



FICPI INFORMATION DOCUMENT

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CET INFORMATION DOCUMENT

TITLE:	<i>FICPI meeting with the European Commission, DG Research</i>	QR CODE:	
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Brussels, 24 June 2013

Meeting with the European Commission, DG Research

FICPI

Bastiaan Koster
 Coleen Morrison
 Daniel Alge
 Leo Jessen
 Antonio Pizzoli

DG Research

(BK) Audrey Goosen (Policy Officer, Knowledge Transfer) (AG)
 (CM) Patrick McCutcheon (Policy Officer, Innovation Policy Unit) (PM)
 (DA) Ada Caruso (Valuation) (AC)
 (LJ) Leonor Pires (Trainee) (LP)
 (AP)

1. AG provided reference materials involving the work of DG research in the knowledge transfer area and explained briefly the work of the group.
2. PM explained where they stood in respect of the Innovation Union 2012 including the commissioning of a study. The study looked at the relation of research and innovation with smart and sustainable growth. The findings of the expert group in terms of policy advice was that they were not so keen on investment financing or trading in IP rights. The committee was uncertain as to the best way forward. IP valuation and a model involving supply was contemplated and they questioned if there was another model that was politically acceptable and financially sustainable. One possibility was thought to be improvements to the patent pool, however there were issues as to competition. Various business models were looked at but the group wanted to look beyond. They are now contacting the major players, including academics and industry, in an effort to get feedback.

A proposal being considered is a tech transfer financial facility involving the creation of instruments to deal with maturing technology which is the subject of some IP rights. The first phase is seen as preparing the technology for market. Consideration is being given to a pilot project. The second component involves spin outs for mature technologies.

3. PM also explained some of the efforts involving IP valuation which are being undertaken with DG Markt. He explained that an expert had been created to study how to foster best practices in IP valuation including account reporting, access to accounting and litigation. These efforts are aimed at improving the likelihood financial institutions will recognize the value in IP that can then be used to support loan requests. Such things as methods of



valuation and drivers for access to finances were to be looked at. If IP valuation methods were accepted generally and IP properly valued this would enhance financing. FICPI delegates and their hosts discussed some of the inherent limitations in IP valuations giving examples. Discussions included saleability, IP that has no value without funding, the wide variability in proper value attributed any piece of intellectual property and the value of licensing.

4. BK explained some FICPI work involving the need for protection for early technology innovation referencing recent work on utility models and noted the relation to early IP valuation, promising to share the results of future work in the area.
5. Some discussion took place involving Innovation 2020. Some consideration had been given to open innovation and knowledge transfer but did want to take a broader view and closer cooperation between business, venture capital and universities or patentees. This is now under consideration by experts and the hope is to come up with a tool box accessible for companies.
6. DA questioned the motivation for professional investment in such a system
7. AG noted that the answer depended on how "open" was defined noting that if it was free for all it would add nothing. She explained investment in the health sector was being looked at where there seemed to be no investment interest after publication. They are studying this. There was some exchange involving the fact it was hard to envision a win-win situation and it was noted a good balance would be needed. It was also recognized that different sectors would respond differently. AG noted she had something on SMEs and would send it to us.
8. PM shared some findings on ongoing projects where some success is reported.
9. AG discussed the IP Enforcement Directive and Universities.
10. DA explained that Universities were affected by the Enforcement Directive and seen as trolls sometimes but the situation was improving. He noted the difficulty Universities faced in enforcing IP rights and questioned how it might be rethought. He suggested an investigation of impact might be useful.
11. PM suggested the relation to standards as a further example of perhaps having gone too far to curtail rights to litigate. There was then some discussion as to FRAND and how this relates to litigation possibilities.
12. BK explained the plans for the Cape Town Congress in 2015 setting out the broad theme and requesting further consultation for speakers and ideas.
13. Discussion turned to the tech transfer block with PM reporting awareness of new regulations and guidelines but could not share details. He suggested possible removal of safe harbour of both types and further changes. He noted reformulation was broadly ok and FRAND was broadly ok.
14. DA noted difficult associated with uncertainty. He suggested it was difficult to know, with the size of the market whether something was exempted.

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