

WIPO/INV/MNL/98/3

ORIGINAL: English

DATE: November 1998



TECHNOLOGY APPLICATION AND
PROMOTION INSTITUTE



WORLD INTELLECTUAL
PROPERTY ORGANIZATION

**WIPO REGIONAL SEMINAR ON SUPPORT SERVICES FOR
INVENTORS, VALUATION AND COMMERCIALIZATION OF
INVENTIONS AND RESEARCH RESULTS**

organized by
the World Intellectual Property Organization (WIPO)
in cooperation with
the Technology Application and Promotion Institute (TAPI)
of the Department of Science and Technology of the Philippines

Manila, November 19 to 21, 1998

PROMOTION OF INNOVATION AND INVENTIVE ACTIVITY:
THE ROLE OF INVENTORS' ASSOCIATIONS AT THE
NATIONAL, REGIONAL AND INTERNATIONAL LEVEL

THE ROLE OF THE ARGENTINE ASSOCIATION OF INVENTORS
IN PROMOTING INNOVATION

*Document presented by Eduardo R. Fernández, President,
Argentine Association of Inventors (AAI), Buenos Aires (Argentina)*

TABLE OF CONTENTS

	<u>PAGE</u>
SOME OF AAI'S SPECIAL PROGRAMS AND SERVICES.....	
THE ARGENTINE SCHOOL OF INVENTORS	4
TRAINING COURSES ON INNOVATION MANAGEMENT	5
CHARACTERISTICS OF A SUCCESSFUL NEW PRODUCT	5
<i>First: Does it really work?</i>	5
<i>Second: Will it be easy to design around the patent?</i>	6
<i>Third: Is there a real market for the product/invention?</i>	6
<i>Fourth: What are the manufacturing costs?</i>	7
<i>Fifth: Is the intellectual property owner prepared to make a deal?</i>	7
CONCLUSION	

INTRODUCTION

The Argentine Association of Inventors (AAI) was created in November 29, 1990, and today we have six delegations at the national level, and more than 500 members all over the country.

The mission of our Association is to provide leadership, support and general services to its members, and to generate positive public opinion about inventors.

The Argentine Association of Inventors (AAI) is the spokesman of the local independent inventors at the national and the international level.

The main goals of AAI in which it places its emphasis, are:

- enhancing the image of contemporary independent inventors;
- intellectual property and patent law reform issues;
- developing a national network connecting independent inventors;
- providing information, training courses and educational services on issues related to commercialization of inventions and new products.

Membership in AAI is open to all those with a sincere interest in creative, inventive and entrepreneurial processes.

Our non-profit Association, staffed by qualified volunteers, serves not only as a meeting place for inventors to exchange strategies, views and contacts, but also as a useful resource to obtain professional information from weekly presentations and lectures on such subjects as patents, project funding via grants and sponsorships, manufacture & marketing, domestic & overseas licensing and contract administration.

Subjective advice available to members includes technical feasibility and marketing, safety, protection of intellectual property rights (IPR), prototypes manufacturing, product development, contracts & licensing and production planing.

Since 1992, our Association has been an active and full member of the International Federation of Inventors' Associations (IFIA) and since then we have been conducting several special programs jointly with the support of IFIA, such as:

- The Argentine School of Inventors;
- The First Latin American Congress of Inventors, in 1993;
- The National Inventiveness Award "Ladislao Biro";
- The Argentine Women Innovators Group;
- General assistance and support for the project "IFIA-YOUTH Newsletter";
- The Argentine Inventiveness Olympiad for Young Inventors.

The AAI has good and regular contacts with the World Intellectual Property Organization (WIPO), and with many inventors' associations in other countries.

SOME OF AAI'S SPECIAL PROGRAMS AND SERVICES

THE ARGENTINE SCHOOL OF INVENTORS

In order to promote the new generation of independent inventors, the AAI has organized since 1990, a very successful educational program called "Argentine School of Inventors".

We began with five pupils and at the present moment we have more than 200, from 6 to 16 years of age; 80% boys and 20% girls. They attend our school each Saturday from 10 am to 1 pm, from March to December.

The classes are open, based on freedom, respect, and affection; there is no roll call.

All our pupils have the same psychological profile: they are highly curious and creative, self-initiated learners, sensitive, non-conformist and with a facility for drawing.

They are not good students in the regular school, and they have chosen the Argentine School of Inventors, under their own initiative.

From the beginning of the classes, we explain to the children and to their parents, that ours is not a traditional school. We are neither a technical school nor a science club, as we are more interested in listening to them and stimulating their questioning minds and inventive thinking, than teaching things that do not interest them.

Our basic techniques are: The Analogical Thought, The Metaphorical Thought, Reverse Engineering, Brainstorming, Synectics, Writestorming, and the Art of Questioning.

Children are encouraged permanently to ask questions: What? Who? When? How? and Why? They are also encouraged to plan and work on real problems, new ideas, and new insights of the surrounding world.

In this way they learn how to invent as a funny game. Taking apart and reassembling toys, machines, tools, computers, printers, electrical devices, is a form of reverse engineering.

This is a valuable activity that provides the learning experience of basic concepts of technology and science.

Some of our children have applied for patents on inventions ready to reach the market place.

To extend all this experience at the Argentine School of Inventors, to all the levels of the Argentine educational system, we have developed the concept of the Argentine Inventiveness Olympiad (AIO).

With the support of the Argentine Ministry of Education, WIPO and IFIA, we have launched such a project in 1997 and in 1998 we got a successful result.

During the first edition of the AIO, we got more than 1000 participants all over the country, inventing in real time and facing real problems in a one year competition, at local, regional and national levels.

The first step was to test this educational program in Argentina itself. The AIO was launched in 1997-1998, with contestants divided into two age categories: 8 to 14 and 15 to 20.

In the near future, we plan to extend the project also internationally, with the support of WIPO and IFIA.

IFIA will launch an International Invention Olympiad in other countries and regions of the world, during the school year of 1998-1999. Exciting finals will take place in the year 2000, most probably in Buenos Aires, Argentina, where the idea originated.

TRAINING COURSES ON INNOVATION MANAGEMENT

In order to improve the independent inventor's skills and performance, our association conducts regular training courses on Innovation Management, based on the following key assumption:

“The test of an innovation, after all, lies not in its novelty, its scientific content, or its cleverness. Its lies in its success in the market place...”

Peter F. Drucker.

Innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service. It is capable of being presented as a discipline, capable of being learned, capable of being practised.

Independent inventors and entrepreneurs in general, need to search purposefully for the sources of innovation, the challenges and their symptoms that indicate opportunities for successful innovation. They need to know and to apply the principles of successful innovation.

Innovation is also the specific instrument of inventors and innovators. It is the act that endows resources with a new capacity to create wealth. Innovation, indeed, creates a resource. There is not such thing as a “resource” until an inventor finds a new use for something (existing in nature or invented by himself) and thus endows it with economic value.

CHARACTERISTICS OF A SUCCESSFUL NEW PRODUCT

Most of the reasons for success have nothing to do with the nature of the product, but everything to do with the vigor in which the product is marketed.

Five basic questions should be answered satisfactorily before presenting an invention or innovation to a potential strategic partner:

First: Does it really work?

There are various ways a reasonable person can be assured that a product or process does what it was intended to do. Since most technologies are not “advanced technologies”, the answer is usually obvious.

However some determinations are very difficult, specially when the device claims a significant mechanical, chemical or electronic improvement and does not have a working prototype.

When the question “Does it really work?” is nor clear from ideas drawn on paper or even computer drawings, making sense of the project and obtaining necessary independent technical evaluation becomes a real challenge.

A general principle of product success is that it must solve a problem or fill a need better than its direct and indirect competition.

Strategic alliance partners, aware of the effects competition can have on a project, always look for some kind of proprietary position. A project´s uniqueness usually is determined by a patent or a patent pending but could also be in the manufacturing technique, or even in the distribution channels.

Exclusivity and the potential market volume is the most important consideration in determining royalty rates for inventors.

The examination of patents, trademarks, copyrights and trade secrets enters into a project at some point. Generally this analysis resolves around the patent search, the preliminary response from the patent examiner (if still pending), and/or the breath coverage protected by the granted patent. This too depends on where the project is in its development stage.

Patent attorneys and agents are necessary and very useful partners. One of the first questions asked by a potential licensee or joint venture partner is “Who did the patent filing work?” Unless a professional has done the work, credibility of the project is usually lost.

Second: Will it be easy to design around the patent?

Only a positive answer to this question by a professional patent attorney or agent, will move the project forward.

Also a preliminary competitive analysis should be undertaken. Intellectual property rights (IPR) do not guarantee success any more than firing a bullet guarantees hitting the target. If the product or process does not possess a unique advantage over the features, benefits or pricing of the competition, the question asked is “Why to produce it?”

Third: Is there a real market for the product/invention?

Usually to gain the interest of potential alliance partners there has to be preliminary and independent product analysis, even in a rudimentary form. This is done through the use of new product surveys and testimonial letters from users or industrial experts. In most cases, on-line

database searches (on the Internet) quickly identify and retrieve relevant information describing the industry and market.

The bottom line is that private sector firms do not want to hear an independent inventor's dream or glorified estimates of market size. They want facts and quality information upon which decisions can be made.

Fourth: What are the manufacturing costs?

Will a product be successful if the retail price is only twice the cost of raw material and labor? It usually requires three or four times this amount to cover the overhead and an array of sales and marketing expenses, while still leaving room for profits. If the product can be made of plastic, is injection molding or vacuum molding the best choice? How much will the mold cost? What are all the possible distribution channels? Would it be best to use distributors or sell directly to consumer? Many new product innovators overlook such critical questions. Accurate answers require experienced input from both manufacturing and marketing experts.

Fifth: Is the intellectual property owner prepared to make a deal?

Has the inventor enough information, training, skills and will to face all the difficulties of the innovation process? This is the most important of the five questions.

CONCLUSION

During the last 10 years the Argentine Association of Inventors (AAI) has made a concerted effort to focus its attention on a few and basic activities: image enhancement of the independent inventor, patent reform issues, educational and infrastructure development and networking among inventors at the national and the international level.

In order to assist our members in the best way possible, we have found an invaluable source of information and permanent support both in WIPO and IFIA's programs, serving as an active tool for our regular training courses and general services, which are useful and benefit the inventor community in different ways.

[End of document]