

Innovation Support Strategy

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Introduction to the Patent Office Innovation Support Strategy

At the request of the Chancellor in December 2005, Andrew Gowers conducted a comprehensive review of the intellectual property framework in the UK. The Gower's report (published in December 2006) makes fifty-four recommendations across the spectrum of IP. It tasks the Patent Office with far-reaching activities to ensure that the value of IP is maximised to enable the UK to compete in the global economy. It models a new UK Intellectual Property Office from the present Patent Office. This is not out of the blue: it represents a crystallisation of strategic thinking on IP by the government. In 2005 the Minister of Science and Technology, Lord Sainsbury said we would become a "different kind of Patent Office – a Patent Office for the 21st Century".

In addition, the Patent Office launched a consultation on innovation support in May 2006 but suspended consideration of responses pending the outcome of the Gowers Review.

The Patent Office is an Executive Agency of the DTI and part of the Office of Science and Innovation. Our ten year goal is "To be at the heart of innovation and creativity and provision of policies and services helping the UK to succeed in the modern world".

The Office already makes a key contribution to the Government's innovation support agenda through its statutory functions of granting intellectual property ("IP") rights, serving as a tribunal and providing advice on IP policy to Ministers and stakeholders.

We have also been developing innovation support activities, particularly during the last five years. For example, in response to the DTI's 2003 Innovation Report <http://www.dti.gov.uk/innovationreport/> we have carried out a series of projects to raise awareness of the use of Intellectual Property amongst SMEs.

We welcome the Gowers report and will be pro-active in implementing its recommendations in line with the priorities of our new Minister for Science and Innovation, Malcolm Wicks MP. This Innovation Support Strategy ("the Strategy") sets out how the Office intends to carry out a comprehensive range of new non-statutory activities in light of the Gowers recommendations and also accommodates the comments received following the public consultation.

Background

The Government's innovation support agenda

The Government's message is clear – innovation drives economic progress and is the key to improving the UK's future wealth.

The DTI's Innovation Report set out the Government's innovation agenda. It identified IP rights as one of the key enablers for innovative businesses, and the Patent Office (along with other institutions) as a national innovation asset. The DTI Office of Science and Innovation aims to maximise the contribution made by our science, engineering and technology skills and resources to the UK's economic development, and to the quality of our lives. In the knowledge-driven economy IP has an important role to play in the contribution made by science.

The Creative Industries Forum on IP, established in 2004, is another example of a government initiative that emphasises the importance of IP in encouraging innovation and creativity, and recognises the substantial contribution of the creative industries to the UK economy. This cross government and industry group was established with the objective to identify and develop a shared government/industry approach for addressing priority IP issues. The Forum's recommendations and the Government's response were reported in October 2005. The recommendations are being taken forward by the Patent Office Creative Industries Focus Group and the Patent Office/DCMS supported CREATE Group.

The Creative Economy Programme was launched in late 2005 by the Government to assist it to meet its objective to make the UK the world's creative hub. It has a number of aims associated with the creative industries including to raise awareness and understanding, set a vision, produce policy ideas for improving productivity and to produce innovative projects. A number of working groups have been established, including one on competition and IP. This group found that IP protection and exploitation is key to the potential and success of the creative industries. The Government is currently considering a number of working group reports and will produce and consult on a policy paper in the near future. The Office is one of a number of government agencies contributing to the Creative Economy work.

The Government's 10 year Science and Innovation Investment Framework also highlights innovation and the importance of IP in efforts to increase knowledge transfer and exploit research¹. The Office was heavily involved in the production and marketing of the Lambert model agreements, designed to encourage knowledge transfer between educational institutions and business. Feedback suggests the agreements have been used by a range of universities and businesses, and the Office is building on this work by leading a pan-European Project on IP and technology transfer.

These government initiatives, designed to encourage further innovation and creativity, and now consolidated by the Gowers review, mark a new era for the Office. It is important to remember that the Office's statutory and policy functions necessarily play a major role in supporting innovation. By granting IP rights and developing the policy that sets the framework for appropriate IP

¹ The framework sets out the Government's ambition for UK science and innovation over the next decade, in particular their contribution to economic growth and public services, and the attributes and funding arrangements of a research system capable of delivering this.

protection, access and exploitation, we provide the necessary incentives which allow stakeholders to create and develop new products and services. Our tribunal and mediation activities contribute to the enforcement and appropriate use of those rights. This Innovation Support Strategy shows how the Office intends to use its knowledge, expertise and resources to expand its role as an enabler of innovation both as an individual organisation and in partnership with others.

IP and Innovation

There are various ways of defining or describing innovation. For the purpose of the Government's innovation agenda, the Innovation Report defined innovation as "the successful exploitation of new ideas"². It can also be described as "commercialising and leveraging value from creativity"³. Innovation can also be described more generally as creation or invention, or simply as something new. The incentives to innovate will not always be commercial, and exploitation will not always be the objective. In the traditional 'closed' model of innovation IP was developed and retained within the confines of a company or organisation. The R&D sector is now increasingly adopting an 'open' model of innovation which emphasises collaboration. In the open model licensing is a key instrument to facilitate the exchange of IP.

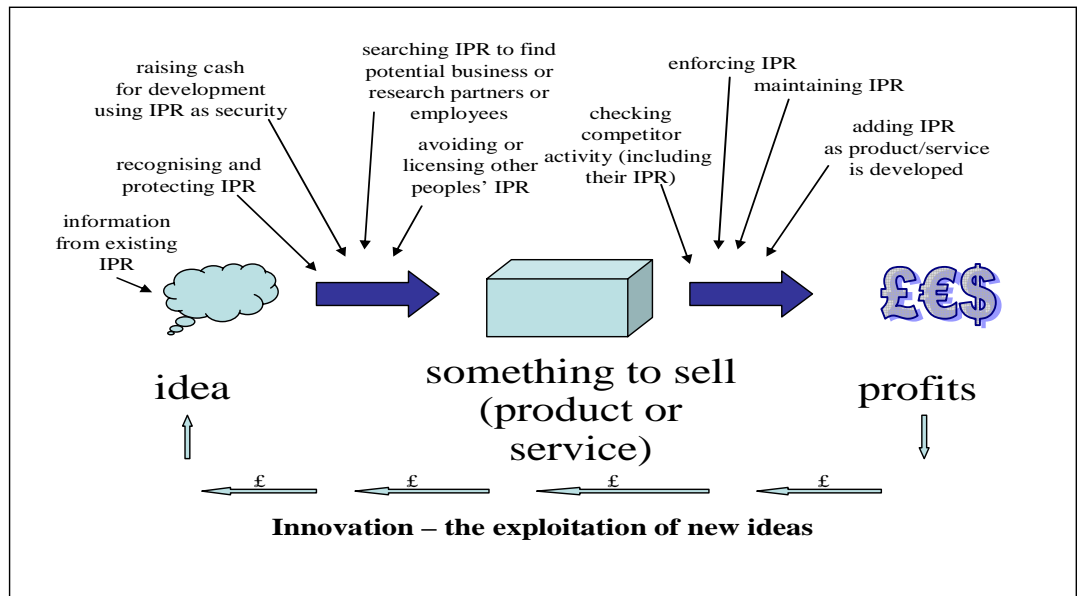
IP (whether it be registered rights such as patents, trade marks and designs, unregistered rights such as copyright, or reliance on common law protections such as passing off or trade secrecy) is just one of a number of incentives or factors that lead to innovation. Without these other factors present successful exploitation of innovation is unlikely to occur. Other element or stages in the innovation process include research and development, access to finance, management capability and skills, speed and access to markets, branding, marketing, supply chain and consumer demand. It is also possible that IP protection will not be a contributing factor to innovative and successful products or services, for example in industries where speed to market is often much more important with products with short life cycles.

As Andrew Gowers states in the forward to his report "The ideal IP system creates incentives for innovation, without unduly limiting access for consumers and follow-on innovators".

The following diagram sets out how IP can be relevant at different stages of the innovation process. It does not attempt to map the innovation process in its entirety and does not feature all the other facets that contribute to innovation.

²DTI, *Innovation Report: Competing in the global economy: the innovation challenge*, December 2003, page 8.

³ Patent Office, *Innovation Support Strategy Consultation Document*, May 2006, paragraph 18.



The Strategy

This strategy aims to deliver on the vision for a modernised Patent Office for the 21st Century, to build on its contribution to the Government's innovation agenda and to take forward recommendations contained in the Gowers review. It reflects and recognises the needs of all sectors of the UK economy; aligns and fits strategically with the Government's wider aims and objectives and contributes to the DTI's vision of "Creating the conditions for business success and helping the UK respond to the challenges of globalisation".

The overall approach is to use the Office's knowledge, resources and expertise in the most efficient and effective manner to support innovation and to avoid duplication of effort by working with government and private sector partners to present a simple interface for business. It looks beyond the Office's statutory functions by setting out activities for the Office which will help business make better use of IP and help the UK become IP literate in a way that many of our major competitors are becoming.

The activities of granting of rights, tribunal services and policy (including work on IP Crime) will continue to be delivered by the Patent Office as independent functions in their own right. These activities have been highlighted in our current Corporate Plan, which can be accessed on our website www.patent.gov.uk and will be set out in more detail together with the Innovation Support Strategy in our 2007/8 Corporate Plan. The Customer and Innovation Support Services Directorate (CISS) and the Policy Directorate will work together to ensure cohesion and to make the delivery of this strategy effective.

The objectives of the Strategy are to:

- (a) raise IP awareness and understanding among UK businesses through the provision of guidance and education on applying for IP rights and their use and exploitation;
- (b) raise IP awareness and understanding and embed IP in the UK education system through the development of resources and provision of training;
- (c) make it easier for business to make the most of their IP through the development of services that assist decision making and make obtaining IP rights simpler;
- (d) make IP enforcement more accessible through new or improved mediation and tribunal services and information on enforcement.

Innovation Support Activities

The innovation support activities that make up the Strategy are underpinned by the Gowers review and will be **prioritised on the basis of Ministerial direction and guidance and the comments in the review.** Some of the activities are at the scoping stage, others are being trialled and some have commenced. In some areas we are currently talking to other organisations engaged in similar activities about partnership arrangements.

The Office intends to review implementation of the Strategy against its objectives on an annual basis, and assess its contribution to the broader government innovation agenda. The analysis will be used to update the Strategy and revise priorities as necessary.

The activities are summarised below and set out in detail in the annexes to this document. The first column describes the activities, the second sets out the objectives and the third the broad timescale for implementation.

Summary of Innovation Support Activities

A. IP awareness for business

In order to raise IP awareness and understanding among UK business, the Office will:

- Provide comprehensive information on how to register and use IP rights for firms registering with Companies House [Gowers recommendation 26]
- Establishing formal collaboration between the Patent Office and Business Link [Gowers recommendation 27]

- Investigating how best to provide practical IP advice to UK firms operating in foreign markets [Gowers recommendation 28]
- Form a working group to identify and promote best practice to maximise the use of effective schemes nationwide. [Gowers recommendation 32]
- Continue to raise public awareness focussing in particular on the wider impact of IP crime, and the exceptions to rights [Gowers recommendation 35]
- Provide guidance on the use and exploitation of IP
- Promoting use of IP data to resolve problems and avoid duplication
- Delivering IP training to business advisors
- Encouraging links to the Office's website from other websites
- Exploring how the Office can best work with the Design Council to contribute to training of design mentors and the Workforce Development Plan
- Re-launch the Office's IP awareness campaign and review its effectiveness
- Participate in developing the network of National Patent Offices
- Developing reciprocal referral arrangements with other organisations
- Collaborate with appropriate organisations to devise a campaign to boost IP awareness among women and under-represented groups
- **Contribute to sponsorship of innovation award schemes**
- Consult broadcasters about promote benefits of IP through the medium of television and radio
- Create interactive on-line IP guide on Office website
- Publish an IP newsletter

B. IP awareness for the education sector

In order to raise awareness and understanding of IP in the education sector, the Patent Office will:

- Deliver IP seminars and provide material to graduate entrepreneurs **in partnership with the NCGE**
- Work with NCGE to increase profile of IP in universities
- Prepare in collaboration with DfES teaching kits for schools
- Work with DfES on increase profile of IP in schools by developing modular lessons on IP and exploring possibility of including IP in GNVQ structure

C. Services for business

The Office will develop and offer services which use the expertise of the Office to assist business in decision making and making the most of their IP, and will:

- Conduct a pilot replicating the French 'IP Genesis' scheme [Gowers recommendation 27]

- Complete the trial of analytical software tools to assess feasibility of offering IP mapping services
- Cooperate with DTI/OGC in developing guidelines for public bodies to use procurement to stimulate and pull through innovation
- Work with OHIM and other NPOs to develop a common trade mark database
- Promote the benefits of the Office's e-filing system and introduce web based filing for obtaining patents

D. Enforcement related services

To make IP enforcement more accessible the Office will:

- Benchmark the Office's tribunal practice and procedures against other tribunals
- Extend ISO certification to the Office's tribunal services
- Promote mediation services including the Office's mediation service
- Work with insurance industry to develop insurance products for IP
- Review and expand the Office's guidance on enforcing IP rights

Annex A

Innovation Support Programme

Raise IP awareness and understanding among UK business through provision of guidance and education on applying for IP rights and their use and exploitation

Actions	Objectives	Timing
<p>A1. Provide comprehensive information on how to register and use IP rights for firms registering with Companies House [Gowers recommendation 26]</p>	<p>Those registering companies at Companies House will be provided with basic guidance on the IP system. This will include information on the different types of IP rights, the kind of ideas they apply to and how they can be obtained and used. Hence, from the day a company is registered, those starting off in business will be better informed about the benefits, acquisition and use of IP.</p>	<p>Preparation of suitable material and consultation with Companies House will commence in early 2007.</p>
<p>A2. Improve SME business support by establishing formal collaboration between the Patent Office and Business Link. [Gowers recommendation 27]</p>	<p>The adoption of a more formal relationship between the Patent Office and Business Link offices would involve improving the flow of IP information to business via Business Link. Conversely, questions raised by business about IP could be fed back to the Patent Office. This symbiotic relationship would enable the Office to tailor IP information to emerging business needs.</p>	<p>Consultation with Business Link will commence in early 2007.</p>
<p>A3. Investigating how best to provide practical IP advice to UK firms operating in foreign markets [Gowers recommendation 28]</p>	<p>Tailored advice on how to obtain and enforcing IP rights abroad will be made available to companies through UK embassies in foreign</p>	<p>Commence preliminary discussion with DTI in Spring 2007.</p>

	countries.	
A4. Form a working group comprising Patent Office, RDAs and Business Link representatives, to identify and promote best practice to maximise the use of effective schemes nationwide. [Gowers recommendation 32]	The working group would be tasked to develop arrangements for sharing best practice among regional agencies in order to maximise support available to business including funding to cover the cost of acquiring IP. Business would benefit by having access to a single coherent source of information about the schemes of assistance.	Commence initial discussions with RDAs and Business Link about forming a working group in early 2007.
A5. Continue to raise public awareness focussing in particular on the wider impact of IP crime, and the exceptions to rights. [Gowers recommendation 35]	Consumers will be more aware of how their actions might be contributing to IP crime and the damage affect it has on business and society	Work will commence in early 2007 on building on the work the Office already does in promoting greater awareness of the impact of IP crime
A6. Prepare guidance on how to exploit IP rights including advice on licensing, how to prepare business plans, developing strategies for attracting finance information and where to obtain specialist and more detailed information to improve business acumen.	Businesses will be provided with a single source of advice, including signposts to specialist bodies, for transforming an idea into a successful product or service.	Guidance has been prepared and will be made available in early 2007
A7. Promote the use of IP data and search tools as a resource to find solutions to problems and avoid duplication of effort.	Business will use IP data as matter of course to help resolving technical problems.	Promotional activities will commence Spring 2007.
A8. Build on the IP training package and workshops the Office has been providing to Business Link by delivering IP training to business advisors throughout the UK.	Business advisors will have access to a comprehensive IP training programme.	Commence providing a comprehensive training programme in Summer 2007
A9. Encourage links to the Office's website from other websites.	The websites of all appropriate organisations which represent or provide services to business will have links to the Patent	This activity will form part of the Office's communications strategy and programme for

	Office's website.	redeveloping its website.
A10. Explore how Office could best work in partnership with the Design Council to contribute to: (a) the training provided to the design mentors who will deliver the Design for Business Programme to SMEs; and (b) the Workforce Development Plan that is being developed with the Creative and Cultural Skills Sector Skills Council	Designers will have a greater understanding of the IP system and its role in helping them exploit their innovations.	Preliminary discussions have taken place. Training for mentors will commence in Autumn 2007.
A11. Re-launch the Office's IP awareness campaign and review its effectiveness and develop new activities in partnership with RDAs, Business Link and the IP profession.	To launch a new co-ordinated IP awareness campaign with performance measure to assess its effectiveness.	Implemented campaign to run 2006-07.
A12. Participate in the development of a Network of National Patent Offices (NPOs) for facilitate the sharing of best practice in the use and management of IP throughout Europe and for supporting European SMEs.	European SMEs will have access to information about procedures and innovation support initiatives offered by all the European NPOs.	A website has been launched for the Network and activities with European NPOs and the Commission are being explored.
A13. Develop alliances with organisations like the British Library, Patent Libraries (PATLIBs), RDAs and Business Links in setting up reciprocal referral arrangements for dealing with enquiries.	Businesses will be guided to the appropriate organisation for answering their enquiries.	A comprehensive referral scheme will be in place by the end of 2007.
A14. Investigate why such a small proportion of inventors are women (approx 2.5%) and people from under-represented groups and collaborate with appropriate organisations to devise and implement a campaign to help boost IP awareness and encourage innovation with these groups taking into account existing Government initiatives.	The proportion of applicant for patents filed by women and people from under-represented groups will have doubled by 2010	Commence investigations in early 2007.
A15. Consult the administrators of existing award schemes about the Patent Office contributing to the sponsorship of such schemes as it currently does with the Wales Student Innovation Award the iDEA	The Office will be established as co-sponsor of at least one more award scheme and applicants will be made aware of the importance	Commence consultation with administrators of award schemes in Spring 2007.

<p>“Best Product Innovation” awards, e.g. by offering free search and examination as part of the prize and ensure that participants receive up-front advice about protecting their IP.</p>	<p>of protecting their ideas before disclosure.</p>	
<p>A16. Consult with broadcasters to promote the benefits and importance of IP through the medium of television and radio.</p>	<p>Links with TV and radio broadcasters will be strengthened and the importance of protecting ideas will be a regular feature of many science, business innovation and art programmes</p>	<p>Start consultations with TV and radio production companies in Spring 2007.</p>
<p>A17. Create an interactive on-line guide on the Office’s website which takes applicants through the complete application process in a user friendly format.</p>	<p>An interactive programme will be available on the Office’s website to guide the novice applicant through the IP application procedure.</p>	<p>Project brief will be prepared in Summer 2007 and an on-line guide will be launched in early 2008.</p>
<p>A18. Publish an electronic IP newsletter to provide business with upto date information on IP issues and case studies covering registered and unregistered IP rights.</p>	<p>Business will have access to up-to-date information on a range of IP matters together with case study features that will help them share experience, learn from best practice and avoid pitfalls.</p>	<p>All elements are in place for launch early 2007.</p>

Annex B

Innovation Support Programme

Raise IP awareness and understanding and imbed IP in the UK education system through the development of resources and provision of training

Actions	Objectives	Timing
B1. Deliver IP seminars and provide material to target graduate entrepreneurs in partnership with the National Council for Graduate Entrepreneurs (NCGE), e.g. by extending the Patent Office's successful Think Kit® approach to universities.	Potential and budding entrepreneurs will have a better understanding of the importance of IP in enterprise and how it can be best used to achieve success.	The programme of seminars has been implemented. A new resource for universities is being developed and will be launched early 2007.
B2. Work with the NCGE on how to increase the profile of IP in university courses, e.g. by including IP in courses such as science, engineering, economics, design technology, media, music, film studies and the arts.	IP will be established as a standard component of appropriate university courses to ensure that post graduates have a better grounding in IP.	Work with NCGE has begun and will be taken forward in 2007.
B3. Prepare, in collaboration with the DfES, teaching kits for schools, including business schools, designed to stimulate creativity, innovative behaviour and problem solving skills and update and build upon the Office's 'ThinkKit'.	Teachers will have free access though the Office's website to a range of teaching resource which help them stimulate creative, innovative and problem solving skills among pupils.	The new teaching kits will be completed and made available to teachers in Summer 2007.
B4. Work with DfES on increasing the profile of IP in schools by developing modular lessons on IP to supplement existing course and explore the possibility of including IP in the GNVQ structure.	Teachers will have free access though the Office's website to a range of material on IP to support the curriculum while pupils will have a better understanding of IP and how it fits into the innovation process.	Material will be made available in early 2007.

Annex C

Innovation Support Programme

Make it easier for business to make the most of their IP through the development of services that assist decision making and make obtaining IP rights simpler

Actions	Objectives	Timing
C1. Conduct a pilot replicating the French 'IP Genesis' scheme. [Gowers recommendations 27]	The pilot programme would involve the Patent Office working with a limited number of companies throughout the UK who would be provided with advice (free during the pilot) on how to handle their existing IP and whether there are any products or services which they should protect. This expert advice could also help increase awareness of IP and encourage it to be used in a more strategic fashion.	Commence pilot project in Spring 2007
C2. Complete the trial of analytical software tools to assess the feasibility of the Office offering IP mapping services for Government and private sector organisations.	Provided the trial proves to be successful, the Office will provide analysed IP data that helps business make sound, informed strategic decisions and assists Government organisations with policy making and strategic thinking.	Subject to the findings of the analytical trial consider offering services to business and Government organisations by mid 2007.
C3. Cooperate with the DTI/OGC in developing guidelines for public service bodies on how to use procurement to stimulate and pull through innovation and which take into account IP issues.	To provide a comprehensive set of guidelines that enable public sector bodies to use procurement as leverage for innovation.	Issue the guidelines in March 2007
C4. Work with the Office for Harmonisation in the Internal Market (OHIM), the World Intellectual Property Organisation (WIPO) and other national offices to develop a common trade mark	Businesses will have access to a single, comprehensive database to carry out swift and reliable trade mark searches.	Commence in Autumn 2007

database to help determine the registerability of trade marks.		
C5. Promote the benefits of the Office's current e-filing systems and introduce a web based filing service for obtaining patents.	The majority of applications for patents will be filed on line.	Commenced and ongoing

Annex D

Innovation Support Programme

Make IP enforcement more accessible through new or improved mediation and tribunal services and information on enforcement

Actions	Objectives	Timing
D1. Benchmark tribunal practices and procedures against those of other tribunals.	The Office's tribunal activities will be enhanced by adopting best practice followed by other tribunals.	Commence benchmarking exercise in Spring 2007
D2. Extend International Standards Organisation (ISO) certification to the Office's tribunal services.	The Office's tribunal services will be granted ISO certification.	Commence application process in 2007
D3. Promote the take up of mediation services including the mediation services offered by the Office.	Parties will, as a matter of course, consider resolving IP disputes through mediation before engaging in formal litigation procedures.	Ongoing
D4. Work with the insurance industry to determine what kind of insurance products could be made available for IP.	Businesses will have access to a range of effective and affordable insurance products for their IP.	Insurance products for trademark and design owners are now available. Work on whether a patent insurance scheme is viable is ongoing.
D5. Review and expand as necessary the Office's guidance on enforcing IP rights, including information about such things as mediation, non-binding "opinions" and insuring against legal cost.	Comprehensive guidance will be available as a single plain English source covering all matters relating to the enforcement of IP rights.	Commence drafting in Spring 2007