



UNECE United Nations Economic Commission for Europe

Commercialization Segment

Introduction

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UNECE Team of Specialists on Intellectual
Property

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The UN Economic Commission for Europe (ECE)





The UN Economic Commission for Europe (ECE)

- 56 member countries
- home to 20 percent of the world's population
- including most of the developed economies,
- but also emerging market economies and
- a few low income countries



UNECE

United Nations Economic Commission for Europe

What UNECE does

- helps to implement global UN initiatives at the regional level
- fosters sustainable development & economic cooperation in its region



What UNECE does

fosters sustainable development & economic cooperation in its region by ...

- providing a multilateral forum for policy discussion and negotiations
- brokering and administering international standards and conventions
- engaging in capacity building and technical cooperation



UNECE's main areas of activity

- Trans-border environmental issues
- Border-crossing transport issues
- Facilitation of international trade
- Trans-border energy issues
- International harmonization of statistics and
- **Economic Cooperation and Integration**



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Committee on Economic Cooperation and Integration (CECI)

Established in 2006 to promote

“... a policy, financial and regulatory environment conducive to

- economic growth,
- innovative development
- and higher competitiveness

focusing mainly on countries with economies in transition”



CECI - main areas of work

promoting

- innovation and competitiveness
- public-private partnerships
- entrepreneurship
- Financing Innovation and
- **Intellectual Property Rights**



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The Team of Specialists on Intellectual Property (TOS-IP)

- provides a forum for the exchange of experiences
- collects/ disseminates good practices and policy recommendations
- engages in capacity building and policy advice at national & sub-regional level



... through

- its network of experts representing
 - government ministries and agencies
 - the business community
 - international organizations and
 - academic institutions
- and its inter-governmental process



TOS-IP

- constituted in Nov 06
- currently ~ 120 experts
- from ~35 countries



TOS-IP's mandate

helps to ...

- “build up national innovation systems
- **commercialize** intellectual property
- improve the investment environment in creative, innovative and high technology industries ...
- among others through effective **enforcement** of intellectual property rights”



ToS-IPs mandate

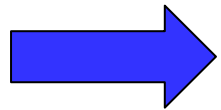
Hence commercialization & enforcem't
as **2 sides of 1 coin**

- w/o enforcem't, IPRs have no commercial value
- w/o commercialization, no incentive to enforce



Point of Departure

- Innovation key driver of economic growth
- Globalization & accelerating innovation
- Catching-up economies need to integrate into global production networks & to strengthen innovative capacity



One key: IP commercialization



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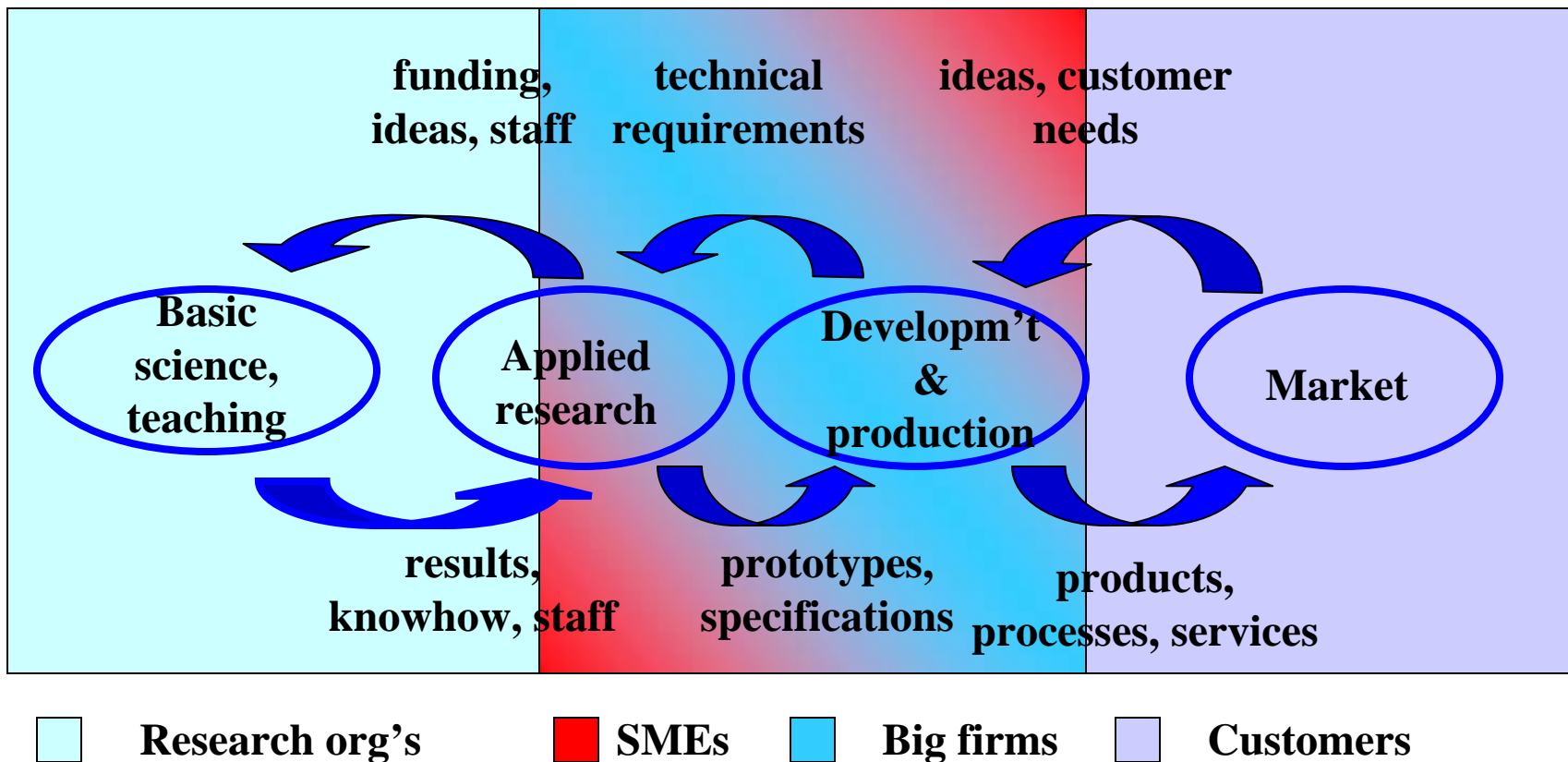
Broad View of Innovative Capacity

Ability of a country to

- create globally new technology,
- but also, perhaps more importantly to
- absorb,
 - adopt, and
 - adapt technology from elsewhere



Interactive Innovation



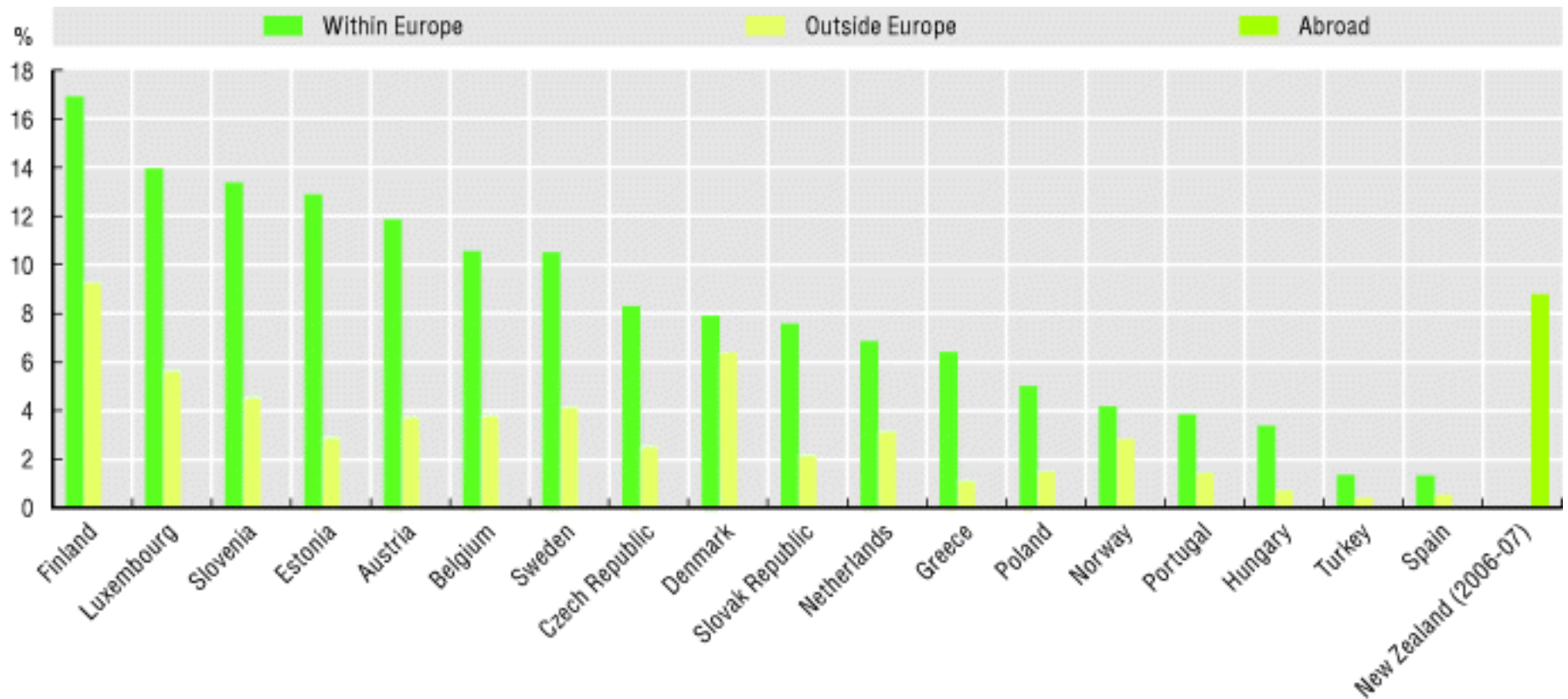


Interactive Innovation

- not only “science push” ...
- ... but also “demand pull”
- need for 2-way collaboration science/
industry
- and between firms
- ... increasingly also across borders

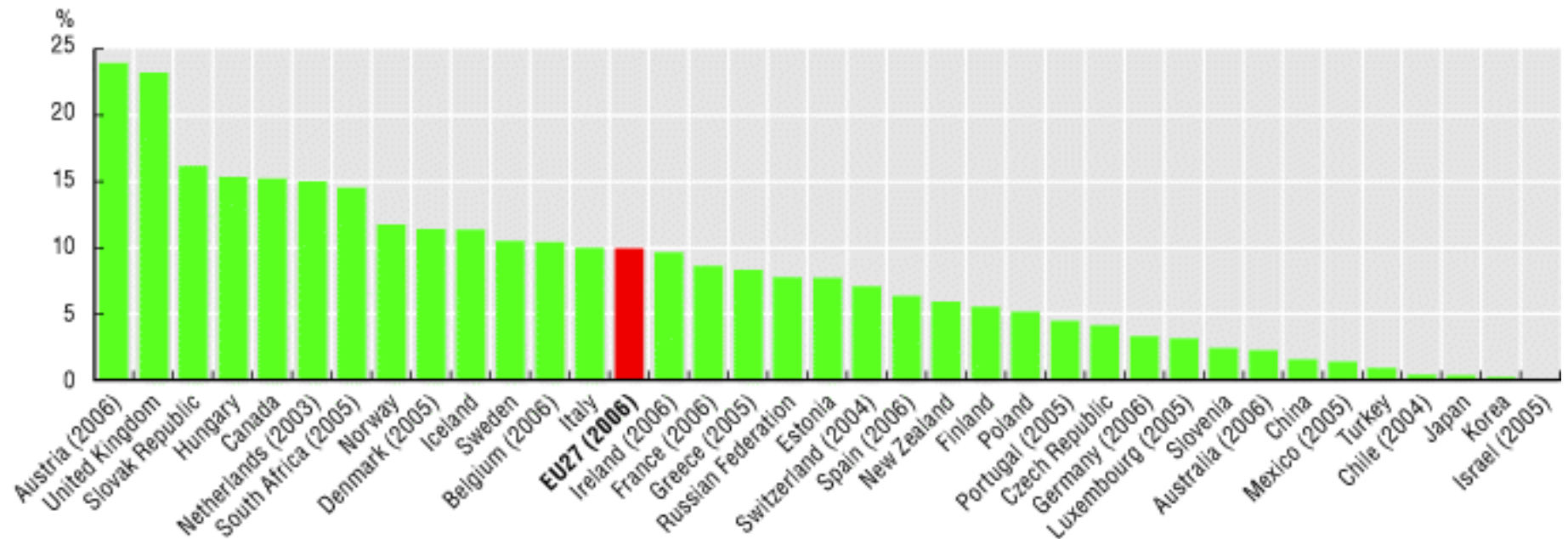


Firms w/ foreign collaboration on innovation pct of all firms



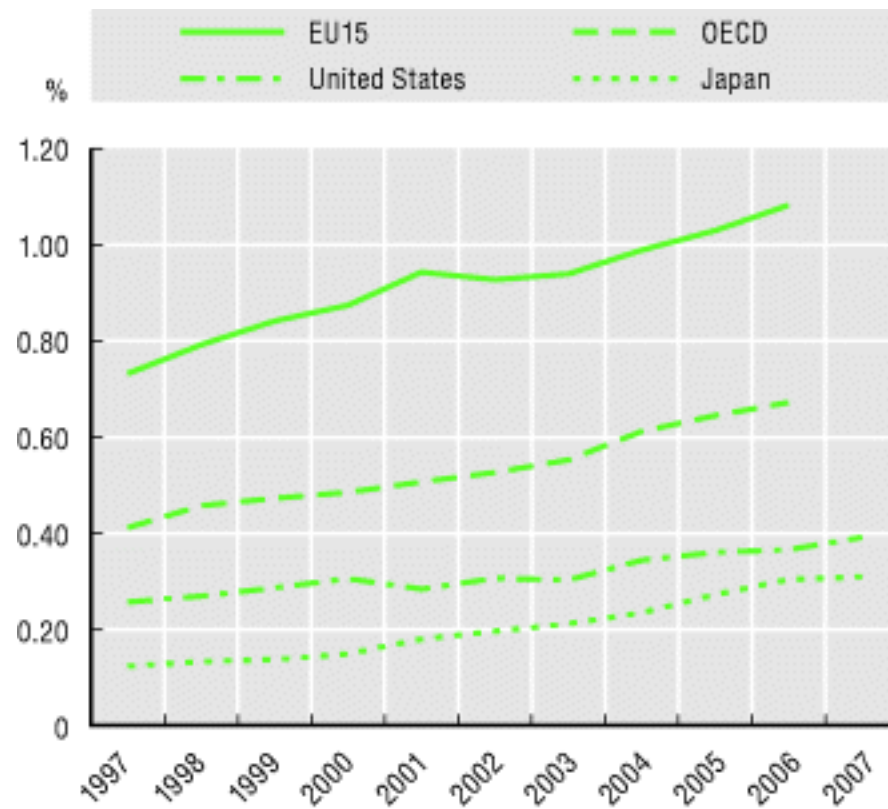


Foreign-funded business R&D, pct of total



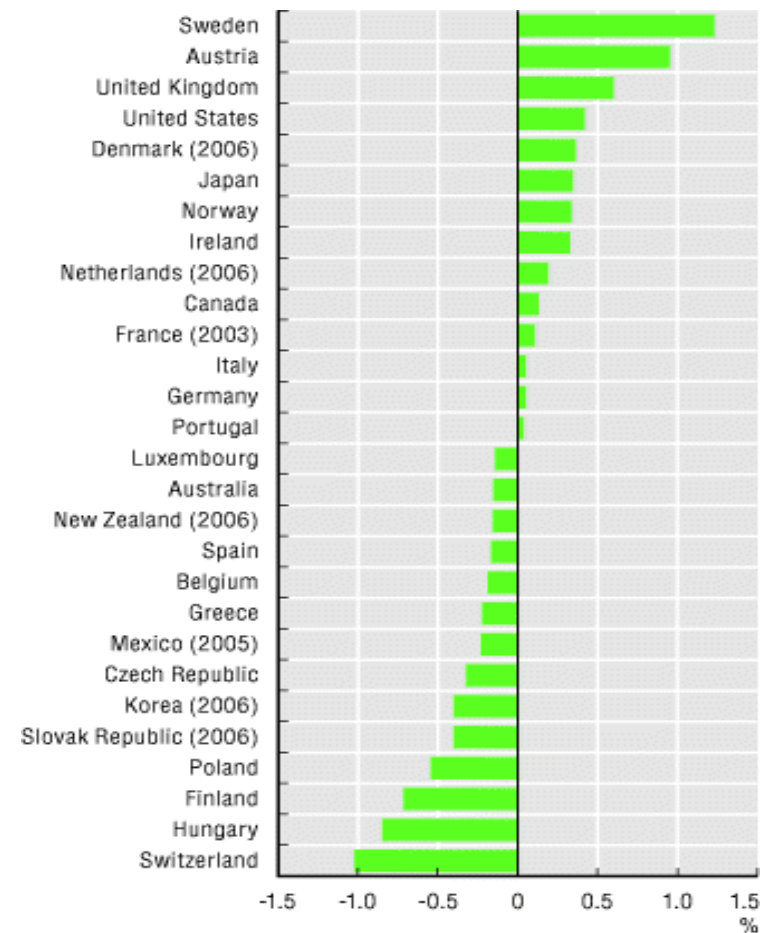
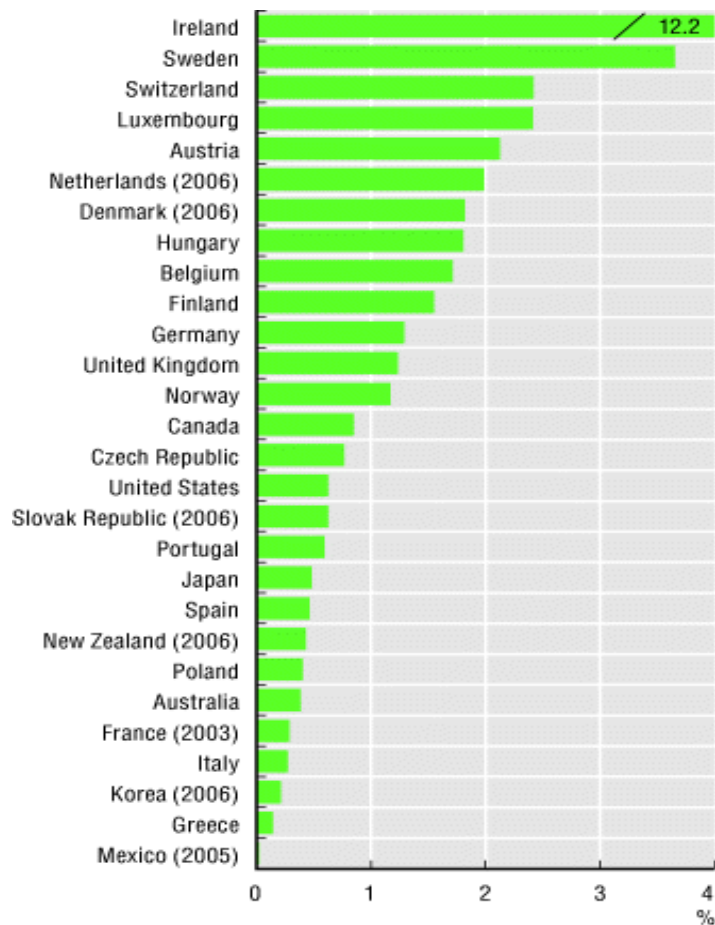


Technology BoP flows, pct GDP



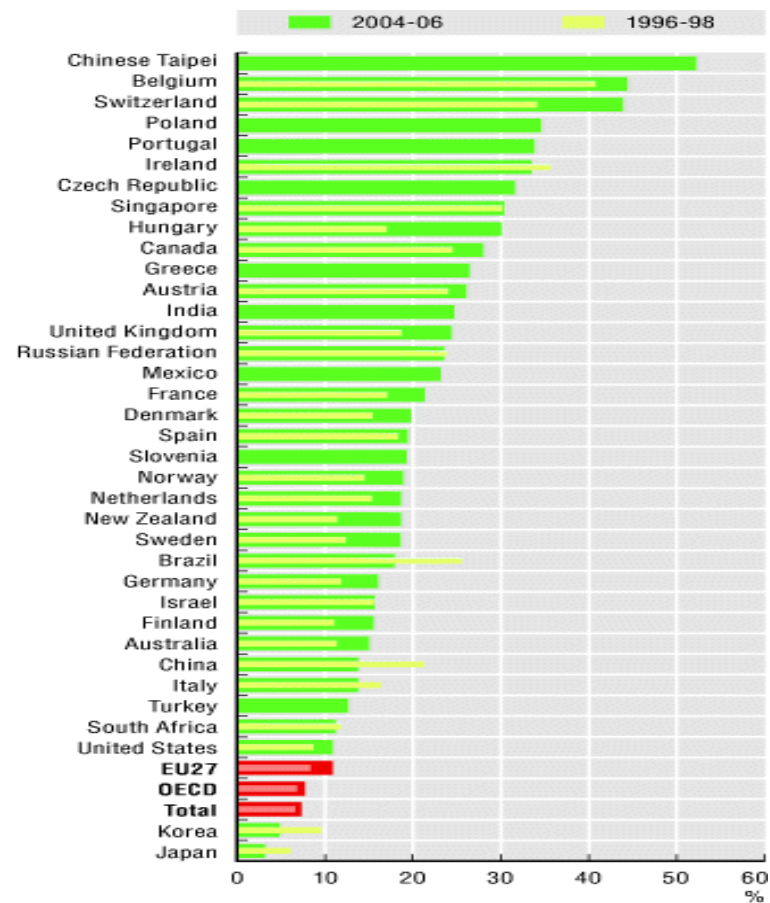


Technology BoP: receipts and balance 2007, pct GDP



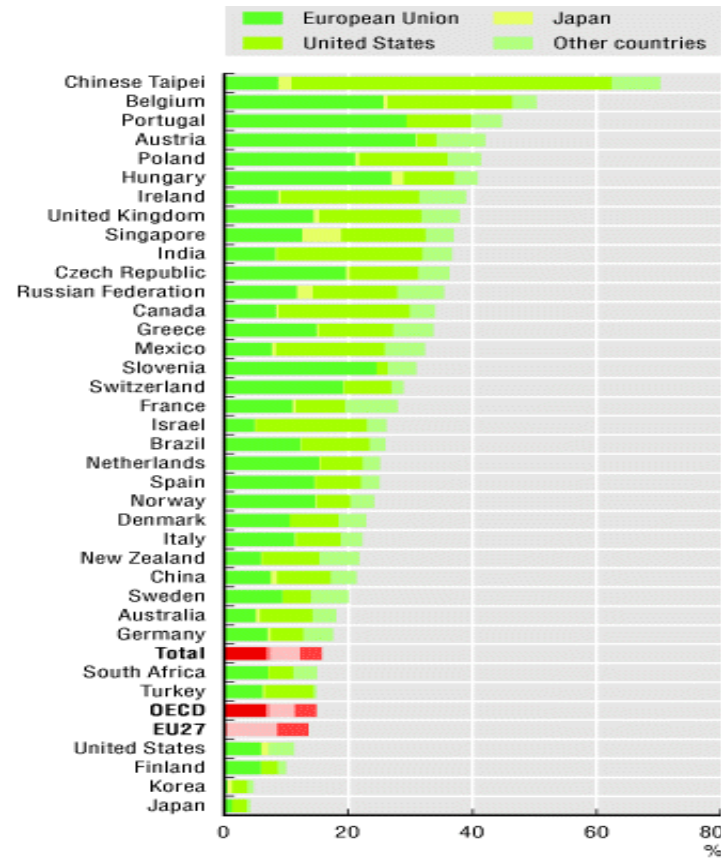


Patents w/ foreign co-inventors



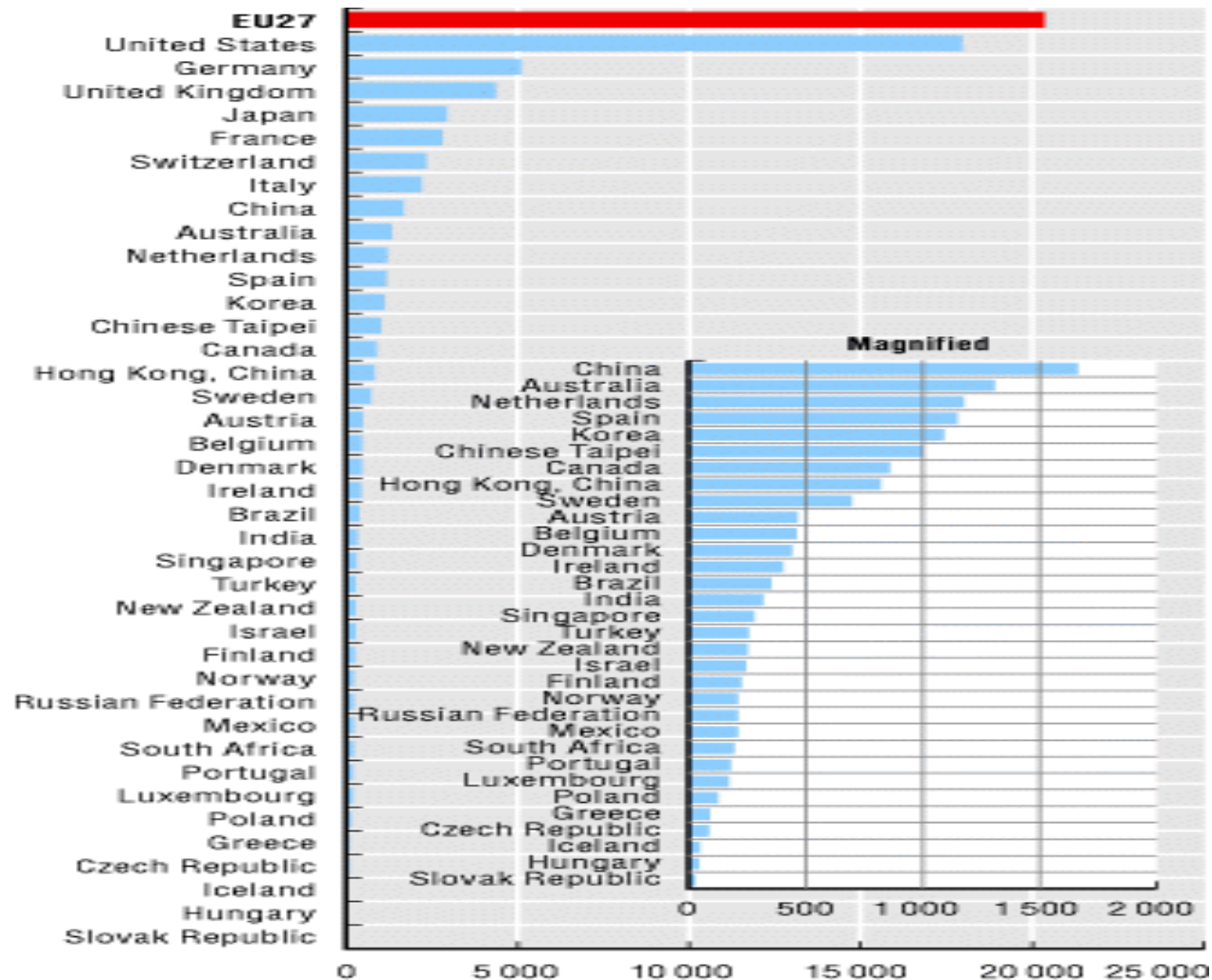


Domestic ownership of inventions made abroad and foreign ownership of inventions made at home





Cross-border trademarks





The need for active commercialization

- Large differences across countries in link between research inputs and innovation outputs
=> **implementation gap**
- Commercialization is not automatic, but needs policy support



The European Innovation Scoreboard

- Designed to capture innovation performance in the EU over time and across countries
- and to compare the EU with other countries
- 29 innovation indicators
- grouped into 7 dimensions
- grouped in turn into 3 groups



The European Innovation Scoreboard

- “**Enablers**”: main drivers of innovation external to the firm
 - Human resources (education system)
 - Finance & support (**public R&D**, financial system, IT infrastructure)



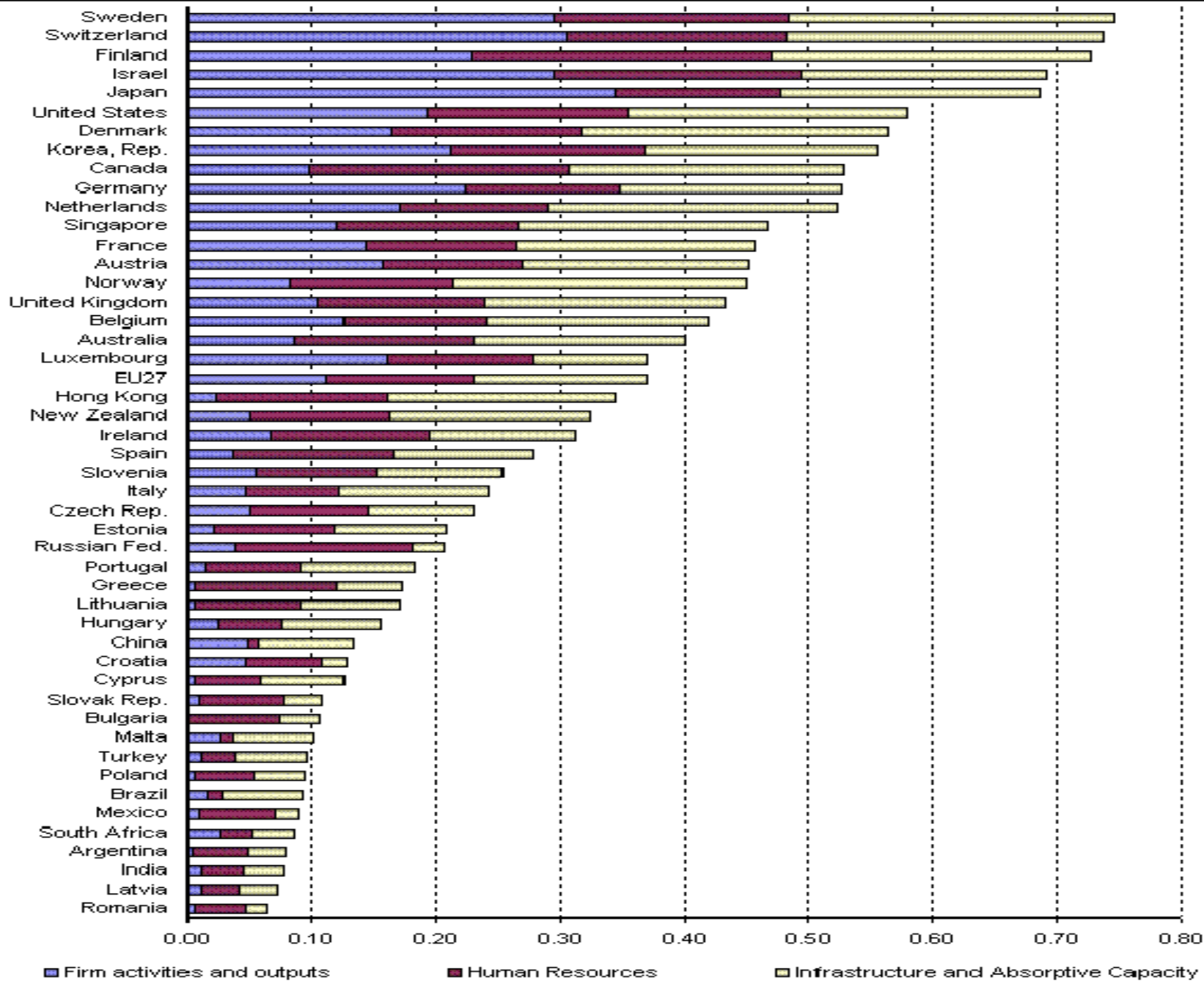
The European Innovation Scoreboard

- “**Firm Activities**”: innovation efforts of firms
 - Firm investments (R&D)
 - Linkages & entrepreneurship (**incl. collaborative research w/ PROs**)
 - Throughputs (**incl. IPRs generated**)



The European Innovation Scoreboard

- “**Outputs**”: effects of innovation
 - Innovators (no. of innovative firms)
 - Economic effects (jobs, sales, exports)





Existing Challenges in Innovation in EMEs

- Innovation activity limited to few large firms
- but even they tend to invest less than foreign firms
- very few innovative SMEs



Existing Challenges in Innovation in EMEs

- weak links between
 - domestic & foreign firms
 - large firms & SMEs
 - firms and PROs



Linkages Failures & Organisational Failures

- Leading economies: strong PROs, strong innovative firms (big and small)
- Focus on strengthening linkages, i.e. knowledge transfer
- **BUT CAVEAT:** Links are only as strong as the actors being linked !



Linkages Failures & Organisational Failures

- Catching-up economies: often weak PROs and weak firms
 - Risk of ‘linkage failures’
 - Support to KT needs to be balanced with support to strengthening ‘actors’ (existing large and small firms; universities and PROs)...
 - ... and support to other linkages in NIS, especially knowledge links between domestic and foreign firms



UNECE ToS-IP

Developed good practices and policy recommendations on

- Knowledge transfer PROs – industry
- IPR management at SMEs
- X-border innovation



GP on Knowledge Transfer

- Broad approach: KT rather than TT
- Go for LT partnerships
- Encourage staff mobility
- Create win-win: strong PROs & competitive industry
- Do not pursue KT primarily for revenue
- Encourage professional associations



GP on Knowledge Transfer

- Promoting IP training for KT professionals
- Raising IP awareness among academics
- Linking public research funding to improvements in KT & IP management
- Granting to PROs default IP ownership, tied to obligation to commercialize
- **Improve framework conditions !**



Challenges of IP Managem't in SMEs

- Awareness of IPRs/ Intellectual Capital
- Costs & complexity of obtaining formal IPRs
- Human & financial resources for enforcement



GPs on Promoting IP Managem't in SMEs

- Integrate IPR promotion into wider SME support policies
- **Coordination & cooperation between IP offices & enterprise support institutions**



GPs on Promoting IP Managem't in SMEs

- Awareness raising & training programs for SMEs & entrepreneurs
 - Consulting, advisory services/ IP audits
- **Stock taking & strategy development**



GPs on Promoting IP Managem't in SMEs

- Tax breaks, subsidies or reduced fees for IPR protection
- Match-making services
- Model licensing contracts



The link between protection & enforcement

- Cost of enforcement can be substantial
- Incurring the cost of obtaining formal IPRs makes sense only if resources for enforcement are adequate
- In R&D cooperation: clarify partners' responsibilities for enforcement



Importance of balance in the IPR regime





Importance of balance in the IPR regime





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GPs on promoting IP managem't in int'l innovation

- Growing body of experience across UNECE region
- Scope for sharing experiences & learning from each other



GPs on promoting IP managem't in int'l innovation

- Promoting int'l harmonization, where appropriate, of IPR rules governing R&D cooperation
 - Improve coherence & compatibility
 - To reduce the costs of X-border negotiations, protection & enforcement



GPs on promoting IP managem't in int'l innovation

- Examples include EU
- IP Charter for Europe
- Recommendation on the Management of IP in KT and Code of Practice for Universities and other PROs
- IP management rules for the 7th Research FP
- Scope to adapt & adopt outside EU



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Program

- International perspective
- Managing IPRs at research organizations
- The role of IPRs in financing innovation
- IPR management for innovative companies



Program

- National perspectives
- IP offices
- Gov't ministries
- Universities
- Business & business support organizations



Issues for this conference

- Legislation, national strategies ?
- Current use of the IPR system ?
- Commercialization support programs ?
- IPR management at universities ?
- And companies



Issues

- Existing obstacles ?
- Regional/ int'l cooperation ?
- Needs for assistance ?