



University Spin-offs Alliance:

From the idea to the market through mentoring and transnational entrepreneurial teams

Module 6

Intellectual Property and Its Importance

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Introduction to this learning material



Author



Links to web pages and further examples



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Other learning materials and useful definitions



Videoclips

Introduction



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Creative or artistic realization of an idea that is a result of human intellect belongs to its creator and, under certain circumstances, represents his/her intellectual property. Although non-tangible in a physical sense, intellectual property has all the characteristics of the property, so it can be bought, sold, licensed, exchanged, presented as a gift and inherited like any other property.

Intellectual property is the more frequent term in everyday and business environment. Therefore, when starting a business or developing a business plan, entrepreneurs should think about protecting it from the beginning.

Module 6: Intellectual property and its importance entrepreneurs with all the relevant information on the topic of intellectual property - they will learn how to protect and manage it and who can help them in the process. Furthermore, the module will give entrepreneurs an overview of various types of protection, such as:

- A. Copyright and related rights**
- B. Industrial property**
- C. Other forms of intellectual property**

After you get to know all the types of intellectual property protection, this module will give you an insight into how you can protect your business or ideas.

Intellectual property

Why is it important for entrepreneurs to understand the term intellectual property

Intellectual property protection is an increasingly common concept in our everyday environment and business. It means the protection of material and intangible rights prescribed by law.

The holders of intellectual property have the right to a limited monopoly on the economic exploitation of their work, which means that in a certain period, no one can use any of the protected works on the market without the permission of the author or holder.

The examples from practice have shown that entrepreneurs must be aware of the rights and obligations arising from intellectual property and invest in the protection of their brands.

A "small" entrepreneur often seems unattractive to his/her competition, which proved to be incorrect in practice. Clients are faced with a warning before the lawsuit and a claim for damages if they do not cease their operations.

With timely protection of a trademark, the client would not give a reason for the mentioned lawsuits and would avoid unnecessary complications.



What do you think?

Can you think of some examples of violation of intellectual property?



Ten Famous Intellectual Property Disputes

<https://www.smithsonianmag.com/history/ten-famous-intellectual-property-disputes-18521880/>

What kind of IP protection do entrepreneurs use the most?



For many technology-based entrepreneurs, patents are the first thing that comes to mind. However, they also characterize them as *complicated, expensive and taking too long*.

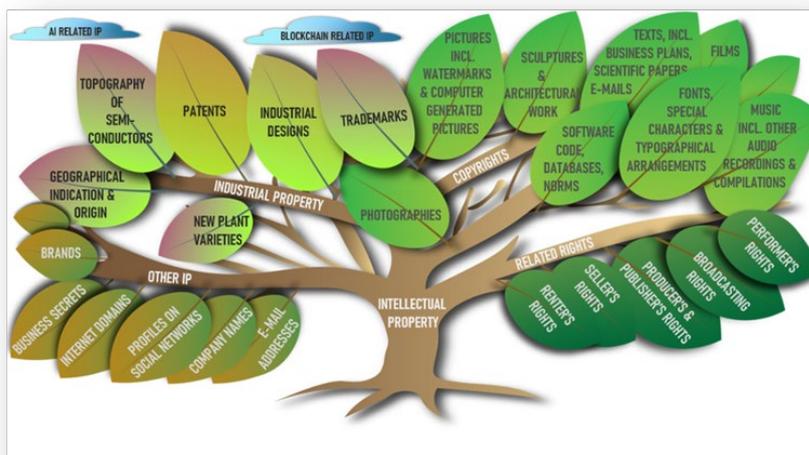


To protect the outside appearance, entrepreneurs are choosing the industrial design. These are, on the other hand, *less powerful means of protection but cheaper and also faster*.



Most entrepreneurs use trademarks. These are meaningful and systematically applied to their cases.

Most people are familiar only with the above-mentioned categories of IP protection. However, there is more to it. With the help of the IP tree, we will present you with various options to protect your intellectual property.



 **What do you think?**

Could you think of any other kind of IP protection?

 **What do you think?**

What are the most famous trademarks you can think of?

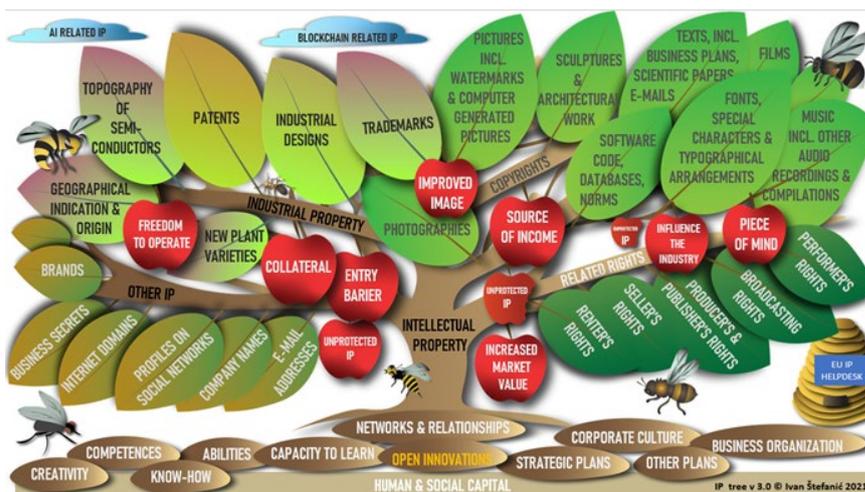
 **EUIPO: IP is everywhere!**

<https://www.youtube.com/watch?v=jc5d3hMxQml>

The IP tree gives us an overview of intellectual property. The main branches represent the types of IP: Copyright and related rights, Industrial property and Other forms of intellectual property. Furthermore, every leaf on the IP tree gives us plenty of options for protection.

Intellectual property always comes from a PERSON. To be exact - from human and social capital: creativity, competencies, know-how, abilities, capacity to learn, networks & relationships, strategic plans, corporate culture, other plans and business organization.

The benefits of IP protection are presented in the fruits of this IP tree. Those are freedom to operate, source of income, collateral, entry barriers, increased market value, improved image, influence on the industry, etc.



 **Lichtblicke : Glimmers of Light**

<https://www.youtube.com/watch?v=q5rYHUcdxHc>

There are plenty of hard-working experts like IP agents to help with the decision-making and the entire process of protection. However, where there is help, there is a threat, which comes in the form of competition.

Copyrights and related rights

Copyright is exclusively the copyright of the author to dispose of his work in the field of literature, science and art.

Copyright lasts throughout the life of the author and seventy years after his death.

Copyright does not protect the idea of a piece of work that is an expression of ideas irrespective of the type or quality of expression. It is created automatically, and unlike most other forms of intellectual property, it does not require a registration process.

The author of the work is a natural person that created the work or a person whose name, pseudonym or character is commonly referred to in copies of the work until it is proven to be the opposite.



Copyright (pixabay)

Related rights with copyright are copyright-based, they assume the existence of a copyrighted piece of work and include the following types of protection: performance artists on their performances, producers of phonograms on their

phonograms, film producers and video game makers on their films and video games, broadcasting organisations on their broadcasts, their publishers and databases manufacturers on their databases.

If your product or service contains elements protected by the Copyright Act, remember to properly tag it with ©.



IP Helpdesk: Copyrights

https://intellectual-property-helpdesk.ec.europa.eu/copyright_en



FAQs on copyright for consumers

<https://euipo.europa.eu/ohimportal/en/web/observatory/faqs-on-copyright>



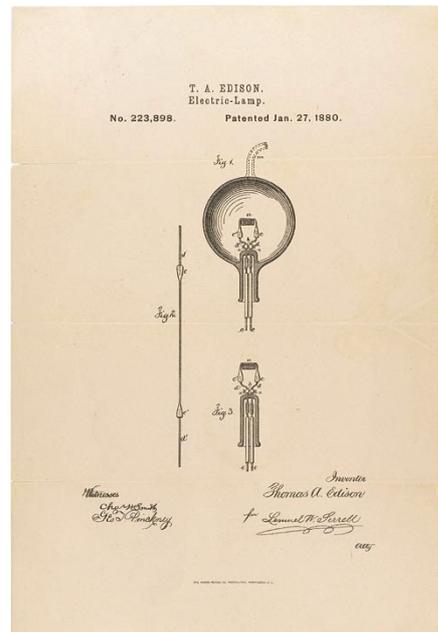
AGORATEKA (The European online content portal)

<https://agorateka.eu/>

Industrial property

The Patent

If an inventor wants to protect the invention that offers a new technical solution for a problem and relates to a product, process or application, the appropriate form of intellectual property protection is a patent.



Citation: Thomas Edison's patent drawing and application for an improvement in electric lamps, patented January 27, 1880; Records of the Patent and Trademark Office; Record Group 241; National Archives (<https://www.archives.gov/milestone-documents/thomas-edisons-patent-application-for-the-light-bulb>)

By acquiring the patent, its holders of rights, respectively owners, acquire the right of monopoly on the market based on a protected technical solution during the term of patent protection which can be up to 20 years for full patent and up to 10 years for a consensual patent.

The patent is recognized for any invention in any of the technical fields having:

- A. **The novelty of the invention.** *An invention is novel if it is not contained in state-of-the-art. State-of-the-art considers everything that is made accessible to the public in the world either in a written or oral way, by use or in any other way before the filing date of the patent application.*



What do you think?

What are the most famous patents that come to your mind?

What is the difference between invention and patent?



EC: Patents

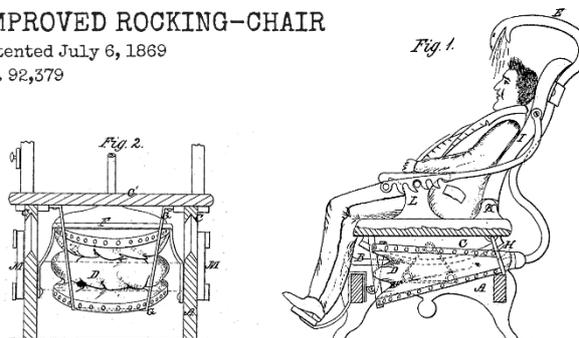
https://ec.europa.eu/growth/industry/strategy/intellectual-property/patent-protection-eu_en

- B. **Inventive level.** *The invention has an inventive level if it does not find a skilled person in the appropriated field, in an obvious way, from state-of-the-art.*
- C. **Industrial applicability.** *The invention is industrially applicable if its object can be produced or used in any branch of the industry, including agriculture.*

The patent is also recognized for the invention that refers to:

- A. A product consisting of biological material or that contains a biological material.
- B. The method by which the biological material was produced, processed or used.
- C. Biological material isolated from the natural environment or produced by a technical process, even if it was previously found in nature (discovery).

CHARLES SINGER
IMPROVED ROCKING-CHAIR
Patented July 6, 1869
No. 92,379



WIPO: 2019 Patent Picks – Weird and Wonderful
<https://www.wipo.int/patents/en/>

 **WIPO 2021 Patent Picks – Weird and Wonderful**

https://www.wipo.int/patents/en/2021_patent_picks.html

NOTE!

Inventions not considered and not patentable: Discoveries, scientific theories and mathematical methods, Aesthetic creations, Rules, instructions and methods for performing mental activities, games or doing business, Display information, Computer programs.

Trademark

The trademark is exclusively recognized as a trademark used to distinguish between products and/or services of one person from other people in economic transactions. It can protect the name, logo, emblem, label or other distinctive features of the product and/or service that can be verbally and figuratively expressed as a combination of words and graphic solutions.

When filing a trademark registration application, products and services must be clearly identified and classified in accordance with “The International Classification of Goods and Services”, better known as the Nice Classification.



® for registered trademarks



™ for unregistered trademarks



Coca-Cola (pixabay)

IP Helpdesk: Trademarks

https://www.youtube.com/watch?v=leAybwUZMgQ&list=PL-VYW74RnAKZ0Frke-LOer_3w08IDRli9q&index=3



Note!

If you use trademarks in your marketplace, remember to properly label them with the trademark ™ for unregistered trademarks and the trademark ® for registered trademarks.



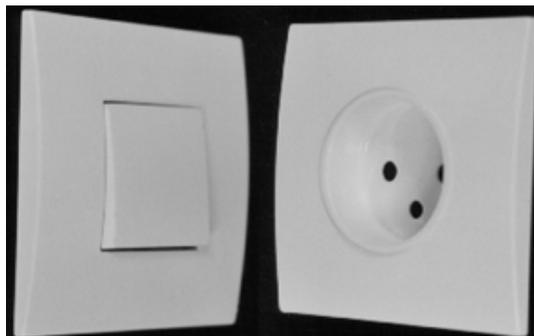
EUIPO Chapter I: It's all about trade marks

<https://www.youtube.com/watch?v=Kcs-UU30bTQ>

Industrial design

Industrial design protection includes the protection of an outer appearance of a product or object by protecting the shape and outline of objects and surface characteristics (lines, colours, textures, shapes, contours, materials, ornamentation). There are legally defined conditions for the registration of industrial designs:

- A. An industrial design protects design that is new and has an individual character. Design is considered new if no identical design has been made available to the public before the filing date of the application for industrial design registration or if the right of priority has been claimed before the date of the recognized priority.
- B. The design applied to a product or contained in a product, constituting an integral part of a complex product, shall be considered to be of new and individual character only if the constituent part, after being incorporated in the composite product, remains visible during regular use of that product to the extent that the visible features of the constituent part individually meet the conditions of novelty and individuality of character.



Ingelec's double switch and socket design, internationally registered under the Hague system (Registration No. DM/067009); <https://www.wipo.int/>

What do you think?

What is the difference between an industrial design right and a patent?

EUIPO: Designs in the EU

<https://www.youtube.com/watch?v=FYW-POz7BIYE&t=121s>

Topography of semiconductor products

Topography, as a representation of a three-dimensional distribution of conductive, insulating, and semiconductor material layers in semiconductor products intended for performing a particular electronic function, can be protected as intellectual property.

Marks of geographical origin and designation of origin

They are used to designate traditional products in our environment. They increase the market value of the product by promoting their special features and encouraging rural development. A geographical indication indicates that a product or service originates from a particular geographical area and has a certain quality and features attributed to that origin.



PGI

Protected Geographical Indication
Indication Géographique Protégée
Indicazione Geografica Protetta
Indicación Geográfica Protegida



PDO

Protected Designation of Origin
Appellation d'Origine Protégée
Denominazione di Origine Protetta
Denominación de Origen Protegida



Other forms of intellectual property

Internet domains

Internet domain names are especially important for entrepreneurs whose business is entirely or partly based on the internet.

What do you think?

Do you know which products from your country are being registered and protected across the EU?

 **eAmbrosia** (the EU geographical indications register)

<https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/geographical-indications-register/>



Profiles on social networks

The rationale of social networks in the entrepreneurial context is in their economic use. Social networks can be very effective in communicating with clients and directing them to the internet center of their own business (website).



Social media accounts are intellectual property (Pixabay)

Business databases, Internet Search Engines and pointing software

Businesses' databases are considered copyright pieces of work. But for entrepreneurs, a listing in well-chosen business databases can mean the difference between great success and total failure. That is particularly emphasized if there is a possibility of creative formatting of own input into a database that also includes multimedia content. Publishing in some databases is completely useless, and it is just an expense. In case of doubt, consult before giving consent to the publication.

Registrations in the special services that internet browsers offer to their users also have great economic potential.

A good example of this is a flower shop's registration in Google Maps which enables all customers to get directions to find a specific location. The Google AdWords campaign, which can put your posting on the top of the internet search results, is a great example of a creative and effective marketing approach.

Search engine optimization (SEO) on a website is extremely important. From the business viewpoint of the one who offers such a service, it represents an entrepreneurial project. To someone who orders such a service, it is a remarkable tool that enables a significant improvement in the rank achieved in the search according to keywords.



Search engine optimization (SEO)(Pixabay)

Trade secret

To keep the trade secret safe, entrepreneurs must know that they own something that is a trade secret because trade secrets cannot be named.

Trade secrets are defined as any information with the potential for commercial use and the creation of a competitive advantage that is not accessible to the public or competitors and is carefully preserved.

If you are not sure if you have a trade secret, test yourself by asking the question: Is this something the competitors would want to know, or would it give them a competitive advantage?

Trade secrets include new product types, innovative business models, knowledge and experience in manufacturing and design, a recipe, organisation system, quality control methods,



What do you think?

Can you think of some activities where digital marketing bordered with intellectual property rights infringement?

Do you think that IP laws need to catch up with the technology advancement?



WIPO (Explained: What is a Trade Secret?)

<https://www.youtube.com/watch?v=0TeB59XZblc>



What do you think?

What is the most famous trade secret?

new product launch dates and their technical specifications, customer and supplier lists, contract terms, all types of business plans, customer creditworthiness, and all other information that can enhance business decision making. In addition to the knowledge of "how to do something", knowledge is also "what is not to be done".

Business secrets are not kept only from external offenders but from the employees too. "CONFIDENTIAL" tags on documents will not be enough. In some cases, they are even counterproductive.



Confidential (pixabay)

Technical protection includes information security measures such as effective protection against malicious software, correct access to user accounts and password management, encryption of important data, backup of important business information, and destruction of print media and confidential file carriers.

Trade secrets should be regulated by an employment contract. It is advisable to add a non-competition clause to an employment contract as it prevents employees from being hired by a direct competitor. It is extremely important to sign a confidentiality agreement with business associates with whom entrepreneurs are negotiating possible business cooperation.

Intellectual property protection and management

Quality intellectual property management can bring an increase in the company value, easier financing, faster return on investment, easier planning, better quality and more complete

 **European Commission, Executive Agency for Small and Medium-sized Enterprises, Non-disclosure agreement: a business tool**
<https://op.europa.eu/en/publication-detail/-/publication/e412838c-f015-11eb-a71c-01aa75ed71a1/language-en/format-PDF/source-227373103>

business information and avoidance of legal disputes with the competitors.

Commercialization of innovations can be carried out on its own as well as by giving to others, or taking, the right to use through licensing. A license, i.e., a license agreement, is a tool that enables revenue generation during the contract period to transfer knowledge and experience to use in a precisely defined territory and scope. The license agreement includes all accompanying documentation and knowledge about the start of production or service. By licencing, proprietary rights of a certain technology are transferred from the seller to the buyer, which means that the buyer is entitled to the technology developed by someone else.

The subject of the license may be any form of intellectual property: patent, trademark, industrial design or copyright and related rights and a trade secret.

Unauthorized use or duplication of intellectual property is a violation of the law, and the right of the owner to have access to, use and gain the benefits is protected by the means and institutions of the legal system at the request of an intellectual property right, not ex officio.

As protection is more complex, violations of intellectual property rights are less likely to happen.



Coca-cola's complex protection

 **IP Helpdesk: IP Licensing**

<https://youtu.be/Py-JrRPrB10>

 **REUTERS: Ex-Coke aide gets 8 years in trade secrets case**

<https://www.reuters.com/article/us-coke-tradesecrets-idUSN232338632007052>

European IP Helpdesk

The IP Helpdesk provides free-of-charge, first-line support to European small and medium-sized enterprises (SMEs) on IP management, protection and enforcement. Consisting of five dedicated regional Helpdesk services covering China, Europe, Latin America, India and Southeast Asia, the IP Helpdesk caters to the individual needs of businesses operating in those markets. In addition, the regional Helpdesk for Europe specifically assists EU SMEs and researchers in dealing with IP issues in the context of EU-funded research and innovation projects.

The EC IP Helpdesks



Regional helpdesks

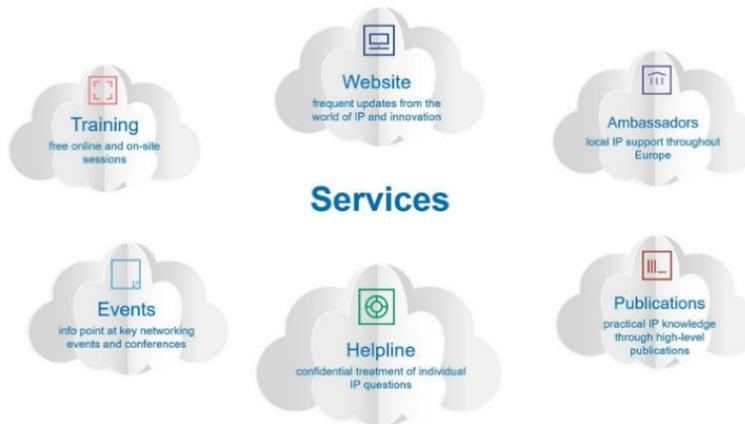
Offering a broad range of informative material, a Helpline service, as well as a diverse training calendar, the IP Helpdesk's overall goal is to support IP capacity building along the full scale of IP practices: from awareness to strategic use and successful exploitation.

The regional IP Helpdesks are managed by individual teams of experts who bring extensive knowledge and experience in dealing with central IP issues associated with each geographical area and the corresponding markets.

 **IP Helpdesk web**
https://intellectual-property-helpdesk.ec.europa.eu/index_en

 **The European IP Helpdesk Helpline**
<https://www.youtube.com/watch?v=IY17CxoPdQI>

 **Find your IP ambassador**
https://intellectual-property-helpdesk.ec.europa.eu/regional-helpdesks/european-ip-helpdesk/europe-ambassadors-team_en



Services provided by IP Helpdesk

IP Helpdesk website offers an overview of ambassadors included in the network and upcoming events for training and workshops. A helpline that provides you with a way to submit your IP question and get free, first-line and confidential advice.

Also, the IP Helpdesk provides on-site and online training activities covering relevant IP topics for EU SMEs and entrepreneurs involved in cross-border business activities or looking to expand their businesses to other regions.



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Web-pages

State Intellectual Property Office <https://www.dziv.hr/en/intellectual-property-protection/>

IP Helpdesk https://intellectual-property-helpdesk.ec.europa.eu/index_en

EUIPO <https://euipo.europa.eu/ohimportal/en>

WIPO <https://www.wipo.int/portal/en/index.html>

All of the photos were taken from pixabay: <https://pixabay.com/>

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