etc.





The company itself performs the operation and marketing of the rights protected by intellectual property with own products.

This mechanism has the advantage that the company gains market exclusivity.

The disadvantage is that the associated risk is high, since the resources are often high.



IP Assets Management Explotation Strategy



Transfer Objective. Object to transfer: BUY / SELL Develop and exploit new: Skills **TECHNOLOGY** Knowledge Products \bullet Materials \bullet TRANSFER Technologies Processes • \bullet Services. \bullet Methods of Applications manufacturing to obtain commercial Facilities \bullet return As advantage the risk is shared by several companies. License **Revidox Partnership Agreements** I consula i benefici di ili lig di un Assignment Patente de CSIC ES2177465 licenciada a ACTAFARMA



IP Assets Management Explotation Strategy Technology Transfer Types





The IP holder authorizes a third party to use technology in exchange for a monetary amount.

The rights remain simply the case of **an authorization of use**.

Typical example of Technology Licensing Agreements are **software licenses**, or licenses Patent.

PARTNERSHIP AGREEMENTS (or Consortium)

Establishment of conditions of joint ownership and rights derived from the generated IP within the framework of a collaboration between one or more companies.

For SMEs, partnerships are a powerful tool for positioning technology in major markets.

Difficulty of setting and monitoring and Dependence on third parties for future developments.



IP Assets Management Explotation Strategy Technology Transfer Types



ASSIGNMENT

The IP holder transfers ownership to a third party The original holder renounces the rights of intellectual exchange for a sum of money Assigments are very common in the world of telecommunications and information systems, as certain technologies can have very large developments, often large corporations being "acquire" patents techniques to small businesses.

Technology Transfer is done by setting a legal contractual relationship

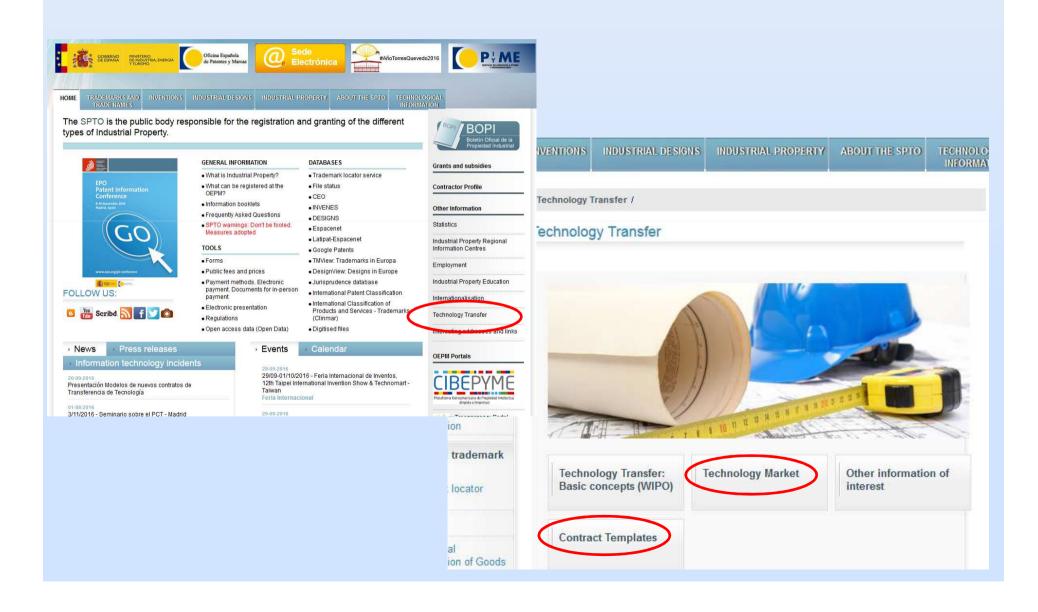
The contracts should be considered very carefully to take into account all possible legal and economic consequences.



www.oepm.es



Technology Transfer Section





www.oepm.es



Technology Transfer Section Technology Market

Technology Market

- Full Licences
- · Expired inventions: Patented technology available free of charge
- R&D+i offering of Spanish Public Research Bodies
- i. Centre for Biological Research (CIB)
- ii. Research Centre for Energy, Environment and Technology (CIEMAT)
- iii. National Oncology Research Centre (CNIO)
- iv. Higher Council for Scientific Research (CSIC)
- v. Foundation for Biosanitary Research of Eastern Andalusia (FIBAO)
- vi. Biosanitary Research Institute IBS Granada
- vii. Agricultural and Food Technology and Research Institute (INIA)
- viii. Carlos III Health Institute (ISCIII)

R&D+i technology offering at Spanish universities

- i. GVA Patent Bank
- ii. Catalogue of Patents, Know-How and Utility Models of the Universidad Complutense de Madrid
- iii. Scientific and Technological offering of the University of Valencia
- iv. R&D offering at the University of Granada
- v. R&D+i offering at the University of Malaga
- vi. Technology Offer of the University of Barcelona
- vii. Technology Offer of the Miguel Hernández University, Elche
- viii. Technology Offer of the Polytechnic University of Catalonia
- ix. Technological offering of the University of Santiago de Compostela
- x. Patents of the University of Malaga (UMAPATENT)





Models of Technology Transfer Contracts: Spanish Experience. WORKING GROUP



Creating Working Group coordinated by SPTO

Working Group includes 10 representatives from:







Contract Templates

Protecting the results of all R&D&i processes, Technology Transfer plays a very important role .

The institutions that have helped to produce these templates are in no way liable for any use made of them.

It is recommended that anyone wishing to use these contract templates also seeks specialist legal advice with regard to the definitive wording or adaptation of the contract.

Agreement	Usage guide	Spanish version	English version
Confidentiality	Download 🎦	Download 🖳	Download 🖳
Transferring Material	Download 🎦	Download 🖳	Download 🖳
License (Public-Company Entity)	Download 🖺	Download 🖳	Download 🕮
License (Company-Company Entity)	Download 🎦	Download 🖳	Download 🕮



Non Disclosure Agreement

NON DISCLOSURE AGREEMENT BETWEEN (Party A) And (Party B)

[City], [Month] [day], 20(...)

Of the one part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company and/or institution], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the company (hereinafter referred to as "Party A").

Of the other part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company and/or institution], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the company (hereinafter referred to as "Party B").

Party A and Party B are individually referred to hereinafter as the "Party" and collectively as the "Parties".

Both Parties mutually acknowledge their legal capacity to enter into and be bound by this non disclosure agreement and to that effect they state the following:

WHEREAS

I. Party A, through the [Institute / Center of...], and particularly through researcher $[Mr_{\star}/Ms_{\star}...]$, conducts research in the field of [...].

II. Party B is a company developing its activities in the field of [...].

III. Party A and Party B have considered the mutual disclosure of certain information regarding [...] (describe the Confidential Information, without providing specific details; necessary and desirable for the purpose of (describe the purpose of the disclosure of the



Material Transfer Agreement.

MATERIAL TRANSFER AGREEMENT

BETWEEN (Full name of the company) (Provider) And (Full name of the company) (Recipient)

[City], [Month] [day], 20(...)

Of the one part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the [name of the Company] (hereinafter referred to as the "Provider").

Of the other part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the [name of the Company] (hereinafter referred to as the "Recipient").

The Provider and the Recipient are individually referred to hereinafter as the "Party" and collectively as the "Parties".

Both Parties mutually acknowledge their legal capacity to enter into and be bound by this agreement and to that effect they state the following:

WHEREAS

 The Provider, through the [Institute / Center of...], conducts research in the field of [...] under the supervision of Dr. (...)

As a result of the mentioned research, the Provider is the owner of the material (...) (describe the material), including know-how, intellectual property and copyright rights and the information described in Annex 1 attached to this Agreement and that forms part thereof (hereinafter the "Material").

- II. The Recipient is a/an (...) [entity/company] with the following main purposes (...)
- III. Recipient is interested in receiving the Material for the sole purpose of using it in the project as detailed / for the purposes described in Annex 2 of this

Página 1 de 11





Patent/Utility Model License Agreement

PATENT/UTILITY MODEL LICENSE AGREEMENT BETWEEN Public Body And Company

Madrid, [Month] [day], 201X.

Of the one part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the public research organization], with registered office at [include address], with identification number [...], and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the public research organization (hereinafter referred to as "Public Body").

Of the other part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the company (hereinafter referred to as "Company").

Public Body and Company are individually referred to hereinafter as the "Party" and collectively as the "Parties".

Both Parties mutually acknowledge their legal capacity to enter into and be bound by this agreement and to that effect they state the following

WHEREAS

I. Public Body is the owner in title of patent / utility model application referred in annex J.

II. The President of Public Body, under the jurisdiction conferred by the Ministerial Order CIN1032/2011 published in the Spanish Official State Bulletin (BOE) of 26 April 2011 confirm hereby that the rights transferred under this Agreement are not required to the defence or better protection of the Spanish public's interests, thus complying with Article 55.1 of Sustainable Economy Law 2/2011 published on 5th March 2011 in the Spanish Official Bulletin.

III. The transfer of rights in this Agreement is carried out by direct award after appropriate disclose and limiting demand following the articles 55.3 and 55.4 of Sustainable Economy Law 2/2011 published on 5th March 2011 in the Spanish Official Bulletin.

IV. Public Body is the owner of confidential data and know-how relating to the invention described in the patent / utility model application referred in the Annex \downarrow .

V. Company is in the business of area of business and has the technical, commercial and financial resources to develop and commercialize the Product (as defined below) in accordance with the terms of this Agreement.

PATENT/UTILITY MODELLICENSE AGREEMENT

By and between Private entities

[City]. [Month] [day], 201X.

Patent/Utility model license agreement

Of the one part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the company], with registered office at [include address], with identification number [...], and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the company (hereinafter referred to as "COMPANY 1").

Of the other part, Mr./Ms.[...], with national identity card number [...], acting on behalf of [name of the Company], with registered office at [include address], with tax identification number [...], duly registered in the Companies Registry of [...] with number [...] and acting in his/her capacity as [...] acting with power to act on the name and on behalf of the company (hereinafter referred to as "COMPANY 2").

COMPANY 1 and COMPANY 2 are individually referred to hereinafter as the "Party" and collectively as the "Parties".

Both Parties mutually acknowledge their legal capacity to enter into and be bound by this agreement and to that effect they state the following

WHEREAS

 COMPANY 1 is the owner in title of Patent / Utility Model application number (include reference to Patent / Utility Model application) titled "..." filed on (...) month, year, before the Spanish Patent and Trademark Office.





Arbitration and mediation clause

12. APPLICABLE LAW AND JURISDICTION

CHOOSE ONLY ONE OPTION AND LEAVE ONLY ONE OPTION IN THE SIGNED AGREEMENT

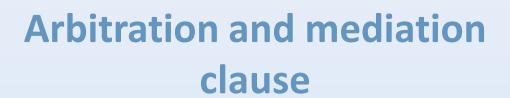
Option 1:

The Agreement is a private agreement in its nature and shall be governed by the laws of Spain.

The Parties agree that any dispute, controversy or claim arising under, out of or relating to this Agreement and any subsequent amendments of this Agreement, including, without limitation, its formation, validity, binding effect, interpretation, performance, breach or termination, as well as non-contractual claims, shall be referred to and finally determined by mediation in accordance with the WIPO Mediation Rules. The place of mediation shall be (...), Spain. The language to be used in the mediation shall be Spanish.

If, and to the extent that, any such dispute, controversy or claim has not been settled pursuant to the mediation within 60 days of the commencement of the mediation, it shall be referred to court proceedings before the corresponding Courts of (...).







The Arbitration and Mediation Center of WIPO has implemented the "Alternative Dispute Resolution" procedure to offer parties more option to resolve pending disputes related to intellectual property rights, copyright, ...

Mediación OMPI para controversias de propiedad industrial en España

Colaboración OEPM-OMPI

La Oficina Española de Patentes y Marcas (OEPM) y el Centro de Arbitraje y Mediación de la Organización Mundial de la Propiedad Intelectual (OMP) coleboran en la promoción de elus de los métidos alternativos de solución de controversias (en sus siglas en inglés ADR. Alternativo Dizode Resolución) para resolución controversias en

Centro de Arbitraje y Mediación de la OMPI

Con oficinas en Ginebra, Suiza, y en Singapur, el Centro de Arbitraje y Mediación de la CMPI ofer médodo ADR, como la mediación y el arbitraje, para pormitri a los particulares resolver eficientemete se controversias comerciales domésticas o intermacionales. El Centro de la CMPI es intermacional y se especializa en controversias de propiedad industrial. El Cent

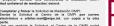
¿Qué es la mediación?

La mediación es un procedimiento consensual no vinculante en el que un tercero neutral, el mediador, ayuda a las partes a solucionar la controversia, de conformidad con sus respectivos intereses. El mediador no puede imponer una decisión. El aruendo de las partes tiene el decto de un contrato.

¿Cómo someter una controversia a Mediación OMPI?

 s) Si existe un acuerdo de mediación entre las partes, las partes deberán:

 ii. Enviar la Soloitud al Centro de la OMPI por correo electrónico a arbiter.mait@wipo.int.
 b) Si no existe un acuerdo de mediación entre las partes, la parte que



Management Management

Ventaias de la mediación

More information:

http://www.wipo.int/amc/en/center/specific-sectors/





- Most SMEs do not have a strategy for IP Management
- IP is usually treated as a non-core aspect of the business.
- The policy environment in which SMEs operate does not promote Intellectual Property as a tool for sustainable competitive advantage

IF YOU DO NOT PROTECT, YOU ARE LOSING TALENT, COMPETITIVE ADVANTAGE, VALUE and BENEFITS BUT IF YOU PROTECT, YOU MUST MONITOR AND DETERRING ABUSES. DO IP MANAGEMENT !



THANKS FOR YOUR ATTENTION

<u>www.oepm.es</u> javier.sanchez@oepm.es

Spanish Patent and Trademark Office (OEPM)

