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INTERNATIONAL INTELLECTUAL PROPERTY  
TRAINING INSTITUTE  
KOREAN INTELLECTUAL PROPERTY OFFICE



WORLD INTELLECTUAL  
PROPERTY ORGANIZATION

**WIPO ASIAN REGIONAL SEMINAR ON AN  
INTELLECTUAL PROPERTY STRATEGY FOR  
SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)**

organized by  
the World Intellectual Property Organization (WIPO)  
in cooperation with  
the International Intellectual Property Training Institute (IIPTI)  
and  
the Korean Intellectual Property Office (KIPO)

**Daeduk, Daejeon, Republic of Korea, November 26 to 28, 2002**

EFFECTIVE USE OF IP ASSETS BY, AND PRACTICAL ISSUES  
IN DEVELOPING BUSINESS PLANS FOR, SMES

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**WIPO Asian Regional Seminar  
on an Intellectual Property Strategy  
for Small and Medium-Sized Enterprises**

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**Effective Use of IP Assets by,  
and  
Practical Issues in Developing Business Plans for,  
SMEs**

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**Community Trade Mark Application number:  
000277889**

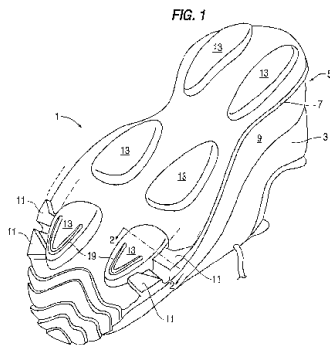


Nike International, Ltd.  
... Clothing, footwear, headgear ...

(54) **Footwear with mountain goat traction elements**

(57) Footwear intended primarily for outdoor use, wherein a variety of ground conditions are likely to be encountered, has a sole with traction elements inspired by the hoof of a mountain goat. In several embodiments, an interior region of the sole is provided with a plurality of pairs of relatively soft protruding pods, while a perimetric region surrounding the interior region includes a plurality of relatively hard lugs provided on opposite sides of the pod pairs. The pods extend downwardly below the lugs such that they will make initial ground contact and compress. The compression cushions initial impact and increases the area of ground contact to improve traction on firm smooth surfaces. The compression

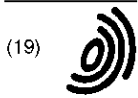
also brings the lugs into ground engagement, following initial contact, to improve stability and traction on irregular and soft ground surfaces. Other embodiments of the invention implement similar principles, in soles having a more conventional (less goat hoof-like) appearance. In one embodiment, relatively soft rubber outsole lugs take the place of the pods. In another embodiment, the sole includes combination lugs including relatively hard and soft portions of differing height. In a further embodiment, an interior region of a water sandal sole includes relatively soft traction elements in the form of relatively large soft regions of the midsole covered with a thin layer of rubber outsole material. The interior region is surrounded by a perimeter of hard lugs.



Nov. 26, 2002

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Europäisches Patentamt  
European Patent Office  
Office européen des brevets



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(84) Designated Contracting States:  
**AT BE CH DE DK ES FI FR GB GR IE IT LI LU MC  
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Designated Extension States:  
**AL LT LV MK RO SI**

(72) Inventor: **The designation of the inventor has not yet been filed**

(74) Representative: **Musker, David Charles et al  
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(30) Priority: **17.01.1997 US 785666**

(71) Applicant: **NIKE INTERNATIONAL LTD  
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(54) **Footwear with mountain goat traction elements**

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## Intellectual Property?

- Rights given to persons
  - natural
  - legal
  - concerning the creations of their minds
  
- Exclusive rights over the use of his/her creation
  - for a certain period of time

## Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)

Headings of Part II, Sections 1 to 8

- Copyright and Related Rights
- Trademarks
- Geographical Indications
- Industrial Designs
- Patents
- Layout-Designs (Topographies) of Integrated Circuits
- Protection of Undisclosed Information
- Control of Anti-Competitive Practices in Contractual Licenses

## Assets

- accounting: The entries on a balance sheet showing all **properties, both tangible and intangible**, and claims against others that may be applied to cover the liabilities of a person or business. Assets can include cash, stock, inventories, **property rights, and goodwill**
- a useful or valuable quality, **person** (e.g.inventor), or thing; an advantage or resource
- a valuable item that is **owned**
- anything of **material value** or usefulness

## Effective Use of ...

### **effective**

- having an intended or expected effect;
- that which produces a given effect;
- having the power to produce an effect or effects;
- producing a decided or decisive effect; efficient;
- producing or capable of producing an intended result;
- able to accomplish a purpose;
  
- synonym: efficient; forcible; active; powerful; energetic; competent.

## Effective Use of IP Assets

**effective** = how to get the  
most competitive advantage  
out of intellectual property resources  
in the national / international market place

## Intellectual Property Assets

- creations of the mind with economic potential
  - not worth to spend efforts to get protection
    - e.g.. obvious invention
  - protection granted without any formalities
    - e.g.. copyright
  - protection granted only when applied for
    - e.g.. trademark
  - protection granted only when applied for within a predetermined time limit
    - e.g.. non-obvious invention, industrial design

## Effective Use of IP Assets

- establish an environment favorable for creativity and new ideas
- locate / identify potential IP assets (new ideas)
- decision on whether to publish, keep secret or file request for protection
- file and prosecute a national or international application for IP protection if promising
- commercialize IP / litigate if unavoidable
- maintenance (periodical payment of fees or abandon)

## Protection of Distinctive Signs

- trademarks (e.g. NIKE)
  - distinguish the goods or services of a company from those of other companies
    - distinctiveness
- geographical indications
  - identify a good as originating in a place where a given characteristic of the good is essentially attributable to its geographical origin
    - the protection may last indefinitely!

## Industrial Designs

- does **not** protect any **technical features** of the article to which it is applied but the **ornamental or aesthetic** aspect of a wide variety of products of industry and handicraft
- must appeal to the **eye**
- three-dimensional features, such as the **shape** or surface of an article, e.g.. a watch
- two-dimensional features, such as **patterns, lines** or **color**, e.g.. a textile design

## Industrial Designs (2)

- the design must be **"original"** to be registrable.
- the term of protection is generally five years, with the possibility of further periods of renewal up to, in most cases, 15 years.
- an industrial design may also be protectable as a work of art under **copyright law** or under **unfair competition law**



## Inventions as IP Assets

- they present no benefits if they are not exploited
- not of any economic value if they are not marketed and commercialized
- unlike material goods IP assets can be sold or licensed several times to different persons
- **higher economic value if protected** by e.g. a patent

## Basic Idea underlying the Patent System

In exchange for

- a **right limited in time** to exclude others from making, using or selling the patented invention **in the territory** of the patent,
- the inventor - in addition to making the invention- must provide a complete and **accurate description** of his invention

## Patents / Trade Secrets

- patents lead to **publications** of new technology
- patents **expire** after e.g. 20 years
  
- trade secrets keep new technology confidential
- trade secrets expire only when they are no longer kept secret

## Expiration of Patent Rights

Once a patent expires, the protection ends, and an invention enters the **public domain**.

The owner no longer holds exclusive rights to the invention.

The invention becomes **available to** commercial exploitation by **others**.

## Use of Patents and other IP by SMEs

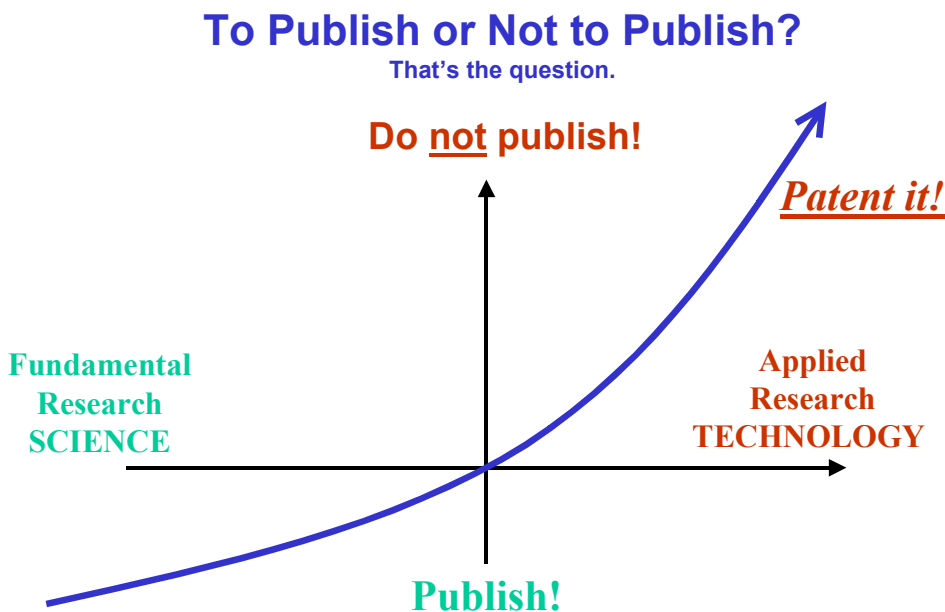
- as competitive weapons to capture and defend markets
- to outflank rivals
- to gain a proprietary market advantage
- to gain an exclusive hold over a new technology
- to increase revenue
- to derive revenues from patent licensing
- are valuable and fungible asset
- are important factor in their success
- IP strategies became a core competency

## The Patent Process

- recording the invention
- submitting a disclosure
- prior art search (novelty, inventive step?)
- market evaluation
- patentability and marketability determination
- patent application
- patent prosecution
- patent issuance
- patent maintenance for x years
- commercialization / litigation

## Intellectual Property and the Business Plans

- planning the patent process in order to minimize the risks involved
- financial investments for
  - making and identifying inventions
  - searching prior art
  - filing of patent applications
  - prosecuting patent applications
  - maintaining patents
  - defending own patents
  - watching patent activity of competitors



## What Can Be Patented?

Patents shall be available for any inventions,

- whether products or processes,
- in all fields of technology

provided that they are

– **new**

– involve an **inventive step**

– and are capable of industrial application.

## Novelty

New means

**not publicly disclosed**

in any form,

anywhere in the world.

## Inventive Step

Inventive step means that  
the invention is

**not obvious**

to someone with knowledge and experience  
in the technological field of the invention.

## Disclosure of the Invention

### Article 83 European Patent Convention

The European patent application must  
**disclose the invention** in a manner

**sufficiently clear and complete**

for it to be carried out by a person skilled in the art.

## Parts of the Invention Disclosure

information about

- the identity of the inventor(s)
- the invention
- the circumstances leading to the invention
- the activities by the inventors subsequent to the invention

documents like

- manuscripts, sketches, drawings and other pertinent data or materials

## Identifying an Invention

- What is the new invention?
- What is the desired scope of protection?
- Where is the protection needed?

## Questions to the Inventor for Identifying the Invention

- How is the invention constructed?
- How does it work?
- Is there any critical feature for an effective solution to the problem underlying the invention?

## Questions to the Inventor for Identifying the Invention (2)

- What are the effects of the features of the invention?
- How else may these effects be achieved?
- Why do you think that the invention is new?
- What state of the art or what prior art do you know?
- What is the closest or most pertinent prior art in your opinion?
- What is the most **important difference** between the closest prior art and the new invention?



## Questions to the Inventor for Identifying the Invention (3)

- What advantages does the invention have over the the closest prior art due to that **most important difference**?
- What is the problem that is solved by the invention due to that difference?
- How and why does the invention solve this problem?
- Which of the new features of the invention makes the solution possible?
- How is the problem solved in the prior art?

## Questions to the Inventor for Identifying the Invention (4)

- What arguments could one put forward to a patent examiner in a patent office or a judge in a court to show that the invention is not obvious to other experts?
- What do you want to prevent competitors from doing?
- How could a competitor design around the new invention?

## Questions to the Inventor for Identifying the Invention (5)

- Do you intend to use the invention in your own business?
- Are you planning to sell or license your invention?
- Where do you want to get a patent?

## Patents From Filing to Grant

- filing of an application
- examination as to formalities
- prior art search
- examination as to substance
- grant and publication

(enforcement of patent protection)

## **Phases involved in Developing an Invention into a Commercially Successful Innovation**

- evaluation
- use of IPR
- product development
- marketing
- commercialization

## **Commercialization**

- to make successful use of an invention
- to earn income from the invention
- value and economic potential change over time

## Ways for Commercializing Inventions

- own manufacturing and marketing of products based on the invention
- licensing
- selling
- combinations of the above

## Licensing /Assigning

- The patent owner **may give permission** to, or license other parties **to use** the invention on mutually agreed terms.
- The owner may also **sell** the right to the invention to someone else, who will then become the new owner of the patent.

## Types of Licenses

- Exclusive
- Non-exclusive

## Keeping an Eye on the Competitors

- inspecting files
- searching databases
  - for a specific reason at a particular time
  - on a regular basis to monitor

<http://ep.espacenet.com>

**esp@cenet** worldwide database

- Patent applications with an English abstract and title
- more than **30 million documents**

- ***Simple Text*** e.g. plastic bicycle
- ***View a patent application*** e.g. EP234567
- ***Company name search*** e.g. institut pasteur

<http://www.epoline.org>

European Patent Office **Online File Inspection**

- table of contents listing the **documents in the file**
- each document can be selected for immediate display or for downloading

## **Examples of What Information can be Extracted from Patent Documents**

- discover trends of new technologies
- find licensees, employees, experts
- identify collaborators or competitors
- see ideas, solutions, dead ends
- asses competing research
- analyze developing markets

## **Advantages of Patent Documents as a Source of Technological Information**

- Most current and up-to-date
- Uniform structure makes reading easier
- Not published elsewhere
- Well organized due to classification system
- Concentrated information
- Quick and easy access (internet)
- Low cost

## Searching and Retrieving Patent Documents

- By using the filing number or publication number
- By using references found in a patent document
  - To find prior art
  - To find possible infringers
- By using the bibliographic data
- By using the International Patent Classification
- By using well chosen key words
- By using combinations of the above strategies

## Analysis of Patent Documents

- For finding protected information
- For finding out time limits and geographical limits of the protected information
- For finding licensors or licensees
- For finding infringers
- For finding existing solutions to technical problems that are not protected
- For finding translations to avoid translation costs



## International Patent Classification (IPC)

- a hierarchical classification system comprising
  - **8 sections**,
  - **120 classes**,
  - **628 subclasses** and
  - **69,000 groups** (main groups and subgroups).
- For the uninitiated user, it is advisable to approach the Classification by using the official **Catchword Index to the IPC**.

## International Patent Classification (IPC) Sections

- A**    **Human Necessities**
- B**    **Performing Operations; Transporting**
- C**    **Chemistry; Metallurgy**
- D**    **Textiles; Paper**
- E**    **Fixed Constructions**
- F**    **Mechanical Engineering; Lighting; Heating; Weapons; Blasting**
- G**    **Physics**
- H**    **Electricity**

## Statistical Analysis of Patent Documents Concerning a Particular IPC

Analyzing the	allows to find
applicants / proprietors	market leaders in a technology
inventors (further)	experts in a field of technology
IPC symbols	related technology
priority data (dates / countries)	evolution of a technology
country codes (national patents)	geographic importance
designated EPC states	geographic importance
designated PCT states	geographic importance

## Principle of Territoriality

IP rights are territorial

e.g.,

a Korean patent has **no force in foreign countries**,  
just as a foreign patent has no force in the Republic  
of Korea

## Who Grants Patents?

A patent is granted **for a limited territory** by a

- **national patent office**  
or by a
- **regional office** that does the work for a number of countries, such as the
  - European Patent Office,
  - Eurasian Patent Organization
  - African Regional Industrial Property Organization
  - Organisation Africaine de la Propriété Industrielle

## Filing an IP Application

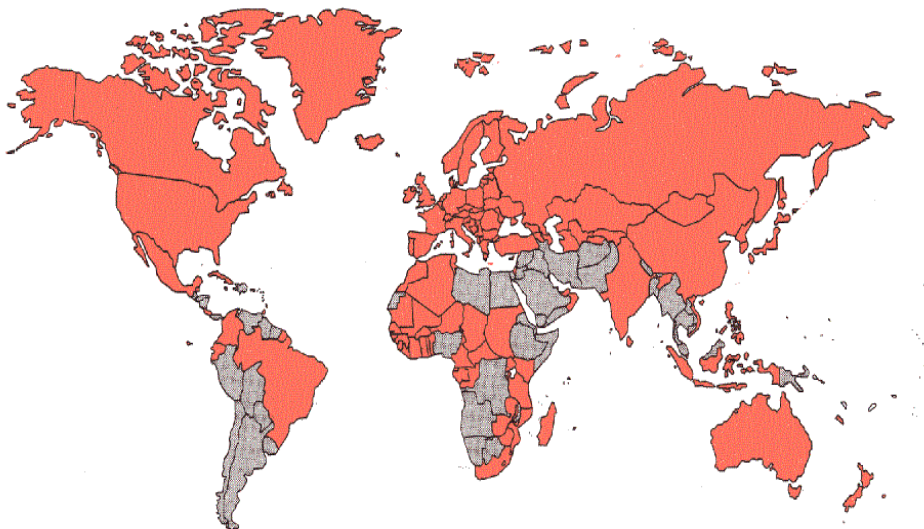
- first filing at IP Office in home country
  
- later filing abroad (claiming priority)
  - national patent / trademark / design
  - regional patent / trademark / (design)
  - international patent application / trademark / design

## Patent Cooperation Treaty

- provides for the **filing of a single** international patent application
- which has the **same effect as national applications** filed in the designated countries
- an applicant seeking protection may file one application and request protection in as many signatory states as needed

## PCT Contracting States

(117 on October 1, 2002)



## Patent Cooperation Treaty (PCT)

- **Filing system**
- for 117 contracting states (1.10.2002) to apply for
- **National patents** / utility models
- **Regional patents**
  - European patents
  - Eurasian patents
  - ARIPO patents
  - OAPI patents

## The Madrid system of international registration of trademarks

- applicable among the countries party to the Madrid Agreement or the Madrid Protocol
- gives a trademark owner the possibility to have his **mark protected in several countries** by simply filing **one application** with a single Office
- an international registration produces the same effects as an application for registration of the mark made in each of the countries designated by the applicant

## Hague Agreement Concerning the International Deposit of Industrial Designs

- a procedure for an international registration
- an applicant can file a **single international deposit** either with WIPO or the national office of a country which is party to the treaty
- the design will then be **protected in as many member countries** of the treaty as the applicant wishes

## Example of Elements of a Business Plan

- Executive summary
- Market analysis
- Company description
- Organization and management
- Marketing and sales strategies
- Service or product line
  - Description of intellectual property policy
  - Research and development activities
- Funding Request
- Financials

**THE END**

**Thank you  
for your attention!**



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