

INTELLECTUAL PROPERTY



GOOD PRACTICE GUIDE

10 PRAGMATIC RECOMMENDATIONS
FOR A BETTER INTEGRATION OF
IP IN YOUR BUSINESS



LINKING
INNOVATION AND
INDUSTRIAL PROPERTY



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It should also be noted that intellectual property rights are country specific and limited by territory; they exist and can be exercised only within the jurisdiction of the state or states under whose laws they are granted. The intellectual property rights discussed in this guide are country specific and limited to Greece, Ireland, Italy, Luxembourg and Spain. Information about IP rights in other countries should be obtained from their national industrial property office.

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■ FOREWORD

by Anthony Howard,
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Far from its image as a dusty and even arcane branch of the law, the system of intellectual property rights (IPRs) is dynamic and modern. At the Community and international level, the European Commission strives to keep it up-to-date and relevant to the latest technologies. To pick just two examples, we have seen recent legislative initiatives aimed at clarification of the law on biotechnological and software inventions. Moreover, the Community patent, which will soon be a reality, represents the fulfilment of a dream going back to the beginning of the Community itself to have a single continental-scale patent. Smaller companies especially will benefit from the possibility for the first time to get coverage across the soon-to-be 25 Member States with a single patent.

Anybody doing business who thinks IPRs are not relevant or can just be ignored is playing a dangerous game. Almost all serious businesses will have some valuable property worth protecting through one or other of the different types of right available. But even those who choose not to do anything about their own interests still need to be aware of the rights of others. The biggest enemy of all is ignorance. It can lead to loss of valuable rights, expensive litigation, or both. The cost of mistakes can be large, even crippling. Nobody in their right mind would try to run a business without taking due account of the tax or employment laws, so why do so many think it is OK to do just that with the IPR system?

For small and medium sized enterprises, effective use of the IPR system can provide the means to stand up to much bigger players, but the task can be daunting. The "toolkit" provided in this guide includes practical information about IPR both at the general and country specific levels, as well as auditing tools which are designed to help in evaluation of IPR practices and identification of possible subject-matter for protection. It has been assembled carefully by experts from several European countries and is presented in an accessible, easy-to-follow way. An old proverb says that the wise learn from the experience of others. That is what this guide offers the opportunity to do. I commend it to all, but especially to smaller companies, and urge them to seize that opportunity.



■ INTRODUCTION

Linking Innovation and Industrial Property (LIIP) is a project financed by the European Commission, which pursues the development of a European network of contact points for the promotion of innovation around industrial property. One of the major objectives of this project is to increase awareness and knowledge on Industrial Property issues and the patent-system by the creation of dedicated material targeted to Small and Medium Enterprises (SMEs), research centres, universities, independent inventors, professional associations and organisations active in innovation support. For this purpose, two specific tools have been developed in the framework of the LIIP project: a Good Practice Guide and an IP-Multimedia Toolbox. This brochure is the Good Practice Guide.

Who should use this Guide?

This Guide is mainly directed at SMEs, which develop products as part of their manufacturing or service producing activities. Nevertheless, this brochure will be of particular interest to any person or institution whose work is related to R&D, technology trend analysis, technology promotion, technology evaluation and technology transfer.

What does this Guide contain?

This Guide contains a set of 10 pragmatic good practice recommendations for companies, especially SMEs, aimed at highlighting the importance of intellectual property (IP) to companies' business strategy. The recommendations are complemented by 5 case studies, which illustrate different situations related to IP rights, that SMEs may encounter. Finally, the annexes contain useful reference information about IP issues.

Why is it important to read this Guide?

Reading this Guide will provide useful insights about IP concepts, benefits of IP rights, patent procedures and patent information. In other words, this Guide is intended to show the enormous potential that IP offers to SMEs in terms of legal protection, technical information and market research. Readers of the guide should note that IP legislation varies from country to country.

Multimedia Toolbox.

The content of this Guide is further developed in a multimedia toolbox, which includes general IP information, country specific information about IP rights and an interactive auditing tool which will assist you in evaluating the IP practices of your organisation.



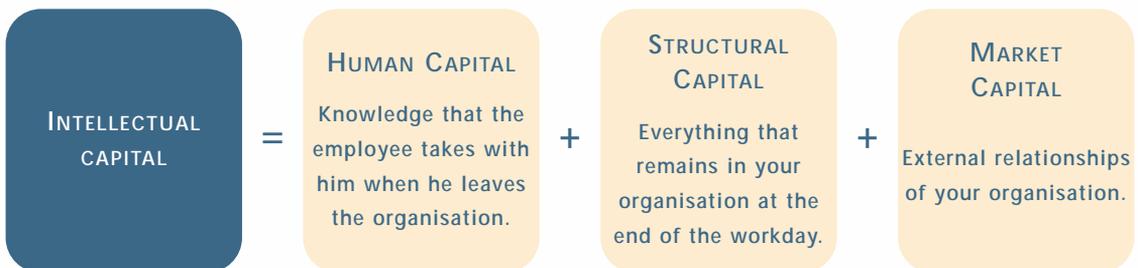
BE AWARE OF YOUR INTELLECTUAL CAPITAL!

What are your organisation's sources of value?

Until the 1990's, an organisation's assets were usually classified as physical capital such as real estate, goods, manufacturing facilities, equipment and financial capital. However, in recent years there has been an increased awareness of the existence of another type of property asset – the intangible asset. Intangible assets are different from real assets in so far as these assets come from human creativity, thought, and inventiveness.

These intangible assets form the intellectual capital of your organisation. They are non-material factors that exist in your organisation and that contribute to the performance of your business. They are embedded in the organisational design of your organisation in form of structural capital, in your employees in form of human capital and in the relationships with your suppliers, customers and partners in form of market capital.¹

Recognising the value of your intellectual capital can benefit your organisation through better management of its assets and lead to improved performance.



■ HOW TO IDENTIFY YOUR INTELLECTUAL CAPITAL

Knowledge, know-how and innovativeness are the essence of your intellectual capital, the most valuable assets of your organisation. In order to transform hidden or possibly underused intellectual capital into tangible profits, you need to identify those assets. You can draw up a preliminary list yourself. However, a further investigation by a specialist (your accountant or financial advisor) in order to obtain a detailed inventory should be considered.

In the following a step-by-step approach will help you to better identify your intellectual capital:

- Take a few minutes to think about the intellectual capital which may exist in your organisation. Below is a short checklist in order to help you identify some intangible assets which make up that intellectual capital.
- Adapt this list to the business activity of your organisation! The following list is not exhaustive, but serves as a help to identify your core intangible assets. The checklist is structured in three main categories in order to help you in discovering the hidden intellectual capital of your organisation. Each category is divided into different asset types. The items listed below are rather general and need to be specified according to your business.

¹ The threefold classification structure: MERITUM Project (European project) – Guidelines for managing and reporting on intangibles (2002)

BE AWARE OF YOUR INTELLECTUAL CAPITAL!

■ CHECKLIST

Make a first inventory of the intellectual capital of your company by writing your most important intangible assets under each of the three categories (Human, Structural and Market capital) in the form listed below. For each type of asset (e.g. know-how, competencies, intellectual property, etc.) you should seek to determine if your firm possesses such a type of intangible asset and then enumerate those assets which significantly add value to your business.

HUMAN CAPITAL

Knowledge and Know-how	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Competencies:	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Skills, education, experience and training	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know

STRUCTURAL CAPITAL

Intellectual Property: Patents, Trade marks, Designs, Copyright	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Trade secrets	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Licences and franchises	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Inventions made by the organisation	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
In-house databases	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Software developed in-house	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Work documents: Manuals, processes, procedures, documents related to R&D activity...	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
External publications	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know

MARKET CAPITAL

Collaborations, partnerships and networks	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Customer list	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Product Certifications	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know
Brand and Goodwill	<input type="checkbox"/> yes if yes, which ones:	<input type="checkbox"/> no	<input type="checkbox"/> I do not know

BE AWARE OF YOUR INTELLECTUAL CAPITAL!

Some of your intangible assets may be protected by intellectual property rights. More information about these rights is contained in part 2 "Know what Intellectual Property is".

After having made a first assessment of your organisation's intellectual capital, you may wish to have a more comprehensive and detailed analysis carried out. More and more consultancy firms provide intellectual capital audits. A range of different identification and evaluation methodologies exist. Each of these methodologies takes and pulls a range of indicators together in order to produce an aggregate picture of the level and type of intellectual capital in your organisation.

By being able to understand, identify, manage and develop your firm's intangible assets you will be able to unlock its full potential. This approach can benefit your firm for example, in yielding new areas of business and profit, in raising development finance and in identifying collaborators or new partners, - all with the aim of making your firm more competitive.

Placing a value on your intellectual capital

Intellectual capital –often in the form of intellectual property rights- is now recognised as being amongst the most important assets of many of the world's largest and most powerful organisations: it can be the foundation for market dominance and continuing profitability.

- The list of intangible assets shown above may have made you realise that your organisation has intellectual property of value. You should know the value of the intellectual property held by your organisation for the same reason as it is necessary for you to know the underlying value of all tangible assets. Ask your accountant or financial consultant to provide you with a valuation.
- Make your intellectual capital tangible by documenting and managing your intangible assets.
- Create more awareness of your organisation's intellectual property through improving the information flow and knowledge sharing between your employees (e.g. intranet). Make IP an item for discussion at planning meetings.
- Make one or more of your employees responsible for intellectual property strategy.

Be aware of your intellectual capital! Do not ignore or underestimate its value!

Intangible assets can often be the most valuable business assets of your organisation. In order to fully exploit these assets, you must firstly identify your organisation's intellectual capital and then evaluate it. You will then be in a good position to protect and exploit your intellectual property assets.

Failure to fully recognise and exploit intellectual property can mean that an important source of revenue is lost to your organisation.

KNOW WHAT INTELLECTUAL PROPERTY IS

WHAT IS INTELLECTUAL PROPERTY?

National and international laws and conventions recognise the product of a person's mental efforts as an intellectual property right. Intellectual property rights provide means of protecting some of the intangible assets of your company.

Statutory intellectual property rights may be divided into:

INDUSTRIAL PROPERTY :

- PATENTS
- TRADE MARKS
- INDUSTRIAL
DESIGNS

+

COPYRIGHT AND RELATED RIGHTS

Legal systems recognise that dissemination of creative endeavours can benefit society and stimulate further creative activity. IPRs therefore allow the originators to control access by others to the products of their creativity and thus to benefit from it. These systems recognise that many types of products and services can be created. Therefore various types of Intellectual Property Rights have been developed.

THE MAIN INTELLECTUAL PROPERTY RIGHTS

■ **PATENTS** relate to inventions producing a technical result - improved and new products, processes, and uses.

What is a patent?

A patent is a title providing the inventor and/or the applicant with the right to prevent others from exploiting the invention mentioned in the patent. The monopoly is granted for maximum 20 years by the state in return for a full disclosure of the invention.

What are the requirements for obtaining a patent?

Patents are concerned with the functional and technical aspects of products, processes, and uses. To qualify for patent protection:

- Your invention must be a **patentable** matter: Some matters are excluded from patent protection. Most European countries patent laws follow the European Patent Convention (EPC) in providing that a patent can not be obtained for:
 - discoveries, scientific theories and mathematical methods,
 - artistic creations,
 - schemes, rules and methods for performing mental acts, playing games or doing business and programs for computers,
 - presentations of information,
 - methods for medical treatment of humans and animals (as opposed to medical products)
 - plant or animal varieties or essentially biological processes for the production of plants or animals.

KNOW WHAT INTELLECTUAL PROPERTY IS

- Your invention must be **novel**: Your application may fail due to the novelty criteria if
 - an identical product or process or use has already been disclosed
 - details of your invention have been publicly disseminated by written or oral means or the invention has been used in public where people could see how it works. Discussing your invention with your immediate fellow researchers, business partners and professional advisers would normally be regarded as implicitly confidential and would not prejudice a subsequent patent application. However as a precaution you should draw up and sign a confidentiality agreement.
- Your invention must include an **inventive step**: This criterion implies that the solution your invention gives to a specific problem is not obvious to a person with average knowledge of the technical field.
- Your invention must be susceptible of **industrial application**: Industrial application means that the invention cannot be purely theoretical, but it must be possible to apply the invention for practical purposes. Industrial application includes agriculture.
- Your invention must not be contrary to **public order and morality**.

Specific kinds of patents

Utility Models² provide an inventor with an exclusive right granted for an invention, which allows the right holder to prevent others from commercially using the protected invention, without his or her authorization, for a limited period of time. Though similar to a patent, there are two major differences:

1. To obtain a utility model for your invention, the technological progress demanded is less than for a patent.
2. The maximum duration of protection is shorter than for patents.

Utility models are a more flexible and less costly way of protection than patents. In that respect this type of protection is particularly suited to certain types of innovations.

Short Term Patents³ are in some respects similar to utility models. They have been created as an alternative to full term patents.

They were devised in the interests of the smaller inventor who may find that a 20-year patent is unnecessary for his or her particular invention. The period of protection of a short term patent is a maximum of ten years which should suit less technologically complex inventions or inventions not having very long life cycles. A short term patent can be granted without prior examination of the patentability criteria relating to novelty and usefulness and consequently it can be faster and easier to obtain and cheaper to maintain compared with full term patents.

Supplementary Protection Certificates For Medicinal Products And Plant Protection Products (SPCs) allow for the extension of the duration of the exclusive patent right, (solely in respect of the product covered by the authorisation to place the corresponding medicinal or plant protection product on the market), for up to a maximum of 5 years following the expiry of the term of the basic patent. This extension of protection is intended to make up for the time that has elapsed between the date of the patent application and the issuing of the authorisation to market the product.

Certificates Of Registration For Topographies Of Semiconductors⁴ are concerned with semiconductor products being the final or intermediate form of any product that consists of a body of material which includes a layer of semi conducting material and

- having one or more layers composed of conducting, insulating or semi conducting material and
- intended to perform an electronic function.

² Not available in Ireland and Luxembourg

³ Not available in Spain, Italy, Greece

⁴ Not issued in Ireland



KNOW WHAT INTELLECTUAL PROPERTY IS

■ **DESIGNS** are concerned with the appearance of a product – features of e.g. shape, configuration, texture or materials not dictated by functional considerations.

What is a design?

A design means the appearance of part or of the whole product. It may consist of two-dimensional features, such as patterns, lines or colour or of three-dimensional features, such as shape, texture or surface of an article.

What can be registered?

Essentially any features, which relate purely to the appearance of the article and is not dictated by the way the article is required to function, fit into or match other components of a larger article. The maximum duration of design protection varies from country to country from 5 up to 25 years.

What are the requirements for registering a design?

- The design must be new. Details of it must not have been publicly disclosed prior to filing the application unless a grace period is permitted.
- The design must have individual character i.e. an informed observer would readily form the overall impression that it can be distinguished from earlier designs.

Unregistered designs

Some countries in their national legislation and the EU Directive provide a short-term form of copyright protection for industrial designs. Registration is not required and protection is deemed to start when the product is placed on the market. In comparison to registered design, copying of spare parts of unregistered design for e.g. repair purposes does not infringe such rights. So good practice suggests registering your design in order to benefit from a stronger protection.

■ **TRADE MARKS** are concerned with brand identity – they can be distinctive words, marks or other features, the purpose of which is to connect, in the mind of the customer, a link between the particular products or services and the company.

What is a trade mark?

A trade mark is a sign by which a business identifies its products or services and distinguishes them from those supplied by competitors.

What can be registered?

Any sign capable of being represented graphically. Thus marks may be one or a combination of words (including slogans), letters, and numerals. They may consist of drawings, symbols, three-dimensional signs such as shape and packaging of goods, audible signs such as music or vocal sounds, fragrances, or colours. Generally, trade marks are protected for specific classes of products and services for periods of 10 years, renewable indefinitely.

What are the requirements for registering a trade mark?

- Your trade mark must be **distinctive** meaning that a customer seeing the mark can immediately link the goods or services to a particular manufacturer/supplier. Thus commonly used words are generally not acceptable except in a slogan.
- Your trade mark must **not be deceptive**. It must not be such that it would deceive the public as to the geographical origin or to the nature, quality, or other characteristics of the product or service.
- Your trade mark must **not be descriptive**. It cannot describe the product or service.
- Your trade mark must **not belong to the exclusions** provided by the law e.g. photographs, drawings or names of people or places unless they can be shown to be particularly distinctive.
- Your trade mark must be **in conformity with public order and morality**.

Remember that registration of a company name, a business name or a domain name is not the same as registering a trade mark. The requirements are different.

KNOW WHAT INTELLECTUAL PROPERTY IS

Special kinds of trade marks.

In addition to trade marks identifying the commercial source of products or services, several other categories exist which may be acquired and used to indicate membership of a particular association or products/services complying with certain internationally recognised standards. Certification marks concern the geographical origin, material, mode of manufacture, quality or other common characteristics of products or services of different companies using the collective mark.

Well-known trade marks

In common law countries it is possible to acquire some legal rights to a mark simply through usage. A trade mark, which is well known benefits from some kind of protection even if it is not registered. This protection does not only refer to similar products or services, but also dissimilar ones. To benefit from that kind of protection, you have to prove the reputation of your trade mark. Good practice, however, requires that a trade mark is registered which provides you with a better and stronger protection.

■ **COPYRIGHT** is concerned with original literary, musical or artistic works. These include computer software; any drawing, map, chart or plan; photographs and films; architectural works; sculptures; sound recordings; TV and radio broadcasts etc..

What is copyright?

Copyright is about the right to copy. Copyright is a legal term describing rights given to creators for their original literary and artistic works which allow them to control their subsequent use. It is important to recognise that copyright is not a monopoly. Two people could completely independently create identical items. Provided there is no copying, there is no infringement and both can hold copyright in their respective works.

How do I obtain copyright protection?

The creators of such works automatically acquire rights, which mean that they can control their further use. The only absolute requirement is that the work is original, i.e. not copied from somewhere else and has required original

intellectual effort by the author. Ownership normally rests with the creator but there can be situations e.g. employment contracts etc. which affect this. In general, copyright protection lasts until 70 years after the death of the owner.

Related Rights to copyright.

A field of rights related to copyright has rapidly developed over the last 50 years. These related rights grew up around copyrighted works. They provide similar, although often more limited and of shorter duration. They cover a range of rights, which have been derived from copyright principles and are granted to e.g. performing artists, producers of sound recordings, broadcasting organizations in their radio and television programmes, and creators/owners of databases.

OTHER INTELLECTUAL PROPERTY TYPES

■ **KNOW-HOW** concerns practice knowledge acquired by experience.

■ **CONFIDENTIAL INFORMATION** concerns business information you do not want to share with your customers or competitors or other persons outside your company.

■ **TRADE SECRETS** concern secret or proprietary information of commercial value. These are not covered by specific statutory provisions as other types of IP are, although there could be aspects of e.g. contract law, employment law that might be relevant in a particular case. The level of protection conferred to trade secrets varies significantly from country to country.



An intellectual property strategy adopted by a sceptical SME

■ CASE STUDY TMG S.A.

COMPANY DETAILS

Firm	TMG S.A.
Location	Spain
Business sector	Metallurgic Industry; Metal Fixing Elements
Activities	Design and production of wire and metal bands
Number of employees	24
Annual turnover	1.932.000 € (2001)

NARRATIVE

Barcelona has a thriving metropolitan area, which encompasses Spain's number one industrial agglomeration. In the outskirts of this urban area, is located TMG, a small company specialising in manufacturing metal fixing elements. Usually, this type of company works as subcontractor to bigger firms in the automotive, electronics and construction industries. In particular, TMG specialises in the illumination sector, which accounts for 95% of its production. TMG's basic role is either to develop its own products or to manufacture specific designs requested by its clients.

The dynamism of the technological environment in which TMG operates can be evaluated from two different perspectives: the technology providers and the company's major clients. The machine tool sector is characterised by long-cycle innovations because its technology is evolving in an incremental way, while illumination manufacturing companies operate under short-cycle innovations due to the changing fashion trends when it comes to housing and office decoration.

Consequently, TMG is constantly pressured by its clients to produce new and improved fixing elements for all kind of illumination artefacts. This constant need to adapt to changing market requirements is well reflected by the fact that, during 2002, TMG developed around 500 prototypes. Therefore, most TMG innovations are product oriented.

Metal fixing is a very specialised sub-sector, which demands highly qualified labour and requires important investments in technology. In Spain, this sub-sector is dominated by SMEs, which generally have around ten employees. In this respect, TMG is considered one of the leading companies in this sub-sector in terms of production as well as innovation. TMG has a specific budget for R&D purposes and a full-time engineer dedicated to it.

Since its foundation forty years ago, TMG has had continuous experience with IP issues. The firm has registered several utility models with European coverage thanks to the work of its own technical staff and the assistance of a legal firm. Furthermore, TMG makes extensive use of technological watch services to monitor competitors' products and the market environment. The Spanish Patent Office provides it with periodic information about the major technological developments in the industry, and TMG's personnel undertake regular field technological surveillance by attending industrial fairs and professional meetings.

Regarding IP, TMG has mixed feelings. On the one hand, it recognises the need to protect inventions because it blocks potential competitor copying and it offers clear advantages as a marketing tool. But on the other hand, TMG has serious doubts about the effectiveness of IP protection in an industrial sector where copying is an easy task and is a frequent practice among competitors. In fact, when TMG develops a prototype for a major client, it has hardly any control over it, leaving itself exposed to any competitor who may wish to copy it without infringing the law by introducing small changes in the original design.

An Intellectual Property Strategy adopted by a sceptical SME

The company perceives that IP protection is ineffective for two reasons. Firstly, IP administrative procedures in the European Patent Office are extremely long and expensive, so by the time you obtain a granted patent, your market opportunity may be gone. Secondly, legal actions are slow and very expensive, so by the time you get a court decision backing your rights, your competitor may have already copied your product and gained a market position thanks to a substantial price reduction.

Given this situation, TMG has opted for a two-tier strategy regarding IP issues. The first strategy takes place when the firm develops its own products; in this case it is beneficial to initiate the IP protection process straight away so as to gain protection from any rival. The second strategy is more complicated, since it tries to protect IP when TMG acts as a supplier of a big manufacturing firm. In this case, they first test their ideas and designs with their clients so that they get a real market feedback. Once a product shows commercial acceptance, they initiate the IP protection process.

The basic problem with the second approach is that the company unveils its products before it has effective legal protection, so it runs a high risk of being copied illegally. Common sense dictates that it is following a risky strategy, but it consistently defends its position: on the one hand, it is argued that it would be foolish to register IP before evaluating commercial acceptance; on the other hand, it is felt that the industry's dynamism makes it inevitable that sooner or later competitors will copy their innovations.

Despite its scepticism, TMG has also had some positive results from its IP experience. Occasionally, it has taken competitors to court because of copying of its products and it has been able to reach agreements for granting production rights in exchange for royalty payments. This solution usually works favourably when the market demand is so strong that TMG is not able to satisfy it by itself. Moreover, these agreements allow TMG to keep a closer control of competitors' movements in the market.

This case study illustrates the situation in some industrial sectors where the technological cycles can force small companies to act expediently when it comes to IP protection. Consequently, official statistics do not reflect the real R&D efforts incurred by these small companies because they perceive too many risks in using IP protection as an up-front strategy. Nevertheless, SMEs should be aware that costs are not excessively high during the first stages of IP protection, and that initiating the IP process can give them priority to apply for protection in other countries.





PROTECT YOUR INTANGIBLE ASSETS

Why use intellectual property rights ?

New products, brands and designs resulting from continuous human innovation appear regularly on the market . Individual entrepreneurs and small and medium sized enterprises (SMEs) are often the driving force behind such innovations and have often made substantial financial investments in order to develop intellectual property in the form of a new product, process, brand etc.

Protecting your intellectual property can allow you to fully capture the return on your investment and prevent others from benefiting from your hard work. Obtaining relevant intellectual property rights and maintaining them in force can assist in deterring potential infringers and in turning ideas into business assets with a real market value.

IPRs can also provide a vehicle for exploiting IP assets in a variety of ways, sometimes by outright sale or assignment but also through joint ventures or licensing agreements with companies in your own country or abroad.

Even if you have not applied to register any IP rights, there are a number of automatic rights such as copyright, unregistered design rights, rights in performance and database rights which may apply to your business even though you may not be aware of them. For example promotional and marketing material developed by you can automatically attract copyright protection as can the creation of a database.

Why patent inventions?

The inventor or the applicant does not need a patent in order to exploit his or her invention; but without a patent the inventor or the applicant would not be able to prevent others from copying the invention.

Why register trade marks?

In some common law countries one can acquire certain rights to a trade mark simply by usage. Registration however is an official record of the rights that an owner is claiming in a trade mark. A trade mark registration also grants a statutory right, subject to certain conditions, to prevent others from using a trade mark without the registered proprietor's permission- i.e. to prevent infringement.

Your trade mark can be a valuable business asset. Trade marks have come to represent not only actual goods and services, but also the reputation of the business. Some companies spend millions nurturing their corporate identities. Did you know that?

- Companies like Michelin, Levi Strauss and Intel consider their trade marks their most valuable assets?⁵
- The President of Coca-Cola stated that the corporation's buildings, machinery, equipment, vehicles and physical property could all be destroyed, but that the business would have no trouble getting back on its feet, provided the trade mark survived.⁶

Why register a design?

The design right resulting from registration confers on the proprietor (for a limited time) the exclusive right to use the design and to authorise others to use it. It also includes the right to make, offer, put on the market, import, export, or use a product in which the design is incorporated or to which it is applied, or to stock such a product for those purposes.

⁵ According to an article in *Financial World*, August 2, 1994

⁶ Jean-Pierre De Chalain, *The South African Institute of Intellectual Property Law*, Newsletter No. 53, 12/1995



PROTECT YOUR INTANGIBLE ASSETS

Why use copyright?

Copyright protection provides benefits in the form of economic rights which entitle the creators to control use of their literary and artistic material in a number of ways, such as by making copies, issuing copies to the public, performing in public, broadcasting and use on-line and to obtain an appropriate economic reward. Copyright also gives moral rights to be identified as the creator of certain kinds of material, and to object to distortion or mutilation of it. Without copyright protection, it would often be very easy for others to exploit material without paying the creator.



The risk of non-protection

Companies who recognise the value of their IP and dedicate time and resources to protecting their IP assets as part of their business strategy, can increase their competitiveness in a variety of ways and in certain cases can be propelled to a leading role within a particular industry. Indecision and lack of positive protective action in the field of intellectual property can also produce the opposite undesirable business result.

Ignoring the intellectual property inherent in your business opens up the possibility of competitors taking advantage of your technical innovations, business ideas, goodwill and reputation in the market. Many infringers and counterfeiters will seek to quickly establish just how serious their victims are in protecting their rights. If a victim company is persistent and relentless in enforcing its rights, the chances are that a competitor, infringer or counterfeiter will decide to look for a softer target elsewhere. The possession of intellectual property rights and the threat of court action may be sufficient to deter infringers or place a company in an advantageous position in which to do a deal.

If you have not taken steps to protect your firm's intellectual property then you may lose the opportunity to forge business alliances, your negotiating strategy may be weakened, the possibility of arranging profitable licensing deals may be considerably reduced and your ability to obtain capital or investment finance may be eroded.

Whatever the nature of your business you are likely to have some form of intellectual property.

What is most important is that you make the principle of deciding on the need for intellectual property protection a fundamental part of your company's business strategy.



CHOOSE THE BEST PROTECTION FOR YOUR INTELLECTUAL ASSETS

Different IP rights provide protection in different ways. Some, like patents, trade marks and registered designs need to be applied for. Protection is automatic in the case of copyright and unregistered design right. You should check carefully what protection you may already have and what protection you could apply for. Where IP has to be applied for, it is advisable to do this at an early stage. Remember also that once the right has been granted it has to be maintained in force by the payment of renewal fees.

Take some time to evaluate costs and benefits of obtaining and maintaining the different intellectual property rights with respect to your business goals and the markets you wish to target.

In a competitive market a monopoly for limited period of time can give you a strong competitive advantage.

■ COPYRIGHT

As the owner of the copyright in a work such as literature, art, music, sound recordings, films and broadcasts etc. you will be able to control the use of your material in a number of ways; such as by making copies, issuing copies to the public, performing in public, broadcasting and use on-line. Copyright also gives moral rights to be identified as the creator of certain kinds of material and to object to distortion or mutilation of it.

Copyright protected work can become a source of revenue as it entitles you to ask royalties for the exploitation of your work.

Copyright protection is automatic. You may have a source of income that you were not aware of.

■ TRADE MARK

You should protect your trade marks if it is important to you that your customers are able to identify your products and services from those of your competitors.

Trade mark registration is relatively inexpensive and can be indefinitely renewed.

Furthermore, trade mark registration can provide you with a legal recourse against cybersquatting. A registered trade mark asserts your rights to a similar domain name on the Internet.

A successful registered trade mark can become a source of revenue through licensing or franchising.

A registered trade mark used in conjunction with a patented product or registered design can be of significant value to a business in terms of goodwill and brand recognition, once that patent or design registration expires.

Trade mark protection is not expensive and it can preserve the asset value of your products and services.

CHOOSE THE BEST PROTECTION FOR YOUR INTELLECTUAL ASSETS

■ INDUSTRIAL DESIGN

Registering your design may be appropriate if the visual aspect of your product is a selling point or part of the image of your product. As it is the case for trade marks, it may be important for marketing purposes to preserve the visual uniqueness that will serve to identify your product from those of your competitors.

In some cases, copyright protection may be sufficient for your purposes. However, you can not rely on copyright protection to prevent someone from copying elements of your design. Design registration provides stronger protection. It provides an exclusive right to make, import, export, use or stock any product to which the design has been applied or is incorporated, or to let others use the design only with your agreement.

It gives you the right to take legal action against others who might be infringing your design and to claim damages and thus may more readily deter potential infringers.

In some countries and in the European Community, your design is protected automatically by an unregistered design right. This protection lasts only 3 years in comparison to a registered design which is protected initially for 5 years and renewable up to 25 years. As there is no registration formality for an unregistered design right, it can be more difficult to prove ownership. An unregistered design right may not prevent others from copying elements of your design.

Obtaining design registration can be relatively inexpensive and it can provide you with an asset which could increase in value over time.

■ PATENT

Obtaining patent protection can be a relatively costly exercise. However, the potential profits, which can be generated by the monopoly right granted to a successful invention may also be substantial.

The choice to patent or not to patent requires careful strategic, technical and financial considerations. You should always seek professional advice from a qualified registered patent attorney.

To patent or not to patent

If your invention is embedded in a product or related to a manufacturing process then you should consider applying for a patent.

- Perhaps you have developed a new manufacturing process that allows you to reduce production costs or improve the quality of your product. If the final product shows that there has been a novel invention in the manufacturing process, then patenting should be carefully considered.

However, if the product does not reveal the existence of a new manufacturing process, then it may be more appropriate to protect your investment by way of a trade secret. To preserve the confidentiality of a trade secret you should only make disclosures to parties who formally agree to be bound by strict terms of a confidentiality agreement.

- You think your invention will lead to a new product.
If an expert can understand and learn what your invention is by analysing the product, then a trade secret will not be the appropriate protection mode. If your invention is capable of being reverse engineered (finding out how an invention works by taking it apart) then it should be protected by a patent.

CHOOSE THE BEST PROTECTION FOR YOUR INTELLECTUAL ASSETS

- The cost of patenting will vary depending on such things as the type of patent being registered and the number of countries in which you intend to register your patent. However, the initial step of filing a national patent application is relatively inexpensive.
- You should evaluate the potential life cycle of your invention. If the expected life cycle of your invention is long, then obtaining a patent should be carefully considered in order to protect a potential substantial and long term revenue flow. Your invention may also have applications other than those readily apparent to you. However, before making investment, production and marketing decisions you may first want to test the reaction of the market.
- You should file a patent application before launching a product on the market in a test phase and thereby disclosing your invention to the public. Filing a patent application will secure a priority date (i.e. the date by which your invention is assessed for novelty and inventive step and the date from which your patent right will run and exclude others who may have invented later). It will also give you some time to consider your options.
- You will have 12 months from the priority date of filing of your original application to decide if you wish to file for patent protection abroad.
- You will have 18 months from the filing date/priority date of your application before it is published (details made available to the public). You may decide to withdraw your application before it is published in which case it remains secret.
- If the expected life cycle of your invention is short, applying for a full 20 year patent may not be appropriate because of costs and length of the granting procedure. You should consider other possibilities such as applying for a utility model/ short term patent which is cheaper, can be granted in a shorter time and may be more suited to the product you have developed. To prevent anyone else patenting your invention and thereby preventing you from exploiting your invention you can also adopt a defensive publication strategy. By publishing your invention, - perhaps in a well-known scientific or technical journal, you disclose your invention to the public and thus prevent anyone else obtaining a patent on it. It is possible that publishing details of your invention will make a name for your company among the experts in your field and this might lead to new partnerships.

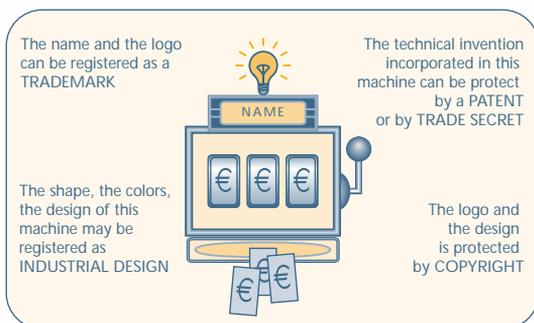
To patent or not to patent is a decision that needs careful consideration. Obtaining a patent can be a complex and costly procedure. Proper drafting of your patent specification is critical to the success of your patent application and you should obtain professional help from a registered patent attorney.



CHOOSE THE BEST PROTECTION FOR YOUR INTELLECTUAL ASSETS

■ COMBINE DIFFERENT PROTECTION MODES

It is important to realise that more than one type of intellectual property may apply to the same creation. Have you thought about combining different intellectual property rights?



For example, when used in conjunction with patents, which do protect the functionality of products, a registered design can be an effective way of safeguarding the appearance of your products. The design of a product can be synonymous with the branding and image of a company which can become an asset with a monetary value that could increase.

Note that different forms of IP may be used to protect the same feature; – for example the familiar shape of a Coke bottle is protected by design and trade mark registrations.

Seek to strengthen your IP rights by combining different protection types!

Consider and evaluate all your options. An effective protection strategy for your business may involve a range of different IP options. Using several IP protection measures can give you layers of protection for your investment and strengthen your position in the market

Choose the right geographic coverage

The cost of obtaining IP rights will vary depending on the geographic coverage of the protection you require. In general, the more countries in which you apply for protection, the higher the costs will be.

Different procedures exist which may help to reduce costs. Cost differences may be substantial depending on whether you apply for protection in each country or you choose an international (PCT) or a European procedure for patents or a European Community protection for trade marks and designs. Inform yourself about the costs of the different procedures and compare them having regard to the expected market of your product or service.

Before registering your IP rights, you should also look at the IP culture and legislation of the different countries. Differences can exist which may be important to you. For example, United States law will consider patent applications on a "first to invent" basis while European countries operate on a "first to file" basis.

Consult an expert to obtain more precise information on the law and practice in different countries.

Create an intellectual property committee within your company

Choose one or more persons, working in different fields, to be responsible for the intellectual property strategy of your company. There might be for example an engineer, the marketing manager and the person in charge of the finance matters. The objective of this committee is to examine, discuss and take appropriate decisions in IP matters.

Evaluate your IP protection requirements on a case-by-case basis and choose the protection option that best meets your needs! Be aware that you can combine different protection modes.

Recognition of the importance of Intellectual Property by a start-up business manager

■ CASE STUDY ENTERPRISE S⁷

COMPANY DETAILS

Firm	Enterprise S.
Location	Luxembourg
Business sector	Software and Internet
Activities	Software management systems and web solutions
Number of employees	7
Annual turnover	40,000 € (2002), 150,000 € (forecast for 2003)

NARRATIVE

Enterprise S. is a young start-up company from Luxembourg. Its activities are focused on the software and the Internet business. It develops, implements and distributes software management systems in the field of accounting, logistics, process tracking, communication, human resources and customer relation management. Enterprise S. also offers web solutions including application provider, web hosting, web and application development services.

The owner of Enterprise S. learnt about intellectual property issues by attending seminars and conferences for future company managers. There he became aware of the value of his intangible assets and of the importance of protecting them. So he began to seek information about how to best protect them, by consulting IP experts.

As some IP protection tools require financial resources that a start-up company may not necessarily have, the company owner finally adopted a 2-level strategy, which consists of using as much as possible of the free-of-charge protection tools such as copyright and secrecy and of making a cost benefit analysis in respect to his finance regarding trade mark and patent protection. "Why not make use of the free-of-charge intellectual property rights as they give you a legal tool to defend your rights in case of infringement by third parties", is one of his principles.

So the company owner protects his know-how by concluding non-disclosure agreements with future employees, clients and partners before any information is exchanged. He also ensures that all the company's documents have a confidential notice. Furthermore a copyright notice is placed on all the documents, software and web pages produced by the company. Finally the registration of his products' trademarks remains on his list of next things to do.

Being aware of intellectual property issues for his business, the Enterprise S. owner also takes care to integrate intellectual property in the business plans. He admits that the time it took him to include IP considerations in his business plans is not wasted as it helps him in his business activities today.

Regarding intellectual property protection, the company manager has adopted a defensive strategy, because he does not think that his competitors are going to copy the company's products. Nevertheless he wants to be able to assert his rights in case a competitor copies him.

He also made use of IP as an information source by asking the Luxembourg Technology Watch Center for searches on trade marks and patents.

⁷ The company name is fictive in order to preserve its identity.

Recognition of the importance of Intellectual Property by a start-up business manager

Intellectual property issues are managed by him alone. IP questions are dealt with as problems arise by seeking help from IP experts.

Planning to diversify his business activities, the company owner wants to develop a new innovative service based on a patented system. An exclusive licence agreement has been signed between the company and the patent holders. During the negotiation of the contract it was agreed to extend patent protection to more territories, but they missed the deadline of 1 year, which is given to the patent holder to seek protection in other countries without failing the novelty criteria. As a matter of fact the company now faces the problem that they can be freely copied and competed in some of their relevant markets.

The company owner considers intellectual property protection as a very important issue for small high-tech firms as it attracts investors and protects one's intangible assets from competitors.



OBTAIN PROTECTION

The competent offices, the time limits and the documents needed for the registration of your IP vary from country to country. Some general aspects set out below will assist in a better understanding of the system.

Obtaining a patent

Applying for a national patent, utility model or short term patent

The first step that people usually take in applying for a patent is to file a preliminary application in their own country. When the application is filed, the date of application is recorded and this is called the "priority date". Most countries are signatories to an international convention (The Paris Convention) which guarantees that the priority date of an invention filed in one country will be respected in other countries, provided an application is filed in the other countries within 12 months of the date of filing of the first application.

Details of how to apply for a patent together with the application form and information about other documents needed can be obtained from the national patent office of your country. The application form must be completed and submitted along with the other requested documents to the national patent office.

In general, an application for a patent must be accompanied by that following:

- a specification containing a detailed description of the invention, one or more claims, any drawings referred to in the description or claims and an abstract (a brief description of the invention)
- the required filing fee.

Patent law and practice and the drafting of a patent specification describing an invention in words which will have legal effect, are complex matters for which the help of a patent attorney is very advisable. You should remember that the contents of the specification determine whether a patent can be granted as well as the scope (set out in the claims) and validity of the granted patent.

You will need to file a separate application for each invention.

Once you have submitted your application, you have an 18-month time period to withdraw your application before it is published. This publication releases details of how the invention works to the general public. Before that date, each patent office has held the information in confidence. Experts working for the national patent office will check your application to determine if it fulfils all the patentability criteria. In order to verify if your invention is novel and includes an inventive step a search report will need to be compiled. The search report will list published documents considered relevant in assessing whether the claimed invention is new and not an obvious development of what is already known.

Once the patent office has satisfied itself that the invention is novel and the claims made for the patent are allowable notice of the allowance of the patent will be issued and the patent will be granted.

Shorter and less complex procedures apply in the case of applications for utility models and short term patents.

For more detailed information on all aspects of applying for patent protection consult your national patent office. Addresses, contact numbers and websites are listed in Annex A.

OBTAIN PROTECTION

Applying for foreign protection

If you think that you should obtain patent protection outside your own country, you have two possibilities, either filing a patent application for each country you wish to obtain protection, or using a procedure which allows you to obtain protection in a number of countries by filing only one application form.

Europe

A **European patent application** procedure allows you to obtain protection in those European countries which are members of the European Patent Organization.

European patent applications may be filed at:

- The national patent offices;
- European Patent Office (EPO), at its Munich, The Hague or Berlin branches.

The grant procedure is based on a single application, filed in one of the official languages of the European Patent Office: English, French or German. The EPO will deal with the application in the language chosen and this postpones translation costs until such time as the patent is granted. You must designate the countries in which final patent protection is sought. After examination, the EPO grants a European patent which has the effect of a national patent in each of the countries designated. Once the patent has been granted you can decide to maintain it in force in some or all of the designated states. If the language of the patent is not an official language of the designated State, a translation into the language of that State must be filed, failing which the patent will not be valid in that State. For further information consult the website of the European Patent Office (<http://www.european-patent-office.org>).

In future you will have the possibility to apply for a **Community Patent** which will apply in all the member states of the European Community.

Outside Europe

The Patent Cooperation Treaty (PCT) is a worldwide agreement to simplify the filing and processing of patent applications. Approximately 115 countries, including most industrial countries, are party to the treaty. Through a single international application you can apply for a patent in all the countries party to the treaty.

You must indicate those PCT contracting states in which your international application is to have effect ("designated States"). The effect of the international application in each designated State is the same as if a national patent application had been filed with the national patent office of that State. Where a designated State is party to the European Patent Convention, the applicant may—and, in the case of Belgium, Cyprus, France, Greece, Ireland, Italy, Monaco and the Netherlands, must—opt for the effect of a European (rather than a national) patent application.

PCT applications may be submitted to your national patent office and, if there are no national security constraints, to WIPO in Geneva or to the European Patent Office in either The Hague or Munich. For further information consult the website of the World Intellectual Property Organisation (<http://www.wipo.int>).

Costs and procedures involved in obtaining patent protection abroad are important factors when considering any potential export markets you wish to target. Before significant business decisions are made, including deciding to file a national, European or PCT patent application, you would be well advised to obtain professional advice.



OBTAIN PROTECTION

Registering a trade mark

How to register a trade mark nationally

If you use or propose to use a trade mark in your business you can apply to register that mark. You can apply to register your mark either before you start to use it or afterwards. Generally speaking you should apply to register a mark as soon as possible to ensure that no one else applies to register the same or similar mark before you do. You must file an application for registration with the appropriate national or regional trade mark office. The application must contain a clear reproduction of the mark filed for registration, including any colours, forms, or three-dimensional features. The application must also contain a list of goods or services to which the mark would apply.

Upon receipt of the application in the national office a filing date will be assigned and the application will then be examined as to its registrability.

Claiming priority

It is possible to claim priority of an application made in the preceding six months in one of the States party to the Paris Convention. This prevents third parties applying to register your trade mark within these six months.

Using your trade mark

Registrations can be cancelled if the holder is not using a mark. It is important therefore to indicate on goods or services that the mark is a registered one. The symbols ® or TM are normally used in association with the mark to show this.

You should contact your national office which handles applications for trade mark registrations in order to obtain an application form and details of the precise requirements, procedures and fees applicable in your country. A list of these offices is at Annex A.

Foreign trade mark applications

A national trade mark registration may be sufficient if your business is focused on the domestic market. However, if you do business in Europe or elsewhere in the world there are other ways of obtaining trade mark protection which may suit your circumstances.

The European Community

If you do business in Europe then you should consider applying to the Office for Harmonisation in the Internal Market (OHIM), for the registration of a Community Trade Mark. **Community Trade Marks** are legally enforceable and enjoy uniform protection throughout the territory of the European Union. Applications should be made on the form drawn up by OHIM. The single filing may be made at the OHIM, located in Alicante, Spain; by post, courier or fax, and can also be filed at the national trade mark office. OHIM is responsible for examining the applications (<http://oami.eu.int/>).

Outside the European Community

If you are the owner of a trade mark and wish to consider obtaining trade mark protection internationally, the **Madrid system of international registration** of trade marks gives you the possibility to have your trade mark protected in several countries by simply filing one application with a single Office, in one language, with one set of fees in one currency (Swiss francs). An international registration produces the same effects as an application for registration of the mark made in each of the countries designated by the applicant. To apply for a registration of an international trade mark it is necessary to be owner of a registered trade mark or to have filed a request for an identical national trade mark. For further information concerning the Madrid System, consult the WIPO website (<http://www.wipo.int/>).

Registering your trade mark documents your right to a particular trade mark and makes it easier to prevent others from using it. The trade marks you use for your goods and services are usually the result of considerable investment of time and money. They may be amongst your most valuable assets so it is important to protect them!

OBTAIN PROTECTION

Registering a design

How to register a design nationally

Applying for a national design registration is generally a straightforward process. An application will have to meet certain minimum requirements.

- The applicant must be the proprietor i.e. the owner of the design. The proprietor can be the author of the design or the employer of the person who created the design if this was done in the course of the employment (subject to any contract or agreement to the contrary).
- Any number of representations of the design may be submitted but must be suitable for reproduction.
- One application may include more than one design, provided that they are intended to be incorporated in objects included in the same class of the international design classification.

You should contact your national office which handles applications for design registrations in order to obtain an application form and details of the precise requirements, procedures and fees applicable in your country. A list of these offices is at Annex A.

Claiming priority

It is possible to claim priority of an application made in the preceding six months in one of the States party to the Paris Convention.

Obtain design protection in foreign countries

Find out about the possibilities of obtaining industrial design protection outside of your country in Europe and elsewhere.

The European Community

If your market is limited to the European Community, you should consider acquiring design protection across all EU member states with a single application to OHIM.

Outside the European Community

If your market is outside the European community, you should be aware of the existence of an international design application procedure, created by the Treaty of The Hague. By filing a single international application to WIPO in Geneva you may be able to obtain the protection in several signatory States to the Treaty of The Hague.

Usually a registered design is published on registration. However, it may be to your advantage to seek to defer publication of your design. For example applications for Community Design registration can be delayed for up to 30 months and your creation remains confidential until you are ready to disclose it. Your national office will be able to provide detailed information.



OBTAIN PROTECTION

Copyright

Obtaining copyright protection

Basically the act of creating a work also creates the copyright, which then subsists in the physical expression of the work. There is no formal registration process required in order to obtain protection. However, some national laws allow for registration of works and in certain countries registration can serve as prima facie evidence in court in case of infringement. You should therefore check with the competent office in your country. A list is at Annex A.

Claiming protection

You should be aware that it is important to show that copyright is claimed in a work. You should mark the work clearly to indicate who the copyright owner is and the date from which copyright is claimed. The internationally recognised symbol © is normally used.

Transfer of ownership

Remember that a transfer of ownership may cover all or only some of the rights to which a copyright owner is entitled. First or subsequent copyright owners can choose to license others to use their works whilst retaining ownership themselves.

Using material already covered by copyright

Your work may be a development of the works of others. You may need to obtain permission therefore to use copyright material. This is normally done by approaching the copyright owner. However, there are a number of organisations that act collectively for groups of copyright owners in respect of particular rights and which may offer licences to users for a tariff. A performing rights society is a collective that deals with musical works, collecting royalties on behalf of composers, lyricists, songwriters and music publishers for the public performance or broadcasting of their music. Further information is available directly from these organisations.



OBTAIN PROTECTION

As the originator of a work it is most important that you can show subsequently when the work and the consequential copyright were created. One way of doing this is to deposit a copy of the work with an acknowledged representative, who may be a bank, solicitor or notary in such a way as the date and time of the deposit are recorded. Alternatively one may send a copy of the work to oneself by registered post (which gives a clear date stamp on the envelope), leaving the envelope unopened on its return thus establishing that the work existed at that date and time.



INTEGRATE IP IN YOUR STRATEGY

Basic issues In developing an IP strategy

- What intangible assets does your organisation own?
- Are they adequately protected?
- Which intangible assets have value, and therefore need to be protected, and which do not?

The importance of an IP strategy

The significance of an IP strategy for a company can be considerable and long-lasting. Properly implemented, such a strategy could be worth hundreds of millions and could cost a relatively modest amount. On the other hand, errors in this area, such as the failure to protect a significant innovation, can be incredibly expensive.

An organisation's R&D strategy cannot be dictated solely by scientific considerations. Each organisation has different goals and therefore strategies must be formulated in a way to facilitate the achievement of these goals. The importance of IP to the competitive advantage of an organisation depends on its sector of activity, business strategy and interactions with the strategies of its competitors. Patents may be essential in areas where inventions are easy to copy. In other cases, other approaches such as secrecy and lead-time advantages can be effective.

Properly protecting innovation that leads to new products or services provides a company not only with protection against competitors but with a vehicle that can be used to license the IP in territories or markets that the company does not itself wish to address.

IP strategies will therefore vary from one organization to another and there is no optimum to be followed. Large enterprises that have significant financial resources often pursue a strategy of procuring and maintaining a large quantity of patents. In contrast, for most start-up companies, developing and building a comprehensive patent portfolio can be prohibitively expensive. However, by the understanding of some basic principles of IP strategies and early planning, a start-up company can establish a cost effective strategy and a valuable IP portfolio. The key for a small company

is to focus initially on one or more "crown-jewel patents". In order to do this, a company should work with experts to identify the key innovative elements of the company's products or services. Choices can then be made as to the appropriate forms of IP to be used in protecting these, taking into account development costs, product lifetime, competitors strategies etc.

The basic principles for developing an effective IP strategy are to put in place a mechanism to identify the elements of the companies' assets that can be protected, to examine the potential types of protection and to put protection in place where appropriate.

Best practices for IP strategy

- Create awareness in your organisation for the importance of IP strategy.
- Preserve confidentiality of new technology until professional advice has been sought.
- Ensure that IP strategy is a lead element of business strategy.
- Use IP to add value to your products and services
- Capture all your current and potential IP.
- Systematically review your IP portfolio to maintain protection on current technology and drop protection on obsolete technology.
- Gather market intelligence and analyse your competitors IP so as to avoid infringement and to challenge, if appropriate.
- Defend your position in case of infringement.

INTEGRATE IP IN YOUR STRATEGY

The importance of an IP portfolio

A strong IP position is not only important in achieving success in the marketplace, but is also an important asset in the valuation of a company.

Best practice in creating a valuable patent portfolio

- **Keep records**

It is advisable to maintain proper invention records for all research activities. All supportive data and conceptual ideas should be included in these records. This information should be entered at the time that the work is carried out, not later. Permanent ink should be used and each entry should be signed, dated and witnessed by an individual who is not directly involved in this research. This evidence may be used to support your priority over another invention or in infringement proceedings or to invalidate a competitor's patent.

- **Disclose inventions**

Establish a policy of having achievements described by employees in an "Invention Disclosure Form". This form requests details about the invention, how it is made, the people involved and its potential uses and applications.

- **Technology watch**

Ensure that the company is kept abreast of developments in its fields of interest. A thorough search of IP in an area will enable the company to determine whether or not there is sufficient room to pursue a particular line of research. Also Watching Services are available so that companies can monitor the activities of their competitors on an ongoing basis.

- **Secure assignment of rights**

Have clear policies and procedures in place to determine the ownership and to deal with assignment of rights. Contracts with employees or external consultants should have clear provisions on IP ownership. Research institutions, for example, should also have clear policies and agreements in place regarding researchers as well as students on ownership of IP generated during their course of study, research and training.

- **File promptly**

File patent applications in a timely manner to ensure proper protection. Inventions should be identified at an early stage (see above records) so patent applications can be prepared and filed before any disclosures are made at conferences, trade shows or in the scientific literature.

- **Review portfolio regularly and critically**

Ensure that funds are not wasted by maintaining IP, when the products/services covered no longer need such protection.



The benefits of patent protection in a very competitive market

■ CASE STUDY HELMED SPINE IMPLANTS S.A.

COMPANY DETAILS

Firm	HELMED SPINE IMPLANTS S.A.
Location	Greece
Business sector	Medical materials/Spine Implants
Activities	Spine Implants & neurosurgical items distribution
Number of employees	7
Annual turnover	2.500.000 €

NARRATIVE

Helmed was founded in 1992 by two scientists in Thessaloniki, Hellas. The firm's mission was to meet the future needs of the growing market in spinal implants, a high technology business sector. At that time in Greece, this business move was quite innovative as Helmed was the first Greek firm in this rather unknown and risky sector. However, due to several scientific breakthroughs in the area of new materials and the continuous increase in R&D spending, the market potential brought many companies both from Greece and abroad into the spinal implants sector.

Helmed has developed several implant types, most of them protected by patents but its main current activities are still in third party product distribution rather than in - house mass production of its own patented implants. However, this latter area is one of the company's main strategic aims.

During the last three years, the financial statements of Helmed have shown a good business performance with a yearly average increase in total turnover of more than 15%. One key issue that should be taken into serious consideration is the overall dependency of the firm on the spinal implants area as it represents more than 90% of the total turnover.

The firm employs 7 people, 4 of whom are University degree holders and 1 is responsible for R&D activities. Helmed does not use any predefined IP management procedure such as a standard IP strategy. Neither does it have special contracts with its personnel, or require that any special laboratory protocols should be followed during the product development process. Furthermore, the firm's executives to date have not used any business tools to evaluate the strategic or economic value of the firm's patents or any other protection tools while developing new products. As with most SMEs, Helmed faces great difficulties in marketing their products, and in implementing a market survey before launching new products, due to budgetary constraints.

One key characteristic of the spinal implants sector in Greece is the big differences in size of the companies involved. This has created a strong competitive environment and moreover, places Helmed among the weaker firms, although its market share which is almost 10%, amounts to more than 350.000 €. Copying a competitor's product is one of the common practices in this business sector and Helmed is aware that its products have been copied at least four times by both Greek and international firms (Germany, France, USA). Helmed executives do believe that the patent system alone can provide the technology owner with the necessary protection. Sometimes more financial resources and an integrated business strategy must be used in order to fully benefit from the protection that can be obtained from patents.

The benefits of patent protection in a very competitive market

Helmed has recently won a legal dispute with a German company who copied one of the firm's patents and this company's Greek commercial representative has already stopped selling the copied product. However, Helmed managers have realised that in the situation where many other companies from abroad might copy Helmed patents, the company would not be able to afford the necessary amount of money to take legal action against infringers.

During the patenting procedure, and in order to draft the patent claims, the firm has had very good cooperation with the Hellenic Industrial Property Organisation, although it would prefer shorter procedures as, in its opinion, time delays are an inborn weakness of all patent systems.

Helmed executives believe that one of the most difficult tasks in managing its IP is the monitoring of all the critical deadlines during the whole patenting procedure as well as the deadlines for the payment of annual patent renewal fees for all of its patents. Therefore, Helmed has assigned this task to patent attorneys in Europe, which has also increased its annual R&D costs.

In order to increase its potential for know-how and technology transfer, Helmed was recently chosen to actively participate in the Thessaly Technology Park business incubator as a tenant. Apart from that, Helmed continuously tries to reduce the R&D cost by participating in both national and international R&D projects and by developing collaboration with several consultancy firms.

Although Helmed is an innovative company it seems that so far it hasn't fully benefited, in terms of financial profits, from its intellectual property by just using classic IP protection methods such as patents and non-disclosure agreements. It is obvious that the necessary integration of its IP policy with its innovation strategy is missing. Helmed lacks the potential of undertaking market research, evaluating the potential for patenting its products or even developing a business plan for a new product.

Copying a competitor's product is one of the common practices in the medical implant sector. In order to get its product to market quickly and to save money, the firm's executives have changed its IP policy and decided to keep its new product development activities secret and to proceed with patent protection just before the stage of releasing the product on the market.

The main conclusion is that a strong competitive environment between competitors who are characterized by big differences in size is a very difficult field even for SMEs with products which have IP protection. SMEs operating in such fields could improve their business by integrating their IP policy with their innovation strategy and by carefully selecting and using the available tools and financial resources. Some of these tools are provided in this guide.





USE IP INFORMATION

IP - a rich information source

Besides being an important tool for providing legal protection for R&D and commercial rights, Intellectual Property can be a useful information source for SMEs. For example, patent specifications contain important technical information. Patents and designs will also indicate current innovation trends. The patent literature is therefore an effective tool to avoid parallel developments and R&D efforts. Also, patent and trade mark filings can give an insight into competitors' marketing strategies. In other words, IP information is valuable in all aspects of company activity - research, development, manufacturing, commercialisation and overall management.

Information provided by a patent

A patent document provides information about an invention that, in many cases, has not been published before. The applicant is obliged to give a full description of the invention which they might not otherwise publish at all or only with much less detail. A patent document describes the invention in a clear and complete way, gives examples of industrial application and informs about the technological context - i.e. other patents in the same area. It also permits identification of the inventor and the patent owner. There is a patent classification system which facilitates retrieval of patents within a specific technology area.

Patent information sources

Nowadays, patent information can be extracted from free-access databases and from paying services. Most national patent offices have their own web pages in which they offer free access to their national patent databases. Similar to the national services, the European Patent Office (EPO) has an Internet service called Esp@cenet (<http://ep.espacenet.com/>). This service provides free information about patents from more than 60 countries. Esp@cenet contains more than 40.000.000 documents, most of them including bibliographic references, complete patent text and patent drawings. Other important free-access databases are the US Patent Full-Text and Full-Page Image Databases, provided by the United States Patent and Trade mark Office (USPTO) (<http://www.uspto.gov/>).

There are, as well, private suppliers of patent databases. Some of them provide in addition to the basic patents, further scientific data, information about licensing, business intelligence reports, etc. Some examples of private services are Derwent, The Delphion Intellectual Property Network, Dialog, The Questel-Orbit Group, and STN International.

Usefulness of patent information

Patent information sources should be used by organisations in their research and development for any of the processes below:

- Investigating the general "state of the art" in a technology,
- Finding emerging and cutting edge technologies,
- Identifying possible fruitful areas for research,
- Identifying areas where research effort would be wasted because of e.g. duplication, established dominance by other companies etc.,
- Investigating existing patents for legal purposes - e.g. possibilities of infringement,
- Finding possible competitors or partners,
- Identifying technology transfer/licensing opportunities (in or out).

Barriers to use patent information

There are two major difficulties which militate against widespread use of patent information:

1. The lack of awareness among scientists and technical personnel about the valuable data in patent documents.
2. Access problems to the patent literature due to the huge number of existing documents and the different languages in which the documents are written. It is important therefore if one is going to base important investment decisions on the outcome of searches to have them carried out by experts.



USE IP INFORMATION

Other information sources

Besides patent databases, there are databases on other forms of IP, such as trade marks and designs. Most national offices, provide free access to their national databases. At international level, the OHIM (Office for Harmonization in the Internal Market), whose task is to register European Community Trade Marks and Designs, allows free searches of Community Trade Marks. Also WIPO (World Intellectual Property Organisation) provides for the searching of Internationally Registered Designs. There are some commercial services covering trade marks, for example that offered by the Questel-Orbit Group.

Technology watch services

These services facilitate keeping up to date with technology information in a particular area. They may be provided by national patent offices or other organisations.

Use of a technology watch service permits companies (for example) to:

- Determine the "state of the art" in a specific technological sector, identifying trends and developments,
- Monitor new developments in a particular technology,
- Regularly obtain new selected patent information of relevance to companies in a given sector,
- Obtain ideas for areas of innovation and technological development,
- Plan any R&D activity,
- Determine the likely patentability of its products and production processes,
- Obtain a solution for a specific technical problem,
- Study the competitive environment in a particular technological or commercial area,
- Look for technology that is available for licensing,
- Evaluate a license contract,
- Detect technologies that are available free,
- Avoid duplicating investigations done elsewhere,
- Locate new uses of already known technologies,
- Guard against possible infringement of patented technologies.

RECOMMENDATIONS AND SUGGESTIONS FOR ORGANISATIONS.

1. Before initiating a research project, undertake a search of published patent documents to establish what is already known.
2. Check patent documents for possible solutions to production problems.
3. If you are thinking of manufacturing a product, you should first check whether you could be hindered by an existing patent that is still legally enforceable.
4. If you don't have the resources or experience to develop and market your patented product fully, you should consider assigning or licensing your IP to another party in order to exploit your invention to the maximum extent.
5. Use a search of patent documents to find potential licensors and business partners.





CREATE VALUE WITH IP RIGHTS

Introduction to IP commercialisation

Your Intellectual Property, whether it is a patent, a design or other form of IP, represents an investment from which you expect a return. Therefore, transforming an invention into a marketable product, so that it begins to generate revenue and profits, is a crucial stage in the innovation process.

IP has a potential value which is why one invests in it. The IP owner must then convert this potential into real reward. The value of IP depends on how well it is utilised. If you adopt a systematic approach for the effective commercialisation of your IP, it will ensure good returns on investment in those IP assets.

It should be realised at the outset that there are certain basic factors which are vital in the successful creation of valuable IP. These include for example:

- Innovation and technological R&D should not be undertaken in isolation from commercial market realities. A technological development should always be assessed in terms of the market or its commercial merits.
- IP creation and protection should be balanced by similar efforts in commercialisation.
- Successful exploitation of IP will require a competent and responsible person in the organisation giving continual attention to the management of the IP portfolio.

Also there are a number of things which need to be in place in the company if real benefits are to be achieved:

- Develop awareness of the role of IP,
- Create a common language within the organisation,
- Develop indicators for measuring IP,
- Develop a measurement methodology,
- Use experienced advisors.

Commercialisation choices

If the company which has carried out or commissioned the research and owns the IP is not itself in a position to exploit the results, there are several other methods which may be used. These include:

- Creation of a new start-up company to exploit (i.e. manufacture, market) the products and/or services covered by the IP,
- Establishing a joint venture or a co-operative agreement with a suitable existing company,
- Licensing the IP rights to an existing company or other entity with the capability to exploit them,
- Selling the IP.

In order to decide which is the best approach to follow, you should analyse each method by taking into account:

- The scope and strength of the IP, technically and commercially,
- The market conditions,
- Your financial position,
- Your experience and skills.



CREATE VALUE WITH IP RIGHTS

Collaboration and licensing

Direct full exploitation of IP rights by their owners on their own or by means of a joint venture may for many reasons not always be possible. In such cases in order to exploit the financial potential of an innovation, the IP owner generally considers the licensing approach.

Relevant factors in choosing the licensing route are:

- Immediate cash flow,
- Further development of technologies based on IP,
- The technology is outside the firm's core line of business or interest area,
- The product is not suitable for export due to e.g. unit volume, regulatory differences, lack of expertise in foreign markets,
- There is a lack of the amount of time and effort needed for commercialisation.

It is important that a very extensive and careful search is carried out to identify a suitable license partner. The IP owner must be satisfied that the partner has the expertise, resources and commitment to exploit the particular product or service. One may start with an option arrangement whereby the potential licensee is given an opportunity to research the market and satisfy the IP owner that a fruitful partnership could ensue. A license agreement will then be entered into.

Licensing:

- License agreements are arrangements where the right to use a technology is formalised contractually.
- A License agreement does not transfer ownership of the IP rights involved and the proprietor may wish to place limitations and obligations on the licensee.
- Collaborative R&D and licensing offer the prospect of resource and information sharing and the speedy translation of the IP into high quality products. Furthermore, it can offer the ability to share skills and technology and to enter markets which would otherwise be inaccessible.
- Licensing as a component of a technology transfer arrangement is attractive where the venture is viewed in the context of a long-term relationship between the parties involved.

It must be remembered that licensing is a two way process and can involve any type of IP rights. Terms and conditions for licensing agreements are usually negotiated on a case-by-case basis.

Because licences play a great role particularly in the operations of high-tech companies, it is important for corporate decision-makers to understand the basics of licensing and the strategies implemented through license agreements.

Various types of licences are used. Some common considerations apply to all types, while other issues arise only in particular types of licences.



The importance of patent protection and technology watch for competitiveness

■ CASE STUDY SPECCHIO PIUMA S.A.S

COMPANY DETAILS

Firm _____	SPECCHIO PIUMA S.a.S
Location _____	Italy
Business sector _____	<i>Architectural infrastructure</i> - Space-saving solutions for architect, contractor or do-it-yourself client. <i>Theatrical design</i> - Reusable, adaptable, integrated - a warehouse of technical pieces and materials for all sets. Stage space designed according to specific customer's needs with resistant and lightweight materials easy to transport and assemble. <i>Packing</i> - A completely reusable system, versatile, solid and light, for storage and transport. <i>Exposition structures</i> - Designed and produced for expositions and fairs.
Activities _____	<i>Consultancy</i> : the enterprise can give successful answers to any question relating to design and production with a vast array of creative and low-cost solutions. <i>Design</i> : the firm employs a network of CAD draftsmen, architects and designers: designs products, researches materials and works on the basis of the maximum use of resources and space. <i>Sales</i> : direct control over all phases of product development, from conception to manufacture, to quality guarantee and finally the sale.
Number of employees _____	6
Annual turnover _____	450,000 € (2002)

NARRATIVE

Since its foundation in 1993, the company has used trade mark protection for creating a solid corporate identity and a strong external image. Trademark protection has been used for the company's logo, name, and for the commercial name of new products. Such trademarks have given SPECCHIO PIUMA the opportunity to create and maintain a strong corporate identity inside its "High Value" market niche.

SPECCHIO PIUMA supplies consultancy services to companies in the field of design, production and sales. Based in Aprilia, near Rome, it successfully combines innovative technology with artisan production. Its intelligent and innovative solutions are quickly appreciated by those who have been unable to find their particular needs satisfied by available products. In close contact with the customers and using modern technologies applied to artisan's craftsmanship, the enterprise provides custom-made products that successfully fulfil the specific needs of all clients.

The importance of patent protection and technology watch for competitiveness

Prior research and business plans are always carried out. All the initiatives developed are followed by a strong marketing action. In relation to cost control and marketing opportunities, joint ventures and partnerships are always well evaluated.

The technological environment is dynamic, monitoring and identifying active competitors through participation in international events, exhibitions, marketing enquiries and public relations. Survival in the competitive marketplace is assured by technical innovation, implementation of company services, partnerships and joint ventures. In particular, the enterprise has a strong innovation policy. The strategy applied is strictly combined with customized solutions developed and supplied by the company. Any "out-of-standard" activity is regarded as R&D. The other activities in the R&D area are strictly related to the implementation of quality and innovation for the standard products developed during the past ten years.

The discretion of the employees and the experience acquired in the past allow a good interface with the customers involved in the supply chain. In case of internal R&D, confidentiality is assured by the limited size of the internal workforce.

The company's goal is to preserve the level of innovation reached with the implementation of IP protection measures.

Providing original customized solutions, the company has always used trade mark for specific products or solutions developed.

SPECCHIO PIUMA has obtained 2 International patents, protecting original products, and it plans to continue using IP to protect the results from different R&D contracts carried out in co-operation with industrial partners or customers.

Patent protection is very important for innovative, high technology solutions. In the case of incremental innovations, when time-to-market becomes more important than technology issues, patent protection may have some disadvantage. Making more accessible the strategic technical information of the patent, a third party could easily, with appropriate modifications or alterations, minimize the importance of the invention itself. Therefore, especially when design intensive solutions are involved, the enterprise prefers to use the copyright protection.

A professional structure is utilised to manage all the IP aspects and procedures. From the beginning, every single IP action will have been evaluated with professional consultants.

The company integrates its commercial information with the results of its innovation and consequently uses IP commercialisation to highlight the identity of its products.



ENFORCING IP RIGHTS

Remember that although intellectual property rights are granted by the state, it is up to the individual owner to ensure that his/her rights are not being infringed and if they are, to take appropriate action.

Enforcement of IP rights is necessary because people do not respect the rights of others. Infringers will erode your hard-won market share and poor quality imitations will quickly ruin your brand reputation in the marketplace. If someone infringes your IP rights, i.e. uses your material without your permission (and where there is no rule of law that might make such use legal), it would be open to you to seek a remedy in law by taking a case to court, - for example, seeking injunctions and damages.

It may also be possible to take opposition proceedings before an Industrial Property Office where the national law provides that such offices can act in a quasi-judicial role possibly as an alternative to the courts. The possibilities for opposition can exist before and after grant/registration and arise particularly in relation to registrable rights such as patents and trade marks because the registration can be disputed.

A less costly and more practical approach may be to seek to avoid litigation by negotiating a solution to illegal use with the infringer. Being able to demonstrate your legal right to the IP in question through ownership of a patent, registered design or registered trade mark etc. will strengthen your position. A well-drafted patent will often be enough to deter potential infringers.

Good Practice

- You should regularly carry out searches of new registrations for patents, trade marks and designs for any that may conflict with your own. Pending published patent applications can also be searched.
- In order to reduce the chances of people using your IP without your permission, you can make sure you bring the existence of IP to their notice in any dealings with them. If you put products or material protected by IP into the public domain, e.g. by publishing or selling goods you should consider marking these goods in such a way as to indicate your rights. For example on products marketed under a registered trade mark, use ® to indicate this fact.
- A patent confers upon its holder, for a limited period, the right to exclude others from exploiting (making, using, selling, importing) the patented invention except with the consent of the patentee. If you become aware of any infringement of your patent you should immediately seek legal advice as to the most appropriate action to take.
- If you have a design registration, you should consider in conjunction with your legal advisor what opportunities exist for legal redress against others who subsequently produce articles with the same or very similar appearance to your article.
- Similarly, be aware that your trade mark may be your most valuable asset. You may have invested in devising a trade mark to advertise and promote a particular product or service and to appeal to a particular market. Take action against the unauthorised use of your mark because failure to do so may mean that you will lose business and goodwill and the value of your brand may be diluted or lost.

ENFORCING IP RIGHTS

- If you are a copyright owner then it would be prudent to regard your copyright material as an item of property and to deal with it in a business-like way. Copyright owners should always keep dated copies of their works (for example, manuscripts and tapes) and copies of any letters submitting their work to others. Being able to produce evidence of this kind, which proves your authorship, is essential to enforce your right.
- The best approach to enforce your rights must be carefully considered in consultation with legal or other professional advisers. Law societies in your country can give you a list of attorneys or barristers and patent or trade mark agents can also give advice and assistance.
- You should endeavour to assess the costs of winning or losing a court action. The cost could be calculated in terms of the time that may be taken to obtain such a decision, the legal fees that you would have to pay and the direct and indirect consequences in the event of a negative decision. You should also evaluate the chances of winning your case, the amount of compensation and damages that you can reasonably expect to get from the infringing party as well as the likelihood and extent of reimbursement of your legal costs. It may be possible to resolve matters without recourse to legal proceedings in court. It may be possible to negotiate a mutually satisfactory settlement or use arbitration or mediation. These dispute resolution mechanisms are often less costly and time-consuming than court proceedings.
- Enforcing your IP rights by engaging in legal action in court can be a costly exercise. It is possible to obtain insurance, which will cover the cost of possible enforcement action – though it can be expensive. Nevertheless, you should explore the possibility of obtaining insurance cover.
- Be aware that if some IP rights are intentionally infringed on a commercial scale, there may also be the possibility of prosecuting that person for a criminal offence. The words counterfeiting, piracy and bootlegging are often used to describe this criminal behaviour. Where criminal offences may have been committed, an IP owner may pursue the matter directly as a private prosecution, or report the matter to the relevant government authority such as the police or customs. The latter may be in a position to take action to seize the infringing goods.

Further useful information on the enforcement of intellectual property rights, – in particular by SMEs, can be obtained from the WIPO website: http://www.wipo.int/sme/en/ip_business/ip_dispute/dispute_resolution.htm



CONSULT EXPERTS

Seek experts' advice and help

IP law is a complex area, and handling IP applications is generally a task for experts. An applicant may, if she or he wishes, conduct proceedings with the IP office directly. It must be remembered however that, particularly in the case of patents, it is the actual wording of the specification that determines the scope and strength of the monopoly obtained and hence the actual value of the IP. Thus decisions made in the course of drafting the patent specification and pursuing it through the examination process could have major business and investment implications in the future. An applicant is therefore strongly advised to instruct a professional representative, who has the necessary technical and legal skills to prepare the application and pursue it through the various stages of the grant procedure.

This is of course a general principal and each individual case can have different considerations. However where decisions which could have major business and investment implications are being made (and this will often be the case with IP) it would be foolish to proceed without the best advice possible. Saving costs by not using professional advice at all stages may well prove to be a false economy.

Of course if a company has a substantial IP portfolio or if it is feasible for a consortium of companies to work together, the best solution could be the presence of an expert on their staff, partly or fully dedicated to IP issues.

IP Offices

The role of a national IP Office is primarily to provide IP protection to those who seek it. This has to be done in a way that ensures that an applicant deserves the protection sought – i.e. that there is genuinely innovative material present. It thus serves the interests of inventors and businesses with respect to their creations and the latter with their corporate, product and service identities. An IP Office has several ancillary functions. These include advising and assisting Government in matters involving intellectual property and the preservation, classification and dissemination of IP information, thus encouraging and assisting innovation and scientific and technical advances.

In discharging its duties, an IP Office will

- examine applications and grant IP rights when applicants are entitled to them,
- publish and disseminate IP information
- record assignments, licences etc..
- maintain search files of national and international IP rights and a search room/library for public use in examining issued rights and records,
- supply copies of IP rights and official records to the public,
- offer a search service to check whether a proposed application is similar to another already filed or granted. This can save time and reduce the possibility of infringing someone else's IP right.

It must of course be realised that smaller offices will not necessarily have the resources to carry out all of these functions (particularly those relating to search services) at a substantial level.

An IP Office will be pleased to give what general assistance and advice it can on the subject of IP in broad terms. It does not however normally give advice on what may be the best course of action for an applicant to adopt with regards to any particular IP application. In particular, for example, the office cannot undertake to prepare a specification on behalf of a patent applicant. It may however be possible for experienced IP Office Examining Staff to undertake a variety of searches independently of the existence of an application but which might be of assistance to the applicant.

CONSULT EXPERTS

An IP Office will always answer basic queries, supply details of Office procedures and fees or information about the progress of a particular application. Normally the Office will have an Information Desk open to the public to deal with such queries. All staff members are bound by strict rules of confidentiality. IP Offices also publish guides for applicants which contain fuller details of grant procedures.

IP Attorneys/Agents

As mentioned above, an IP applicant can conduct proceedings directly with an IP Office. It is normally prudent however to engage the services of an IP Attorney/Agent to do so on one's behalf. These are persons specially trained and professionally qualified in all aspects of IP law. He or she will advise on all aspects of IP law, will draft and file specifications, correspond with the IP Office on behalf of the applicant and will represent him/her during the grant procedure. After the grant of an IP right, the attorney can also represent the owner in any opposition raised against it by a third party. As with other legal advisers, IP attorneys are bound by rules of client confidentiality.

An IP Office will sometimes supply a listing of qualified persons registered to act as attorneys before it or this information can be obtained through appropriate directories or law societies. The Office cannot recommend a particular firm or individual. This choice rests solely with the applicant who then grants a power of attorney in the normal legal way and may revoke it at any stage.

IP Information Centres/PATLIB (Patent Library)

Information Centres specifically dealing with IP exist in some countries. Their role is to provide advice and information about IP protection, utilization and licensing, as well as details of any financial supports available. Many information centres are linked into PATLIB.

PATLIB is a network of centres located throughout Europe. It was created by the National IP Offices of the member states of the European Patent Organization.

The IP information is disseminated via the IP Offices in the contracting states and information centres associated with them. These institutions, which work in the language of the countries concerned, provide IP information services, especially to small and medium-sized enterprises, private inventors and academics. Through co-operation with the IP Offices of the member states, the PATLIB network has grown significantly during recent years. All activities of any PATLIB centre have to be established in agreement with the respective National IP Office. As soon as an information centre is officially recognized by the National IP Office it becomes part of the PATLIB network. It is entitled to benefit from measures provided by the EPO to support the national IP information infrastructure.

The main aim of the PATLIB network is to enable IP information centres to communicate and to work with each other in a feasible and convenient way. Thus they can plan and undertake activities which promote the diffusion of an IP culture through participation in trade fairs and organization of workshops.



CONSULT EXPERTS

IRC (Innovation Relay Centre)

This is a network of centres in EU countries partly funded by the EU Innovation Programme. The IRC is a direct link to technology and innovation across the EU. The primary objective is to promote the spirit of innovation in European companies and research institutions, especially in SMEs. They are staffed by professionals with experience in industry, business and technology.

Among the services of the centres is assistance with technology transfer. Each centre can help, through the IRC network of regional offices, in identifying potential partners or licensees in other European regions. They can also advise on the exploitation strategy for research results and the IP generated. Where appropriate, the centres can also assist with negotiations and in the actual implementation of a technology transfer agreement.

They also provide training workshops in these areas and in some cases financial support for relevant activities.

IP National Assistance Platforms (LIIP Project)

The LIIP Project, which has produced this guide, also provides for a framework, called "National Assistance Platforms" (NAPs) created between some of the partners of the project. The objective of this network is to combine their efforts in order to make information and assistance on IP readily available through these platforms whenever it is required. Each NAP is composed of a national patent office or a similar organisation and recognised institutions at local level, experienced in developing activities in the field of IP and/or in helping local companies to focus on innovation issues.

The objective of a National Assistance Platform is to provide an efficient information service on national and international IP matters to organisations and individuals and allow a better use of the national patent offices' knowledge and know-how.

A National Assistance Platform will offer the following types of services:

- Answering technical enquiries,
- Providing IP information,
- Promoting IP matters,
- Providing a contact list of institutions and experts.



CASE STUDY

The importance of copyright and patent protection in start-up business



■ CASE STUDY KLEEREX INTERNATIONAL LTD.

COMPANY DETAILS

Firm	Kleerex International Ltd.
Location	Ireland
Business sector	Plastics Industry
Activities	Manufacture and supply of products for the display of goods in retail outlets e.g. shelving systems, racks, point of sale items etc.
Number of employees	105 persons
Annual turnover	24m € p.a.

NARRATIVE

The company founder had a business designing display systems for retail outlets. He would design them to order, have them made up (usually in acrylic plastic) and fit them. He found that some large customers were requesting several units for different outlets. He also became aware that competitors appeared to be using some of his ideas in units that they designed. He sought specialist advice from IP experts. He was advised that he could have some redress under copyright but that it was possible that some of his designs could qualify for patent protection. Patents were not widely used in this industry.

He decided to set up a manufacturing company to make and sell a range of display products and to protect them using the patent system. He started with about five employees and two main products, one of which quickly became very successful. Before the patents were granted, some copies of this product appeared in the marketplace. An action on copyright against a UK company was commenced and was successful in that the copying ceased without the need to go to court.

A more substantial competitor commenced manufacture and sale of a product very similar to the leading product in the Kleerex range. A patent infringement action was commenced. As is normal in such cases, the alleged infringer sought to have the Kleerex patent declared null and void. Legal exchanges between the companies went on for some considerable time (about two years). The shopfitting industry is notoriously competitive and

copying is normally rife. Kleerex was the first company to file patent applications and actively police them. Other competitors who might have considered copying held back when they heard of the impending patent suit. Also distributors and customers were wary of handling the allegedly infringing product for fear of being drawn into the legal action.

Eventually a legal device was agreed by Kleerex and the alleged infringer so that the action did not actually go to court. However, although the action never came to court and the competitor never completely desisted, the respite obtained by the legal exchanges allowed Kleerex the time to become well established in the market in terms of product quality, customer loyalty and product range.

From a small start-up it is now a substantial company (see turnover) selling and products and licensing its technology. IP is a vital part of the company strategy. It has an R&D programme expanding its product range, which includes IP protection for new products. The company founder has now sold his interest in the company and retired on the considerable income he received. The company believes strongly that without the patent protection in its start-up phase, there would have been many copiers and it would not have survived.



ANNEXES

ANNEX A:

USEFUL NATIONAL CONTACT ADDRESSES (IN COUNTRIES PARTICIPATING IN THE LIIP PROJECT)

■ LUXEMBOURG

Patents, Designs, Trade Marks and Copyright

Ministère de l'Economie

Partner of the Project

Direction de la Propriété Intellectuelle

19-21, Boulevard Royal • L-2914 Luxembourg

Tel: +352 478 4156

E-mail: dpi@eco.etat.lu

Website: http://www.eco.public.lu/activites/direction_propriete/index.html

The Benelux Designs Office

Bordewijklaan 15 • 2591 XR Den Haag • The Netherlands

Tel: +31 70 349 11 11

E-mail: info@bbtm-bbdm.org

Website: <http://www.bbtm-bbdm.org>

The Benelux Trademarks Office

Bordewijklaan 15 • 2591 XR Den Haag • The Netherlands

Tel: +31 70 349 11 11

E-mail: info@bmb-bbm.org

Website: <http://www.bmb-bbm.org>

Strategic information management

Centre de Veille Technologique

Partner of the Project

Centre de Recherche Public Henri Tudor

66, rue de Luxembourg • B.P. 144 • L-4002 Esch-sur-Alzette

Tel: +352 54 55 80 600

E-mail: cvt@tudor.lu

Website: <http://www.veille.lu>

<http://www.brevet.lu> (patent portal)

Innovation Relay Centre

Agence nationale pour la promotion de l'innovation et de la recherche

Partner of the Project

7, rue Alcide de Gasperi • L-1615 Luxembourg

Tel: +352 43 62 63 1

E-mail: luxinnovation@luxinnovation.lu

Website: <http://www.luxinnovation.lu>

■ SPAIN

Patents, Designs and Trade marks

Oficina Española de Patentes y Marcas

Partner of the Project

1, Panama Street • E-28071 Madrid

Tel: +34 91 79 25 804

E-mail: informacion@oepm.es

Website: <http://www.oepm.es>

ANNEXES

Copyright

Subsecretaría – Secretaría general técnica
 Subdirección General De Propiedad Intelectual
 Plaza del Rey, 1, 1a Planta • 28071 Madrid
 Tel: +34 91 701 70 00
 E-mail: propiedad.intelectual@sqt.mcu.es
 Website: http://www.mcu.es/Propiedad_Intelectual/indice.htm

Technology development organisation

Fundacion Observatorio de Prospectiva Tecnológica Industrial — Partner of the Project
 10, Pl. Juan Bravo • E-28006 Madrid
 Tel: +34 91 78 10 076
 E-mail: anarodriguez@opti.org • anamorato@opti.org
 Website: <http://www.opti.org>

■ GREECE

Patents and Designs

Industrial Property Organisation — Partner of the Project
 5, Pantanassis Str • GR-151 25 Paradissos Amaroussiou • Athens
 Tel: +30 210 618 35 00
 E-mail: info@obi.gr
 Website: <http://www.obi.gr>

Trade marks

Ministry of Development - General Secretary of Commerce
 Kanningos sq. • 2nd floor • GR-10181 Athens
 Tel: +30 210 38 40 790
 E-mail: Fotopoulou@gge.gr
 Website: <http://www.gge.gr>

Copyright

Intellectual Property Organisation
 5 Metsovou Str. o GR-106 82 Athens
 Tel.: +30 210 82 53 715
 Website: <http://www.culture.gr>

Technology Transfer & Support Services in IP

EDAP SA — Partner of the Project
 Management Company of the Science and Technology Park of Crete
 P.O.Box. 1447 • GR-71110 Heraklion • Crete
 Tel: +30 2810 39 19 00 -5
 E-mail: saitakis@stepc.gr
 Website: <http://www.stepc.gr>



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Thessaloniki Technology Park / _____ Partner of the Project
Management & Development Corporation S.A. (TTP/MDC S.A.)
 P.O.Box 328 • 6th km Harilaou • Thermi Road
 GR-57001 Thermi-Thessaloniki
 Tel: +30 2310 498 200
 E-mail: park@thestep.gr
 Website: <http://www.thestep.gr>

■ IRELAND

Patents, Designs, Trade marks and Copyright

Irish Patents Office _____ Partner of the Project
 Government Buildings
 Hebron Road • Kilkenny • Ireland
 Tel: +353 56 77 20111
 E-mail: patlib@entemp.ie
 Website: <http://www.patentsoffice.ie>

Enterprise Development Agency

Enterprise Ireland _____ Partner of the Project
 Glasnevin • Dublin 9 • Ireland
 Tel: +353 1 808 2000
 E-mail: michael.sharp@enterprise-ireland.com
 Website: <http://www.enterprise-ireland.com/english.asp>

■ ITALY

Patents, Designs and Trade marks

Ministero delle Attività Produttive _____ Partner of the Project
Direzione Generale Sviluppo Produttivo e Competitività
Ufficio Italiano Brevetti e Marchi
 19, Via Molise • I-00187 Roma
 Tel.: +39 06 47 05 30 54
 e-mail: sala.pubblico2@minindustria.it
 Website: <http://www.attivitaproduttive.gov.it>

Copyright

Ministero per i Beni e le Attività Culturali
Segretariato Generale – Servizio XI -
Diritto d'Autore e Vigilanza S.I.A.E
 Via della Ferratella in Laterano, 51 • I-00184 Rome
 Tel.: +39 06 77 70 12 03/08
 E-mail: dirittoautore@beniculturali.it
 Website: <http://www.beniculturali.it>

Enterprise development Agency

ABCnet Servizi per l'Impresa s.r.l. _____ Partner of the Project
 Via Pietro de Francisci,47 • I-00165 Roma
 Tel: +39 06 97 84 29 00
 E-mail: alrami@abcnet.it
 Website: <http://www.abcnet.it>

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■ MULTIMEDIA DEVELOPER

Windmill Lane (WLL)

4 Windmillane • Dublin 2 • Ireland

Tel: +353 1 6713444

E-mail: info@windmillane.com

Website: www.windmillane.com

Partner of the Project

ANNEX B:

OTHER USEFUL ADDRESSES

International Organizations:

World Intellectual Property Organization (WIPO)

34, chemin des Colombettes • CH-1211 Genève

Tel: +41 22 338 9111

Website: <http://www.wipo.org>

European Patent Office (EPO)

Erhardtstrasse 27 • D-80331 Munich

Tel: +49 89 23 99-0

Website: <http://www.european-patent-office.org>

Commission of the European Communities

200, rue de la loi • B-1049 Bruxelles

Tel: +32 2 299 11 11

Website: <http://europa.eu.int>

Office for the Harmonization in the Internal Market (OHIM)

Trade marks and Designs

Apartado de correos, 77 • E- 03080 Alicante

Tel: +34 965 138 800

Website: <http://oami.eu.int>

The Institute of Professional Representatives before the European Patent Office (EPI)

P.O. Box 260112 • 80058 München Germany

Tel: +49 89 201 70 80

E-mail: info@patentepi.com

Website: <http://www.patentepi.com>

African Regional Industrial Property Organization (ARIPO)

P. O. Box 4228 • Harare • Zimbabwe

Tel: +263 4 79 40 65 6

E-mail: info@aripo.wipo.net

Website: <http://www.aripo.wipo.net>

Eurasian Patent Organization (EAPO)

Maly Cherkassky per 2/6, Moscow, 109012, Russian Federation

Tel: +7 95 928 56 12

E-mail: info@eapo.org

Website: <http://www.eapo.org>

World Trade Organization (WTO)

Centre William Rappard

154, Rue de Lausanne • CH-1211 Geneva 21

Tel: +41 22 739 51 11

E-mail: enquiries@wto.org

Website: <http://www.wto.org>

International Association for the Protection of Intellectual Property (AIPPI)

Tödistrasse 16 o P.O. Box • CH-8027 Zurich

Tel: +41 1 280 58 80

E-mail: mail@aippi.org

Website: <http://www.aippi.org>

Community Plant Variety Office (CPVO)

P.O BOX 62141 o 3, Boulevard Maréchal Foch F-49021 ANGERS Cedex 02

Tel: +33 2 41 25 64 00

E-mail: cpvo@cpvo.eu.int

Website: <http://www.cpvo.fr>

International Federation of Inventors' Associations (IFIA)

P.O. Box 299 o CH-1211 Geneva 12

Fax: +41 22 789 30 76

E-mail: invention-ifia@bluewin.ch

Website: <http://www.invention-ifia.ch>

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European Communities Trade Mark Association (ECTA)

Bisschoppenhoflaan 286 • Box 5
 B-2100 Deurne-Antwerpen
 Tel: +32 3 326 47 23
 E-mail: ecta@ecta.org
 Website: <http://www.ecta.org>

International Trade Marks Association (INTA)

1133 Avenue of the Americas • New York
 NY 10036 USA
 Tel: +1 212 768 98 87
 E-mail: info@intra.org
 Website: <http://www.inta.org>

The Association of European Trade Mark Owners

840, Melton Road • Thurmaston • Lekester
 LE4 8BN • United Kingdom
 Tel: +44 116 264 0080
 E-mail: admin@marques.org.uk
 Website: <http://www.marques.org>

IP Information:**IPR-Helpdesk**

President Building • 106, avenue Louise
 B-1050 Brussels
 Tel: +32 2 649 53 33
 E-mail: ipr-helpdesk@global-eu.com
 Website: <http://www.ipr-helpdesk.org>

Community Research and Development Information Service (CORDIS)

B.P. 2373 • L-1023 Luxembourg
 Tel: +352 44 10 12 22 40
 E-mail: helpdesk@cordis.lu
 Website: <http://www.cordis.lu/en/home.html>

Intellectual Property network

PatentCafe.com, Inc.
 441 Colusa Avenue • Yuba City • CA 95991 USA
 Tel: +1 530 671 0200
 Website: <http://www.patentcafe.com>

Eldis Resource Center (Intellectual Property Rights)

Tel: +44 1273 87 73 30
 E-mail: eldis@ids.ac.uk
 Website: <http://www.eldis.org/ipr>

Patent and trade mark databases:

Free patent database provided by EPO ESPACENET
 Website: <http://ep.espacenet.com>

Various free IP databases hosted by WIPO INTELLECTUAL PROPERTY DIGITAL LIBRARY (IPDL)

Website: <http://ipdl.wipo.int>

Commercial patent databases DELPHION INTELLECTUAL PROPERTY NETWORK

Website: <http://www.delphion.com>

Various commercial IP databases DIALOG

Website: <http://www.dialog.com>

Various commercial IP databases (patent, trade mark & design) QUESTEL-ORBIT Intellectual Property Group
 Website: <http://www.questel.orbit.com>

Patent and scientific information DERWENT

Website: <http://www.derwent.com>

The Scientific & Technical Information Network STN INTERNATIONAL

Website: <http://www.stn-international.de>

American Patent and Trade mark databases (free) USPTO – UNITED STATES PATENT AND TRADE MARK OFFICE

Website: <http://patents.uspto.gov>

Commercial patent and trade mark information services

MICROPATENT'S PATENTWEB
 Website: <http://www.micropat.com>

OHIM – Community trade mark database (free)

Website: http://oami.eu.int/search/trademark/la/en_tm_search.cfm

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ANNEX C: GLOSSARY OF TERMS

Abstract

A brief summary of an invention contained in a patent application. The abstract is purely for technical information purposes and it has no relevance as regards interpreting the scope of the protection sought.

Application

The formal request for the grant or registration of an intellectual property right.

Applicant

The person or corporation that applies for a patent with the intent to use, manufacture or license the technology of the invention.

Assignment

The transfer of an intellectual property right by one person (the assignor) to another (the assignee).

Author

The creator of an artistic, literary, musical or dramatic work.

Background of the Invention

A subsection of a patent application detailing the complete history of the relevant technology or art.

Claims

The part of a patent application, which defines the matter for which protection is sought in terms of its technical features. The claims define the legal scope of a patent. What falls within that definition is protected by the patent; anything outside it, is not protected. They must be clear and concise and be supported by the description. An Independent Claim is a claim that has no dependency upon another claim within an application. A Dependent Claim is a claim that refers back to a previous claim. It defines an invention that is narrower in scope than that in the previous claim.

Classes (of trade-marks)

Goods and Services are divided into different classes according to the NICE international classification system. There are presently 34 classes of goods and 11 classes of services.

Community Patent

A patent granted for the whole European Union - Community patents do not yet exist, but there is a proposal under discussion to establish them.

Community Trade Mark

The Office for Harmonisation in the Internal Market (OHIM), which has its seat in Alicante (Spain), was set up by a Regulation of the Council of the European Union on 20 December 1993. Its task is to register Community trade marks, which are legally enforceable and enjoy uniform protection throughout the territory of the European Union. Whereas, the national trade mark offers protection limited to the market of a single country, the Community trade mark offers protection for the entire market within the European Union.

Copyright

Copyright is a legal term describing rights given to creators for their literary and artistic works. The kinds of works covered by copyright include: literary works such as novels, poems, plays, reference works, newspapers and computer programs; databases; films, musical compositions, and choreography; artistic works such as paintings, drawings, photographs and sculpture; architecture; and advertisements, maps and technical drawings.

Description

The part of a patent application that contains instructions that would inform a skilled person how to make or use the invention. The description forms the basis for the claims.

Drawings

Illustrations explaining an invention contained in the structure of a patent application.

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European Community (EC)

Consolidated version of the Treaty on European Union and of the Treaty establishing the European Community:

http://europa.eu.int/eur-lex/en/dat/2002/c_325/c_32520021224en00010184.pdf

The Treaty establishing the European Community (as amended by the Treaty of Amsterdam)

http://europa.eu.int/eur-lex/en/dat/2002/c_325/c_32520021224en00010184.pdf

European Patent Convention (EPC)

The European Patent Convention (EPC) came into force in 1977 and established the European Patent Office (EPO). The main advantage and purpose of the EPC is that it allows patent rights to be obtained in any one or more of the EPC contracting states by making a single European patent application. This may be considerably cheaper than making a separate "national" application in each country. When granted, a European patent has the effect of a national patent in each of the countries designated. European patent applications may be filed either with national patent office or directly with The Hague Branch of the EPO.

Further information on application forms, costs and procedures are available from

<http://www.european-patent-office.org>

European Patent

The granted European patent is a "bundle" of national patents. By filing a single application in one of the three official languages (English, French and German) it is possible to obtain patent protection in some or all of EPC contracting states. In most contracting states, for the patent to take effect it must be validated, for example, if necessary, a translation of the specification into an official language of that state has to be filed with the national patent office. These matters are governed by national law. Further information on application forms, costs and procedures are available at

<http://www.european-patent-office.org>

European Patent Office (EPO)

Intergovernmental organisation (not dependant of the EU) whose principal function is the granting of European patents, on the basis of a uniform law and centralised procedures, for the contracting

states to the European Patent Convention (EPC), which was signed in Munich on 5 October 1973 and entered into force on 7 October 1977. By a single patent application, the EPO grants a "bundle" of national patents in respect of the contracting States, which the applicant designates. Further information is available at

<http://www.european-patent-office.org>.

Examination

The study of a patent application in the governing patent office, by an examiner, to determine whether or the invention described therein can be patented. The major consideration the examiner addresses is the novelty and utility of the invention, among other things.

Examiner

An officer of a patent office whose purpose is to evaluate the patentability of an invention claimed in a patent application.

Field of Invention

The definition of the specific field or art to which an invention belongs.

Industrial Designs

An industrial design is the ornamental or aesthetic appearance of an article. The design may consist of three-dimensional features, such as the shape or surface of an article, or of two-dimensional features, such as patterns, lines or colour.

Infringement

Infringement occurs when someone willingly or unwillingly uses your intellectual property without your permission.

Intellectual property

Creative ideas and expressions of the human mind that have commercial value and receive legal protection in the form of a property right. Patents, trade marks, designs and copyright are the main intellectual property rights. Intellectual property is divided into two categories: Industrial property, which includes inventions (patents and utility models), trade marks, industrial designs, and geographic indications of source; and Copyright, which includes literary and artistic works such as novels, poems and plays, films, musical works,

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artistic works such as drawings, paintings, photographs and sculptures, and architectural designs. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television programs.

Invention

Every new and useful machine, article, process or any new use of the same that is described and/or claimed in a patent or patent application.

Inventive step

Inventive step means that the invention is not obvious to someone with knowledge and experience in the technological field of the invention

Inventor

Anyone whose involvement and contribution was essential to the development of the invention. The one who is first to conceive of a particular invention and who diligently works to convert this conception into a tangible physical property.

Know-How

Confidential information that enables the accomplishment of a particular task or to operate a particular device or process.

Lapse.

A term used to describe when a patent is no longer protected in a country or system due to failure to pay renewal fees. Often, however, the patent can usually be reinstated within a limited period.

License

A contractual agreement giving written permission to another party the right to use an invention, a creative work or a trade mark.

Licensor

The party granting rights under a license agreement.

Licensee

The party obtaining rights under a license agreement.

Madrid Agreement/Protocol

An international system, administered by the World Intellectual Property Organization (WIPO), which allows the owner of a trade mark registered in one country to apply for protection of that trade mark in other countries within the system. Further information on application forms, costs and procedures are available from <http://www.wipo.org>.

Moral rights

Rights an author retains over the integrity of a work and the right to be named as its author even after sale or transfer of the copyright.

Novelty

Novelty is a requirement for patentability. The invention must not form part of the state of the art. The state of the art comprises everything made available to the public, in your country or abroad, by means of written or oral description, by use or any other way, before the filing of the patent application.

Office For The Harmonization In The Internal Market (OHIM)

Community institution, which role is to register Community trade marks and designs. Trade marks or designs are thus protected throughout the territory of the European Union in a single stage. Further information is available at <http://oami.eu.int>.

Paris Convention For The Protection Of Industrial Property

An international treaty on intellectual property concluded in 1883 and updated several times that provides common rules between the State parties for the administration of intellectual property rights. Further information is available at <http://www.wipo.org>.

Patent

A government grant that gives an inventor and/or an applicant the right, for a limited period, to prevent others from making, using or selling an invention without the owner's permission. In return for this right, the applicant must disclose how the invention works.



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Patentability

The ability of an invention to satisfy the legal requirements for obtaining a patent, including novelty.

Patent Application

The patent document as filed, including a specification describing the invention, any necessary drawings, claims legally defining the limits of the rights claimed, and the filing fee.

Patent Family

The basic patent and all equivalent patents with the same priority in more than one country.

Patent Pending

A "Patent Pending" notice on a product informs others that an application for a patent has been filed, and that legal protection (including retroactive rights) may be forthcoming.

Patent Cooperation Treaty (PCT)

The Patent Cooperation Treaty is an international treaty administered by the WIPO, which was concluded in Washington in 1970 and came into force in 1978. The PCT provides a system which by a single international application in one of the contracting states allows for the designation of over 100 other countries in which one wishes to have a patent: - the applicant designates those countries in which a patent is desired and in due course the relevant national patent authority grants a patent. The filing of a single international patent application has the same effect as national applications filed in the designated countries. Applicants wishing to designate Ireland, Italy, Greece must select the European Patent (EP) option. Further information on application forms, costs and procedures are available from <http://www.wipo.org>

Patents of Addition or of Modification

Granted for inventions, which constitute a modification of another invention, already protected by a patent (main patent). They follow the fate of the main patent and expire with it. No annual renewal fees are to be paid for the patents of addition/modification.

Plant Breeders' Denomination

Form of intellectual property designed specifically to protect new varieties of plants. It is a right to the control of the multiplication and sale of reproductive material for a particular plant variety.

Preliminary Search

A search through intellectual property records before submitting an application for registration in order to verify whether a patent, trade mark or industrial design has been previously applied for or registered. The search may disclose conflicting registrations, and show that the application process would be in vain.

Prior Art

Existing technological information against which an invention or design is judged to determine if it is novel and can thus be registered. Prior art references include documentary sources such as patents and publications from anywhere in the world, and non-documentary sources such as things known or used publicly.

Priority

The Paris Convention for the Protection of Industrial Property provides that once you file an application in one country party to the Convention, you are entitled to claim priority for a period of twelve months for patents, six months for trade marks and industrial designs and the filing date of that first application is considered the "priority date." Therefore, when you apply for protection in other member countries (of the Paris Convention) during those months, the filing date of your first application is considered to have "priority" over other applications filed after that date. In such a case, you still succeed in being the first-to-file in other member countries, even if there are other applications filed before the filing date of your application in those countries.

Renewal fees

Payments that must be made by the applicant to keep a patent, trade mark or industrial design in force.

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Search report.

The list of citations of published prior art documents prepared by a patent examiner when determining the novelty of a patent application.

Semiconductor Topographies

Special intellectual property protection for the layout design of a semiconductor chip or its topography.

Specification

The description, drawings and claims of an invention which are prepared in support of a patent application.

Supplementary Protection Certificate

A supplementary protection Certificate (SPC) extends the duration of the exclusive patent right solely in respect of medicines or plant protection products. The SPC comes into force when the relevant patent expires and lasts for up to a maximum of 5 years.

Trade Mark

A trade mark is a distinctive sign, which identifies certain goods or services as those produced or provided by a specific person or enterprise. They may be made up of two- or three-dimensional signs such as letters, numbers, words, shapes, logos or pictures. The period of protection varies, but a trade mark can be renewed indefinitely beyond the time limit on payment of additional fees.

Utility Model

Type of protection for an invention for which the requirements are lower than for a patent.

World Intellectual Property Office (WIPO)

An intergovernmental organisation, with its headquarters in Geneva (Switzerland), responsible for promoting of the protection of intellectual property throughout the world by encouraging co-operation between nations.

ANNEX D: IP-MULTIMEDIA TOOLBOX CD-ROM BRIEF INTRODUCTION

The IP-Multimedia Toolbox, produced on CD-ROM, contains interactive general and country-specific information material on IP. It also includes an audit-tool that evaluates IP practices of organisations.

The IP-Multimedia Toolbox includes three main parts:

- 1 IP Information of general interest for organisations, especially SMEs, as for individuals. In this part you will find complementary information to the Good Practice Guide.
- 2 IP Country specific information. This part highlights specific legal and technical aspects of IP issues concerning Greece, Ireland, Italy, Luxembourg and Spain. It will contain links to local professionals, institutions and organisations, which are able to provide concrete help in IP and patent matters to innovators and especially SMEs.

- 3 An interactive IP auditing part that evaluates the IP practices of your organisation. The objective of the audit tool is to help your organisation in matters of
 - knowing if your IP assets has been recognised as such and appropriately protected,
 - decisions whether protection is necessary,
 - IP assets management.

This audit tool does not provide an evaluation of your IP, but it provides you with information necessary in order to undertake a valuation of your IP assets.



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Ministero delle Attività Produttive
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Ufficio Italiano Brevetti e Marchi

