

Appropriation of R&D

Patents and other Mechanisms

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Patents

Definition

Patent (Dutch: octrooi)

A grant of property right (for a limited period) by the government to the inventor 'to exclude others from making, using or selling the invention'

Patents

Aims

Aim of the patent system is a compromise:

- to stimulate R&D efforts by private parties
- to stimulate the diffusion of knowledge
- no eternal monopolies

Patents

History

1623, England: Statute of Monopolies

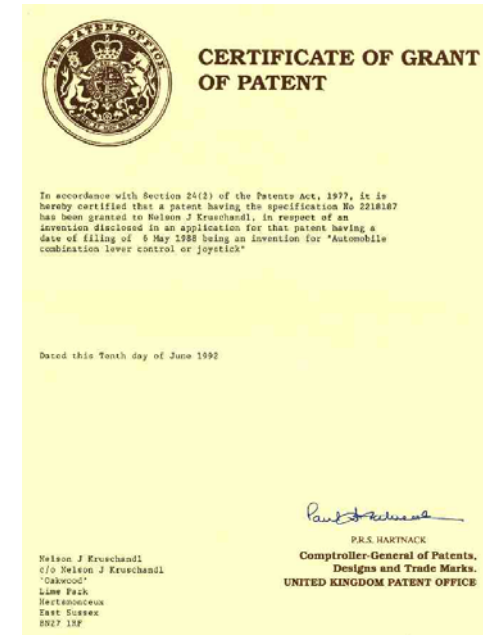
About 1800: French patent system in Continental Europe

1817 the Netherlands abandoned patent system:

- 'laissez faire liberalism'
- patent system is advantageous for industrial country
- industrializing nations are hampered by patents (Philips)

1910, the Netherlands, 'Octrooiwet',

1995 European harmonization



http://www.solarnavigator.net/images/patent_certificate_of_grant_joystick_nelson_kruschandl_1988.jpg

Patents

How to obtain a patent?

Invention

New to the craftsman

Never been published

Useful

Patentable (life, software)

Fully disclose the invention and clarify what is new (claims)

A skilled craftsman must be able to imitate the invention

Exactly define the scope of a process/or design

Patents

Types

6 year & 20 year patents

For a European patent

pay about € 30000 for the application and,
pay a considerable amount per year

For a (industrial) world-wide patent

more than € 50000

Patents

Priority dates

International exchange of priority dates

First to file (Europe)

First to invent (USA)

Patents

Other Mechanisms

Secrecy

- because of time limits (Coke, 3M)

- because litigation cannot be proven

- not to warn competitors too early

- costs

- deposition at a notary

- learning curve

- innovation is so fast that patenting does not make sense

Marketing & Sales, logistics,

Market power, scare them off

Patents

Licences

(Non)-exclusive
Regionally limited

Patents

The Inventor

The inventor:

Company, but individual inventor has right of compensation,
Compensation can be considerable

Patents

Use

Patents are a source of information
for laboratories: reworking
for R&D strategy
policy makers
to obtain status

Patents often do not reflect real R&D efforts!

Patents

Get a patent?

Objectives	Means	Advantage/ Disadvantage
Freedom to use	Publish	Competitor free to use
Exclusive use and freedom	Apply for patent	Costly, competitor informed
Protection against competitors	Keep secret	Independent discovery by competitor

Patents

Problems

Problems of the patent system:

It is built on the assumption that an invention is a single event,
by a single person or a limited group

Rush-patents

Lots of failures by incorrect claims