Patenting in a Greek PRO

Legal, Policy & Financial Issues

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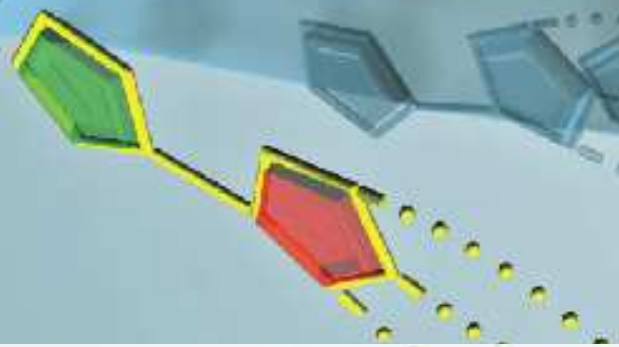
Current Situation



Patenting in the World

- Slow down in patent filings in the early 2000s
- Triadic patent families and PCT filings increased by 3% and 6% respectively annually between 2000-05
- Patenting activity concentrated in US, Japan, Germany, Korea, France, UK
- 7 regions in the US, 2 regions in Japan and Denmark are in the top 10 of Biotechnology patenting
- Almost 80% of all patents originated from the private sector and half of them related to high-technology sectors
- 4% of international patents were owned by universities (Japan, France, Ireland, Italy, Spain, etc.)
- International Collaboration in inventive activity
  - Luxemburg, Chinese Taipei and Israel substantial number of patents invented abroad
  - Half of Swiss and Belgian patent portfolios result of co-inventions

* **Source:** OECD Report, 2008 Compendium of Patent Statictics

Greek Statistics 2001

- 602 patent applications were published in 2001 with priority filing in Greece! (Source: Espacenet)
- 11,3% in Life Sciences after normalization for duplications
- The applicants were:
  - 11,10% PROs (5 RC, 1 Hosp.)
  - 25,90% Companies
  - 63,00% Individuals
- International Filings followed in 48,1% of cases:
  - 71,40% Companies
  - 47,10% Individuals (7?, 2(2001), 3(2002), 1(2004), 1(2005), 2 valid)

Greek Statistics 2007

- 664 patent applications were published in 2007 with priority filing in Greece! (Source: Espacenet)
- After normalization for duplications: 16,4% in Life Sciences
- The applicants were:
  - 15% PROs (12 RC, 3 Univ.)
  - 26% Companies
  - 60% Individuals
- International Filings followed in 42% of cases:
  - 60,00% PROs
  - 69,20% Companies
  - 26,70% Individuals

Patenting in Life-Sciences

- Substantial increase (46 %) between 2001-2007 especially when compared to 10% total applications
- Actual decrease in internationalization of Greek priority filings
- Individuals are the main applicants and the main reason for the drop in internationalization
- No % increase in company patent applications
  - Underdeveloped sector in the economy?
  - No research increase?
  - Filing directly abroad?
- Equivalent % of company patenting and R&D spend
- The increase in patent applications has been mainly due to PROs

Patenting in Greek PROs

- 60% increase in patent applications between 2001-2007!!!

R & D Spending

- 28% Companies
- 50% Universities
- 22% Research Centers

Patent Applications (LS)

- 26% Companies
- 3% Universities
- 12% Research Centers
- 60 % Individuals

- Lack of tradition in collaborating with industry.
- Basic vs Applied research false dilemma
- Lack of incentives for PRO researchers to patent
- Insufficient and often inexperienced support mechanisms
- Lack of funding

Issues Analysis

Awareness & Critical Mass

- Researchers are only interested in publications: evaluation criteria
- They rarely get funding from contracts with industry
- They don't like rules especially when they don't understand the benefits
- Patenting combines scientific, legal and market knowledge that rarely lies in the same place in a Greek PRO
- Patenting is an expensive activity and gets cheaper with volume

Legal Framework

- Invention ownership is not clear especially at Universities and companies experience to license IP is negative
- Few experienced patent attorneys available
- Working with foreign patent attorneys requires discipline and bigger budget
- The law obliges to file priority in Greece but adds to the cost (translation)

Setting up the process

- Management Commitment necessary
- Technology Transfer Unit with minimum expertise: scientific, market. Hire and train
- Legal expertise to be hired
- Control of all contracts.
- Define and communicate strategy and policy
  - Invention disclosure
  - Lab books
  - Evaluation process

Commercialization

- The only reason to patent is the potential to license
- TT unit should start commercialization efforts as soon as priority filing
- Additional need for funds:
  - Buy intelligence reports
  - Participate in partnering events
- Researchers should be able to perform additional targeted research to facilitate negotiations

Priority Filing Costs (I)

Fleming 1st patent appl.

• Drafting of Specs & Claims for Greek filing	Jan 06	6.080,50
Patent Attorney Fee for Consulting on Patent	May 06	356,25
Courier	May 06	65,49
Greek Translation	Apr 06	3.286,64
Official Fees to file in Greece	Jun 06	966,00
Greek Agent Fees	Jun 06	2.159,00
Greek Agent Fees for Japanese missing doc	May 08	700,00
TOTAL		**13.613,88**

Priority Filing Costs (II)

Estimated Costs after reforms

Drafting of Specifications & Claims for Greek filing	Jan 06	6.080,50	3.500,00
Patent Attorney Fee for Consulting on Patent	May 06	356,25	0,00
Courier	May 06	65,49	65,49
Greek Translation	Apr 06	3.286,64	0,00
Official Fees to file in Greece	Jun 06	966,00	966,00
Greek Agent Fees	Jun 06	2.159,00	0,00
Greek Agent Fees for Japanese missing document	May 08	700,00	70,00
TOTAL		**13.613,88**	**4.601,49**

66,2% cost decrease !
or
2 additional priority filings

Priority Filing Costs (III)

- At VIB in Belgium the estimated cost per priority filing is between 100-300 euros
  - They specialize in Biotechnology
  - They have 1000 researchers
  - Their TT Office has a patent attorney on its payroll
  - Their prior art searches are very efficient: don't need the Search Report to decide on PCT filing

Proposed Solutions

Legal Interventions

- Clarify patent ownership issues
- Recognize and legislate the true dimensions of the patent attorney profession
- Until a common European patent is implemented, London Protocol

Policy Measures

- Upgrade status and services of the Greek Patent Office (OBI)
- Design incentives for Scientists
  - Include in their evaluation
  - Eliminate profit distribution obstacles
- Promote, implement and finance Knowledge Transfer Mechanisms within PROs

Financial Measures

- Design grants that will fund research necessary to validate potential inventions
- Fund the appropriate knowledge transfer units until they can be at least partially self sustainable
- Implement an IP type of Fund as originally described in the EIB study for Greece