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Introduction to Intellectual Property

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- SARIMA
Southern African Research and Innovation Management Association
- NIPMO
National Intellectual Property Management Office



Outline

- Innovation Office
- Introduction to Intellectual Property
- Intellectual Property Ownership
- Patents
- Copyright
- Commercialisation
- Questions

Innovation Office

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Introduction to Intellectual Property

What is Intellectual Property?

- IP encompasses
 - Expertise / Know-how
 - Trade secrets
 - Registrable inventions (patents)
 - Designs
 - Trade marks
 - Copyrights
 - Plant Breeders' Rights



Protected by law

Intellectual property is an asset

- IP is an intangible asset that can be treated as if it were fixed property (e.g. a house)
 - It can be owned (\approx title deed owner)
 - Someone can buy it (\approx offer to purchase)
 - It can be leased (license agreement \approx rent)
 - It can be inherited
- IP rights protect the interests of creators by giving them property rights over their creations

Overview: IP protected by law

- Patents protect the technical principle of an invention that is new, inventive and has utility
- Copyright protects work reduced to material form from being copied
- A design protects the shape of an article
- A trade mark protects a trading name or logo
- Plant breeders' rights protect the right to produce, propagate, sell, import and export a new plant variety

Types of IP

Registerable property

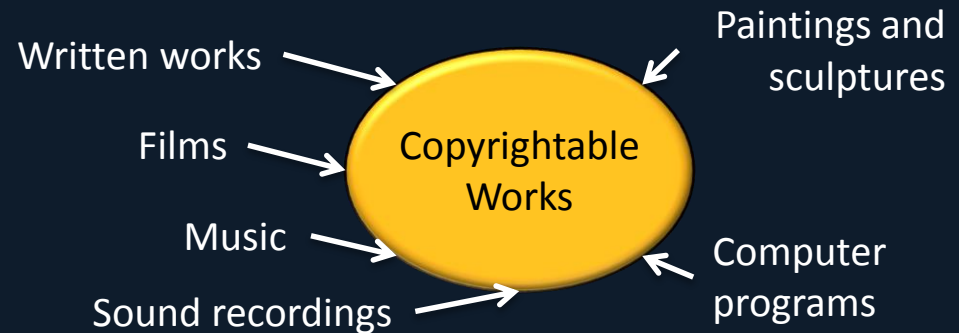
Patents (registerable inventions)

Registered designs

Trade marks

Plant breeders' rights

Non-registerable
(does not mean not protectable)



Registration of IP

Registerable Property

- Registration of rights required at National/regional administrative offices
- SA complies with international IP Conventions

Non-registerable (does not mean not protectable)

- No registration of rights required
- **Protection arises automatically**
- SA complies with international IP Conventions

Products often include a combination of both IP forms

IP Ownership

Who owns IP?

- It depends:
 - If employed, depends on contract of employment
 - inventions “in course and scope of employment” generally owned by employer
 - If contracted, depends on contract
 - copyright generally owned by person commissioning work
 - If a student, owned by university
- But in a publicly funded institution determined by Intellectual Property Rights from Publicly Financed Research and Development Act in first instance,
Then IP Policy

Nelson Mandela University's IP Policy

- IP Policy based on IPR Act

Intellectual Property Rights from Publicly Financed Research and Development Act, 2008

- “The object of the Act is to make provision that IP emanating from publicly financed research and development is identified, protected, utilised and commercialised for the benefit of the people of the Republic”

- University has to own IP arising from research using public funds

Ownership and benefit-sharing

- The University claims all IP devised, made or created
 - By staff members of the University in the course and scope of their employment (contract and permanent)
 - By student members in the course of or incidentally to their studies
 - Undergraduate “waiver”
- Contracts with external parties must specify who owns the IP
- Inventors and creators can benefit from IP
 - Inventors and creators get share of income if commercialised

Patents

What is a patent?

- It is a right granted by a State to an inventor; or to the owner to whom the inventor has assigned his invention.
- It gives the owner a monopoly which excludes others from making, using or selling their invention without the owner's permission - It is a negative right
- In exchange for this protection, the rights holder must fully disclose the invention - Purpose was to advance knowledge and make sure it was not kept secret by inventors
- The monopoly is 20 years from the priority date

Key words to know

- Priority date
 - Date of first filing
 - Usually the date of filing a provisional patent application
- Inventor
 - The person or people who came up with the inventive steps
 - Must be a person and not institution / company
 - Determining inventorship is a legal requirement - a patent can be invalidated if an inventor has been omitted or if somebody who is not an inventor is listed

What is patentable?

- A product, process or service that is:

New

- Absolute novelty is a requirement
- Must not have been disclosed to the public anywhere in the world in writing or verbally
- Must not exist anywhere in the world prior to priority date

Inventive

- Not deemed to be obvious in the light of the prior art
- Someone with similar skill and experience should not have deemed the innovation to be obvious next step

Has utility

- Invention must have industrial use

Exclusions

- Not everything is patentable!
 - Presentation of information
 - Business methods or games
 - Software in many instances e.g.
 - Software code is protected via copyright
 - A “technical effect” is patentable i.e. the effect of the code. The code is protected by copyright only
 - Medical procedures
 - Animals, plants and living organisms except for products of a microbiological process
 - Discoveries
 - Mathematical & scientific formulas

Worldwide patent?

- There is no such thing as a World Wide patent!
 - Applications need to be filed in individual countries
 - Protection is in individual countries
- Decision based on:
 - Markets where competitors and/or growth opportunities are
 - Markets where there is a strategic advantage to file
 - Territories where the invention will be manufactured

Patent searching

- Do not assume your invention is new - do a patent search
USPTO <http://patft.uspto.gov/>
WIPO <http://www.wipo.int/pctdb/en/>
EPO <http://ep.espacenet.com/>
- Good introduction on www.mypatent.co.za

Should I patent or not?

- Patent ≠ Making money
 - Think about the costs vs. benefit of patenting – can you just keep it a secret?
 - Patent strategically – do you need it for a potential licensor?
 - Can you afford to take infringers to court?
 - Time frame is important
- Get advice
 - A bad patent is not worth the paper it is written on

Copyright

What is copyright?

- The right given to creators / authors / owners of literary and artistic works enabling them to control the use, expression and distribution of creations
- If you own a copyright then you can prevent others from:
 - Making copies or reproductions of the work
 - Making it available for the first time to the public
 - Performing it in public
 - Letting it or offering it for sale, without your consent

What is covered?

- Literary works including databases
- Musical works
- Artistic works
- Cinematograph films

Right lasts 50 years after
death of author

- Sound recordings
- Broadcasts
- Published editions
- Computer programmes

Right lasts 50 years after
first public release

Scope of protection

- Protects the expression of a work, not the idea
 - Work has to be reduced to material form
 - Protects the manner in which an idea is expressed
 - Must be original but does not have to be highly creative
- Cannot be used where works are intended to be produced in a manufacturing process e.g. clothing designs
- In software, copyright protects the actual code, and not the application of the software

Registration of copyrights

- No registration necessary - it arises automatically
 - Some forms may qualify for registration (e.g. cinematograph films)
 - In the US, copyrights can be registered
- Write the following
 - © [insert year], [owner]. All rights reserved

Commercialisation

Commercialisation

- Introducing a new product or method of producing a product into the market
 - Have to identify the applicable market
 - Have to sell the invention to that market by positioning it
- It doesn't necessarily need to have a monetary return, but should be sustainable

Commercialisation

- The commercialisation route chosen will depend on
 - Financial investment required
 - Potential return on investment
 - Nature of the technology/product/process
 - The target market and how it can best be reached
 - The stage of market development
 - The availability of management
 - The aspirations of the inventor

How do I commercialise?

- Give a license for your IP to a third party
 - Exclusive or non-exclusive
 - Should have performance clauses
- Create a company
 - Need more than one product
 - 5% of something is worth more than 100% of nothing



Licensing

- A license gives someone rights to use IP that they don't own
- A licensing agreement is a contract between
 - an intellectual property rights owner (licensor) and
 - another who is authorised to use such rights (licensee)
 - in exchange for an agreed payment.
- The licensor retains ownership of the intellectual property rights
 - A non-exclusive license is when you grant more than one licence for a piece of IP
 - An exclusive license is when you grant defined exclusive rights to the IP to one licensee
 - Can be for different territories, applications, etc.

Questions?

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