



European
Patent Office



Bundesministerium
für Wirtschaft und Arbeit

International conference

**Intellectual property
as an economic asset:**

**key issues
in valuation and
exploitation**

**Thursday, 30 June - Friday, 1 July 2005
Berlin**

Organisers

European Patent Office (EPO)
Organisation for Economic Co-operation and Development (OECD)
German Federal Ministry of Economics and Labour (BMWA)

Who should attend?

- Intellectual Property (IP) experts from the business, financial, investment and academic community
- Lawyers and patent attorneys
- Government and national patent office representatives

Register online at <http://academy.epo.org>

Venue

German Federal Ministry of Economics and Labour (BMWA)
Invalidenstrasse 48
10115 Berlin

Language

English and German with simultaneous interpretation

Background

Intellectual assets, such as patents, play a pivotal role in fostering innovation and economic growth in a knowledge-based economy. Effective management and exploitation of intellectual assets can improve business performance and competitiveness.

Patents are an important element of a firm's intellectual asset portfolio and are increasingly managed as assets by companies. They are increasingly utilised to access financial markets (using patents as certificates of quality or as collateral) bought, sold and traded in technology markets, notably through licensing contracts. Recent developments in financial regulations (e.g. Basel II) and in accounting standards (IFRS, GAPP) have encouraged financial and market uses of intellectual property and notably patents.

The relative novelty of these issues creates a need to improve knowledge and information, both quantitative and qualitative, about intellectual property exploitation and valuation. It also generates demand for an integrated policy framework in order to enhance economic growth.

Objectives

- Review the strengths and weaknesses of the current institutional infrastructures for patent valuation and exploitation
 - Advance business practice and policy-making regarding the valuation and exploitation of patents
 - Establish a platform for experts from business, government and the academic world to exchange knowledge and experience of the state of the art and future developments in many countries
 - Identify and examine ways in which public sector players, along with private ones, can improve the effectiveness of the system of IP valuation and exploitation
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Key Issues

- How are patents valued by companies, investors and market analysts?
- What methods are available for valuation and which are the most appropriate?
- How do companies leverage their patents to create value, such as through self-exploitation, inward and outward licensing, and raising capital?
- How can markets for technology be best utilised to foster technology diffusion and create value?
- How do levels of intellectual property (IP) commercialisation compare across countries and regions in terms of size and economic importance?

Preliminary programme

30 June 2005

09.00 **Registration**

10.00 **Welcome speech**

Rezzo Schlauch, Parliamentary State Secretary,
German Federal Ministry of Economics and Labour

Opening session

Herwig Schlögl, Deputy Secretary General, OECD
Alain Pompidou, President, EPO

10:45 **Keynote speech I**

Ashish Arora, Professor, Heinz School, Carnegie Mellon
University

Keynote speech II

Ruud Peters, CEO, Philips Intellectual Property and Standards

11.30 Coffee Break

12.00 Session 1

New uses of IP and need for valuation

Chair: Joff Wild, Journalist and Editor, Intellectual Asset
Management Magazine

Isabel Verlinden, Partner, Transfer Pricing Services,
PriceWaterhouseCoopers

Malte Köllner, Managing Partner, Triangle Venture Capital Group
Riikka Heikinheimo, Executive Director, Research Funding, Tekes,
National Technology Agency Finland

13.30 Lunch

15.00 Parallel Sessions 2A and 2B

2A: How can SMEs actively use patent protection and licensing as a business strategy?

Chair: Wolfram Förster, Head, Controlling Office, EPO

Matthias Kunz, CEO, t-blade

Richard Simmons, UEAPME

Wolfgang Knappe, Head, Fraunhofer Patent Center

2B: IP and technology intermediaries

Chair: Theo Roelandt, Director, DG Innovation,
Dutch Ministry of Economic Affairs
Walter Holzer, European Patent Attorney
Phil B. Stern, Founder and CEO, Yet2.com

16.30 Coffee Break

17.00 Session 3

IP management and exploitation: practices across industries

Chair: Nobuo Tanaka, Director, Directorate General for Science
Technology and Industry, OECD
Volker Plogmann, Managing Director, Patent and Trademark
Department, Wilhelm Karmann GmbH
Kevin Nachtrab, Director, IP Department, Innogenetics
N.N., IT Industry Representative

18.30 Cocktail and Dinner

1 July 2005

09.00 Session 4

Encouraging valuation and exploitation: The experience of public institutions

Chair: Jürgen Schade, President, German Patent
and Trademark Office
Kiyoshi Yonetsu, Director, International Affairs Division,
Japan Patent Office
Lawrence Cullen, Senior Policy Advisor, IP Policy Directorate,
UK Patent Office
Jon Santamauro, Intellectual Property Attaché, US Trade
Representative
Roya Ghafele, Associate Economic Officer, IP and Economic
Development Department, WIPO

10.30 Coffee Break

11.00 Parallel Sessions 5A and 5B

5A: Methods for patent valuation

Chair: Willy Manfroy, Chairman, L.E.S.I.
Martin Zieger, Partner, Corporate Finance, KPMG
Guido von Scheffer, IP Bewertungs AG
Werner Fröhling, Head, Patent Department, Volvo
Markus Reitzig, Copenhagen Business School

5B: Macroeconomic evaluations of licensing markets in Europe, Japan and the United States

Chair: Manuel Desantes, Vice-President, EPO
Alfonso Gambardella, Bocconi University
Kazuyuki Motohashi, University of Tokyo
Iain Cockburn, Boston University

12.30 Lunch

14.00 Session 6

Encouraging valuation and exploitation – What could government do (or not)?

Chair: Herwig Schlögl, Deputy Secretary General, OECD
Hisamitsu Arai, Secretary General, Intellectual Property
Headquarters, Cabinet Secretariat of Japan
Heinz Zourek, Deputy Director General, DG Enterprise, European
Commission
N.N., US Government Official
Rezzo Schlauch, Parliamentary State Secretary,
German Federal Ministry of Economics and Labour

15.30 End

Description of sessions

Session 1

New uses of IP and need for valuation

Businesses are using patents in a variety of ways, not just to protect their inventions but to generate revenue and competitive advantage via licensing, attract capital and improve their competitive position. New parties are entering the IP world and raising the need for effective methods of patent valuation.

- What are the main channels for exploiting patents?
- How are patents used for securitisation purposes?
- How do patents influence the investment criteria of private and public investors (e.g. target due diligence, continuous investment tracking)?

Session 2A

How can SMEs actively use patent protection and licensing as a business strategy?

SMEs increasingly perceive IP as an important economic asset, enabling them to secure a competitive position and access external financing. Success stories show that pro-active IP strategies can make a difference for SMEs in the marketplace.

- How important has IP been to the success of individual SMEs?
- What can their experiences teach about effective IP management techniques?
- How can SMEs access needed expertise for managing their IP?

Session 2B

IP and technology intermediaries

The growing need to create value from the exploitation of IP has led to the emergence of new actors in technology markets. These include firms specialised in evaluating technologies and bringing buyers and sellers together, and firms whose main activity is the commercialisation and licensing of new technologies.

- What are the different types of brokers and intermediaries and how do their capabilities differ?
- Do firms face obstacles to the commercialisation of their own technologies and for accessing third party technologies?

Session 3

IP management and exploitation: practices across industries

Technology licensing markets are gaining importance as additional income generators, as well as means for accessing key technologies to add to patent portfolios and complement internal capabilities. Business strategies and practices vary across industries depending on specific market characteristics and dynamics.

- How different are licensing practices in the biotech/pharmaceutical, IT and automobile industries?
- What do they have in common?
- How does licensing contribute to value creation within firms?
- What are the most serious challenges to be overcome by firms in licensing markets?

Session 4

Encouraging valuation and exploitation – The experience of public institutions

Some patent offices have a clear mandate to enhance innovation and have taken steps to foster the valuation and exploitation of patents, such as via licensing.

- What are the concrete steps that have been taken by patent offices around the world?
- How effective have such actions been and how can they be improved?
- What is the impact of patenting procedures (e.g. duration of examination, list of prior art citations etc.) on licensing and valuation?

Session 5A

Methods for patent valuation

With the increasing interest in patent valuation, different methods and approaches are getting in the spotlight of academic research and specialized business services providers and consultancies.

- What approaches are businesses taking to value patents in different situations, and which are the most effective?
- What techniques are being developed in academia and how applicable are they to real-world business situations?
- What are the most effective patent valuation methods offered by consultancies and other service providers?

Session 5B

Macroeconomic evaluations of the market for licences in Europe, Japan and the US

Recent private estimations of the value of technology transactions provide for the first time insight into the size and development of technology markets in different countries – which have been traditionally difficult to measure due to the private character of licensing contracts.

- What do recent studies indicate about the size of patent licensing markets in different geographic regions?
- How does the size and sophistication of licensing markets differ across industries and technology fields?
- How many agreements involve cross-licensing?
Are there important differences across countries or regions?

Session 6

Encouraging valuation and exploitation – What can government do (or not)?

High level officials from Japan, United States, the European Commission and Germany will present their views on the best ways to encourage valuation and exploitation of IP and on whether there is room for government intervention to facilitate best practices.

Various policy areas are potentially involved, such as innovation policy, competition policy or fiscal policy.

- How effective have been recent policy initiatives?
- What are the most urging priorities (if any) for government intervention in this field?

Organisation Committee

BMW

Mr Thomas Zuleger
Mr Thomas Multhaup
Mr Norbert Schultes

EPO

Mr Dominique Guellec
Mr Tilo Bachmann
Mr Jean-Michel Zilliox
Ms Giovanna Oddo
Ms Mariantonietta Gianfrancesco
Ms Lydia Bucholtz

OECD

Mr Jerry Sheehan
Ms Catalina Martinez
Mr Shigeki Kamiyama

For more information please contact

European Patent Office
European Patent Academy
Erhardtstr. 27
80331 München
Germany

Tel. +49-89-2399 6470
Fax +49-89-2399 5273

academy@epo.org
<http://academy.epo.org>

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