

Webinar: WIPO Standards Blockchain #1

hosted by the International Bureau of WIPO

Virtual, June 25, 2020
13:00 – 14:30 (CEST)

SUMMARY OF DISCUSSIONS

prepared by the International Bureau of WIPO

AGENDA ITEM 1: INTRODUCTION AND WELCOME ADDRESS

1. The meeting was opened by Mr. Young-Woo Yun, the Secretary of the Committee on WIPO Standards (CWS). He thanked all the attendees for attending the webinar and explained that the objective of the webinar was to describe the objectives and scope of the Blockchain whitepaper project, how it relates to the CWS Blockchain Task Force and how the International Bureau of WIPO is exploring potential uses of blockchain in IP ecosystem. Mr. Yun highlighted the following:

- (a) Blockchain is one of the emerging digital technologies that could disrupt the IP ecosystem and IP value chain;
- (b) In 2018, member states of WIPO established the Blockchain Task Force under the Committee on WIPO Standards;
- (c) In April 2019, the International Bureau organized a [workshop on the use of blockchain for IP](#); and
- (d) To follow up on [the outcomes of the workshop](#), the International Bureau launched a project to prepare a whitepaper to identify potential uses of blockchain technology, its challenges, and possible solutions in the IP ecosystem for IP offices, IP applicants, IP owners and other stakeholders that are engaged.

AGENDA ITEM 2: THE BLOCKCHAIN TASK FORCE

2. Mr. Robert McNeill from IP Australia, a co-leader of the CWS Blockchain Task Force, provided an introduction on the work of the Task Force looking into the use of blockchain in the IP ecosystem.

3. Mr. McNeill reviewed the key milestones in the history of the Task Force:

- (a) The Task Force was established after the sixth session of the CWS, to explore potential uses of blockchain in the IP ecosystem;
- (b) Shortly after, Task Force members were surveyed to identify key areas to investigate for standardization and gather key interests of IP offices and members of their ecosystem;
- (c) A blockchain workshop was held in April 2019 at WIPO with industry experts in blockchain as well as businesses, attorneys, technologists, government officials, and others working on or interested in blockchain tools and services for the IP rights ecosystem on; and
- (d) A Task Force meeting was held after the workshop, where objectives were set in terms of the scope of an anticipated WIPO standard, mostly to provide guiding principles around use of IP data with blockchain technology.

4. Mr. Vladislav Mamontov from ROSPATENT, a co-leader of the Task Force with IP Australia, provided additional information on the work in progress. He explained that a structure of the draft WIPO standard on Blockchain, including a list of terms and definitions, is currently under consideration, and the current focus is on “technology and interoperability”, covering platform, security, types and coding languages.

AGENDA ITEM 3: WHITEPAPER PROJECT OBJECTIVES AND SCOPE

5. Mr. Young-Woo Yun presented the Blockchain Whitepaper Project brief focusing on the project overview, project objectives, scope to be covered by the whitepaper and main project milestones.

6. There were three main topics highlighted by Mr. Yun during his presentation:

- (a) Project objectives:
 - i. Explore the opportunities and challenges of using blockchain technology for IP;
 - ii. Identify potential use cases and applications of blockchain in the IP ecosystem;

- iii. Develop recommendations on interoperability and governance; and
- iv. Support the CWS Blockchain Task Force.

(b) Blockchain whitepaper scope:

- v. Defining IP ecosystem and IP value chain;
- vi. Conducting survey and interviews;
- vii. Researching blockchain applications for IP available in the market;
- viii. Exploring the potential of blockchain in the IP ecosystem;
- ix. Analyzing implications of blockchain applications in IP space, including challenges and opportunities;
- x. Identifying potential use cases of blockchain in the IP value chain; and
- xi. Proposing recommendations on interoperability, standardization and governance.

(c) Mr. Yun presented the whitepaper project milestones which include a first desk research activity, three webinars to explain the project and present the results obtained, including a survey which aims to collect as much information as possible on the use of the blockchain, challenges and possible solutions in the IP ecosystem, and interviews with some relevant parties in the IP and blockchain industry. The final outcome of the project will be the whitepaper, which is expected to be finished by September 2020.

AGENDA ITEM 4: IP ECOSYSTEM AND IP VALUE CHAIN

7. Mr. Yun explained the concepts of IP ecosystem and IP value chain under which the whitepaper would be organized.

8. Mr. Juan Alvaro Cañellas from the Blockchain Whitepaper Project team provided an overview of the IP ecosystem, as it is currently defined in the project. The definition is based on an IP value chain approach.

9. Mr. Cañellas explained that the defined IP value chain consists of four phases: Creation, Protection, Management and Commercialization. These phases and the sub-phases and activities in each of them are not necessarily sequential, as they can overlap and do not always take place with a particular IP right.

10. Mr. Cañellas went into further detail on each of the phases, providing a general overview of the corresponding sub-phases, key activities, key actors and key data & resources:

- (a) The creation phase includes all activities from the initial idea with potential IP value to the existence of a work that is eligible for IP protection. Sub-phases explained were Ideation, Exploration, Conception and Development of IP protection strategy;
- (b) The protection phase includes all the activities involved in obtaining legal protection for a work in the form of IP rights. Sub-phases explained were IP rights prosecution, IP maintenance and IP enforcement;
- (c) The management phase includes all the management activities mainly taken by the IP right holder to develop and raise the value of the IP rights portfolio. Sub-phases explained were IP audit, portfolio analysis, lifecycle analysis, Competitive Technology Intelligence and IP landscape; and
- (d) The commercialization phase includes all the activities directly involved in generating revenue from the IP rights portfolio. Sub-phases explained were Financing and Monetization.

AGENDA ITEM 5: PRELIMINARY RESEARCH

11. Mr. Sancho Canela from the Blockchain Whitepaper Project team explained the preliminary desk research the project team is performing, which includes general content media, specific business websites, IP, and technology as well as private databases.

12. Mr. Canela highlighted that:

- (a) 70 projects, initiatives, and research works about IP and blockchain have been conducted in the last four years ;
- (b) There are current market-based blockchain solutions being used and tested, including providing electronic evidence;
- (c) Many industries are using blockchain to protect their IP rights, the provenance of origin and to help with anti -counterfeiting procedures. Sportswear and luxury industries are already using this technology to ensure the authenticity of products to the consumer;
- (d) Blockchain proofs are admitted as evidence in some courts (e.g., China Internet Court);
- (e) Blockchain is currently used for managing and protecting copyright in different sectors;
- (f) Immutability to ensure the authenticity of the product, and transparency to make IP rights more accessible in both protection and commercialization, are key features that enable blockchain to provide benefits in the IP value chain; and
- (g) Blockchain technology reduces costs and time in some processes without losing any safety, and on the contrary can increase trust and safety. However, there are still some important challenges regarding the legal aspects and the governance of this type of solution that group multiple agents.

AGENDA ITEM 6: POTENTIAL USE CASES

13. Mr. Canela explained that use cases and their analysis is one of the most important outputs of the whitepaper, because it illustrates how the technology can really help. When we talk about blockchain, we sometimes talk about something too abstract for the non-technical reader, which is why we understand that the best way of illustrating the use of blockchain is by explaining it through use cases that can be implemented.

14. He explained that the objective of the project is to cover the full spectrum of the IP ecosystem with the use cases that we are defining. For each analyzed use case, the whitepaper will describe the benefits and challenges of using blockchain, including user stories, data flows and the legal assessment among other topics.

15. Mr. Canela highlighted the following insights:

- (a) Timestamping: A digital timestamp is a proof that a document, file, or any type of relevant digital content existed at a particular date and time. A timestamp proves the existence of a document, but not the owner of the document or the document's content, unless required in a legal dispute. Here blockchain removes the dependency on a central authority and provides the immutable timestamping;
- (b) Supply chain tracking: Supply chain traceability is one of the top use cases for blockchain technology. It enhances supply chain management through process tracking, regulatory compliance, and reporting. Anyone can view the provenance and journey of an asset in real-time, whether the asset is physical or digital. The main benefit here is the transparency that in the entire process, since you can check the provenance of the goods and their authenticity; and

- (c) Automatic IP transfer process: It is possible to implement IP transfer contracts using blockchain smart contracts. The IP right holder can offer his right and draft a contract. If the contract is accepted and signed by both parties, then the IP right can be transferred automatically once software determines that the conditions are met. The benefits here are related to security and trust between the parties: trust relies on the cryptography and technology, and IP rights can be commercialized without needing to trust the other party.

16. Mr. Canela described two use cases in depth:

- (a) Digital Identity as a horizontal use case that could be applied across the full IP ecosystem. He explained that creating digital identities for IP ecosystem actors will enable interactions to happen faster when identification requiring legal certainty is needed.

A digital identity with legal validity enables trust between entities, improvement of the efficiency of operations, reduction of complexity by providing more seamless and streamlined service experience, a standardized procedure of identification agreed by the consensus of the network, and allows private entities to control their identity and share information.

A blockchain protection mechanism provides a tamper-proof and (byzantine) fault tolerant system of distributed identity based on public/private cryptography. Such mechanisms can be reused to protect current identity issues (identity data provenance, fraudulent identities, centralized control); and

- (b) Trade secret management as a vertical use case that is applied to a specific phase or process of the IP ecosystem. He explained that blockchain can potentially assist at various stages of the life cycle of a trade secret, notably when it comes to the “reasonable measure of protection” and enforcement of a trade secret, i.e. being able to prove that the information has been kept secret in the event of misappropriation.

The creation of a blockchain system allows to record a digital fingerprint or hash of the origin of an idea or a business practice, with the timestamp being the proof of the new invention. The immutability of blockchain can help prove the actual ownership of data in a court of law.

Blockchain serves as a trusted layer, with the immutable record of actions protected by cryptography. Blockchain may also be used when it comes to sharing information securely with third parties with the use of confidentiality and non-disclosure agreements, and evidencing their transfer.

AGENDA ITEM 7: SURVEY QUESTIONNAIRE

17. Mr. Canela explained the scope and the content of the survey, describing it as one of the tools to understand the perception of blockchain within the IP ecosystem and to learn about initiatives and the uses that are currently being made and the uses that stakeholders plan to make.

AGENDA ITEM 8: FINAL REVIEW

18. Mr. Yun summarized the main topics explored during the webinar, highlighting:

- (a) During the preliminary research, 20 uses cases have been identified and more could be identified during the next stages of the project;
- (b) Interviews with some organizations and entities will be conducted; and

(c) Interoperability and governance are key aspects that will be taken under consideration within the project.

19. Mr. Yun invited all attendees to respond to the online survey once it is published.

AGENDA ITEM 9: AUDIENCE QUESTIONS

20. Many questions were posed during the webinar and some of them were responded to at the session, but others could not be answered due to time constraints. Mr. Yun said that the International Bureau would post the questions and answers in the WIPO website under the webinar page at https://www.wipo.int/meetings/en/details.jsp?meeting_id=57568.

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