



On-line Manual on Intellectual Property

Project "Boosting Cross-border Entrepreneurship in Life Sciences & Medicine related to Biotechnology and Medical ICT between Estonia and Latvia" "Boost BioBusiness"

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INTELLECTUAL PROPERTY (IP) PROTECTION

SUBJECT AND PRINCIPLES OF IP PROTECTION

The term “Intellectual Property” (IP) designates the **rights on results of a person’s intellectual activity**. Such rights always have an owner. Third persons may exploit IP only on the consent (licence) of the proprietor of IP rights.

This internationally acknowledged definition of intellectual property has been set forth by WIPO Convention (Convention establishing the World Intellectual Property Organisation (WIPO) (1967)), Art. 2 (viii).

**Intellectual Property is valuable business asset.
Intellectual property rights provide their owners monopoly on the exploitation
of their creations**

The two main types of intellectual property are **copyright or author’s rights** and **industrial property**.

Copyright arises automatically from acts of personal creation (see the table).

A prerequisite for industrial property protection is registration in the relevant state register.

Table 1

| Intellectual Property | |
|---|--|
| Works protected by Copyright | Industrial Property |
| Articles, collections of articles | Inventions |
| Monographs | - devices |
| R&D reports | - compounds, incl. biological material |
| Schemes, layouts, models | - processes |
| Lectures, presentations | Utility models or small inventions |
| Computer programmes | Trade secrets |
| Collections of information, incl. databases | Trade and service marks |
| Translations, adaptations and other alterations of work | Industrial designs |
| Opinions, reviews, expert opinions | Plant varieties |
| Three-dimensional models, etc. | Layout-designs of integrated circuits, etc |

WIPO Convention, Art. 2 (viii)

Objects protected by intellectual property are abstract and immaterial. In order to receive protection, the objects must be in a form that allows for reproduction.

In each country, incl. in Estonia and Latvia, a governmental agency called as Patent Office, Intellectual Property Office, etc. maintains such state (national) registers and grants patents, certificates of registration of trademarks, etc.

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| Intellectual property protection is territorial |
|--|

Usually this territory is defined by a **country**. For example a patent or a trademark that has been awarded legal protection in Estonia, has no legal protection in other countries.

In order to expand the legal protection **beyond the territory of one country**, certain conditions must be met.

In order to broaden the **scope of the territory of legal protection of copyrighted works**, international conventions are concluded between the countries. By these conventions the copyright protection of a work extends also to other countries. One of the main copyright conventions that also Estonia and Latvia (and many other countries) are a part of is the **Berne Convention** for the Protection of Literary and Artistic Works (1886).

However, the territory of protection can also be defined by a **region**. For example, it is possible to register trademarks and industrial designs which enjoy protection within the whole territory of the **European Union (European Community trademarks and industrial designs)**. Please note that European Community Patent protection is not available at the time being (2011). European patents are issued by the European Patent Office (EPO), which is not a European Community institution.

Generally, in order to protect an invention or a trademark, a respective application must be filed for in all the specific countries where the protection is desired.

Still, according to some international treaties there are possibilities to apply for legal protection in **several countries** by filing **one application**.

For inventions, an **international patent application (PCT-application)** and (regional) **European Patent** may be applied for (not a European Community Patent), and in respect of trademarks and industrial designs relevant international applications as well as European Community trademark or industrial design applications may be filed.

| |
|--|
| There is no universal (world-wide) patent or trademark registration |
|--|

Table 2

| Patent application filing strategies, patent protection territories | |
|---|---|
| National patent application | Examination, grant/refusal by national IP Office > national patent |
| International patent application (PCT-application), <i>single application, countries/regions designated</i> followed by (several) national/regional (European) patent applications (Euro-PCT route) | No international patent. Examination, grant/refusal – national/regional (European) IP Office > national or regional (European) patent |
| Regional (European) patent application <i>single application, countries designated</i> | Examination, grant/refusal > European patent, followed by validation of granted European patent in designated countries > validated European patent (in designated country) |

Designated countries/regions - contracting states/regions (EPC) in which the protection for the invention is desired

National application - filed at a national IP office according to a national procedure

National patent – granted by national IP office, legal effect in one country

EPC - European Patent Convention, enables the applicant to obtain a patent in some or all of the contracting states

Euro-PCT route - a way to obtain a European patent by designating the EPO in a PCT application

PCT, Patent Cooperation Treaty - enables the applicant to obtain a patent in some or all of the contracting states.

Table 3

| Trademark application filing strategies, trademark protection territories | |
|--|---|
| National trademark application | Examination, grant/ refusal by national IP Office > national trademark registration |
| International trademark application single application, countries/regions designated | Examination, grant/ refusal by national IP Office and (regional) European Community Trademark Office > national trademark registration(s) and Community Trademark registration |
| European Community Trademark application single application | Community Trademark registration |

Designated countries - contracting states in which the protection for the trademark is desired.

Intellectual property protection is **limited in time**. As intellectual property rights provide their owners certain **monopoly** on the exploitation of their creations, their infinite protection does not serve the interests of society as a whole. A state guarantees the protection of intellectual property rights during such optimal period of time so that its proprietor has the possibility to gain sufficient profit from the exploitation of these exclusive rights, and reward for its efforts and investments. For example, a patent may be valid for the maximum of 20 years, copyright protection lasts for the life time of the work's author and 70 years after author's death. After the validity time elapses, everyone may use the invention, work, industrial design, or other intellectual property without the permission of its creator or prior right owner.

Table 4

| Intellectual property protection is limited with time | |
|--|--|
| Patent | 20 years, supplementary protection 5 years for medicinal products . |

| | |
|-------------------------------|--|
| | Patent maintenance fees must be paid each year to keep the patent in force. In U.S.A. maintenance fees are due 3½, 7½ and 11½ years after the grant of the patent. |
| Utility model | 4 + 4 + 2 years (total 10 years) (in Estonia, not available in Latvia). No annual maintenance fees. |
| Trademark registration | 10 years, may be renewed by 10 years (infinitely). No annual fees. |
| Industrial design | 5 years, may be renewed by 5 years (total 25 years). No annual fees. |
| Copyright | Term based on authors' life time in EU countries: Author's life + 70 years. Term based on work publication and creation dates in EU countries: 70 years from publication or if unpublished 70 years from creation (anonymous works). No maintenance fees. |

Intellectual property rights are exclusive. Only the owner thereof can reproduce a protected object. Other persons have to obtain the **consent** (licence) from the owner of exclusive rights. Intellectual property is a part of company's immaterial assets.

Intellectual property means the **rights** in respect of the above mentioned objects.

| Intellectual Property = RIGHTS | |
|---------------------------------------|----------------------------|
| Copyright | Industrial Property |

Intellectual property laws are in principle quite similar in different countries, but still vary in details.

Intellectual Property contains two types of rights – **moral rights (personal rights) and economic rights.**

Moral rights are intended to protect the author's primary personal connection with its work or invention as an expression of its personality. These rights are for example the right to be identified as the author of the work/invention, the right to decide how the author's name appears to the public, etc. The scope of moral rights differs from country to country. The moral rights cannot be transferred to another person, but e.g. in Estonia author can provide a licence for the use of the work in respect of its moral rights.

Economic rights enable their proprietor to obtain economic revenue from the exploitation of its intellectual property. In the field of industrial property the economic rights comprise for example the right to produce and sell an invention, to use a trademark on its goods and services, to reproduce an industrial design, etc. In the field of copyright the economic rights enhance

for example the right to reproduce (or copy), to distribute, and to translate the work, etc.

The economic rights are transferrable, i.e. they can be sold to another person or company. Thus, the author, inventor, etc. and the owner of economic rights are not necessarily one and the same person.

Table 5

| Moral and economic rights of the author of a copyrighted work | |
|---|---|
| Moral rights | Economic rights |
| Right to authorship Right to author's name Right of disclosure of the work Right of integrity of the work Right of protection of author's honour and reputation, etc. | Right of reproduction of the work Right of distribution of the work Right of alteration of the work Right of collections of works Right of exhibition of the work, etc. |

Table 6

| Moral and economic rights of the inventor | |
|--|--|
| Moral rights | Economic rights |
| Right to authorship Right to author's name | The right to apply for a patent, and to become the proprietor of a patent The right to receive fair revenue from the profit received from the invention |

INVENTIONS

Patents and utility models (small inventions) are forms of legal protection for inventions. A patent is a legal title granting its owner the right to prevent third parties from commercially exploiting an invention without permission of patent owner. Patents are valid in individual states for a specific period if the maintenance fee is paid.

In return for the temporary monopoly, the patent applicant must to disclose the invention in the patent application. The invention must be disclosed in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art. Patent applications and granted patents are published by IP offices. The disclosure of the invention in exchange for patent protection is known as the "patent bargain".

Invention is a solution to a technical problem.

The subject of an invention may be a device, process, material, including biological material, or a combination thereof.

Subjects of invention:

- Device
- Method, process
- Compound, incl. biological material
- Or their combination

Biotechnological inventions

"Biotechnological inventions" are inventions which concern a product consisting of biological material or a process by means of which biological material is produced, processed or used.

"Biological material" means any material (including micro-organisms) containing genetic information and capable of reproducing itself or being reproduced in a biological system.

"Microbiological process" means any process involving or performed upon or resulting in microbiological material.

Biotechnological inventions shall also be patentable if they concern:

- biological material which is isolated from its natural environment or produced by means of a technical process even if it previously occurred in nature;
- plants or animals if the technical feasibility of the invention is not confined to a particular plant or animal variety; or
- a microbiological or other technical process, or a product obtained by means of such a process other than a plant or animal variety.

Biotechnological inventions can be protected only by a patent (not as a utility model, i.e. "small invention").

What constitutes patentable subject matter in biotechnological inventions according to EPC2000 and European Patent Office Case law please see "Protecting biotech inventions in Europe" by Julia Molitor and Regula Rüedi

<http://www.iam-magazine.com/issues/article.ashx?q=cc7e3e98-5048-45cf-a4e5-7d6bc936d9db>

CRITERIA FOR PATENTABILITY

Inventions of any field of technology may be protected by a patent if the invention complies with all three criteria of patentability.

Criteria for patentability

An invention shall be deemed to be patentable if it is

- new (world-wide)

- involves an inventive step
- is industrially applicable

Novelty

An invention shall be considered to be new if it does not form part of the state of the art.

The state of the art shall be held to comprise everything made available to the public by means of written or oral description, by use, or in any other way, in any part of the world before the filing date of the patent application or before the date of priority if priority is claimed.

Grace Period

Information disclosed within grace period prior to the filing date of the patent application shall not affect the patentability (novelty) of invention

- 12 months in U.S.A, in Estonia

Inventive step

An invention shall be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art.

Industrial applicability

An invention shall be considered as susceptible to industrial application if it can be manufactured or used in economy.

A utility model is a minor (small) invention. Its inventive step is lower and the receipt of a registration certificate is quicker and cheaper than those of an invention protected by a patent.

In Estonia the Patent Office does not verify the conformity of the utility model with the criteria of patentability (novelty and susceptibility to industrial application) and a registration certificate is issued if the formal requirements are met. Thus, the risk of revocation of the protection of a utility model in the event of challenging a registration on grounds of lack of novelty and/or inventive step is considerably higher than that of a patent. It takes 3-4 months as of filing an application for registration of a utility model until the receipt of a certificate.

A certificate of a utility model is valid for 4 years as of the filing date of an application and the term of validity can be prolonged for four and two more years (10 years in total).

In Latvia, utility model protection is not available. Please see the list of countries where **utility model protection is available** (http://www.wipo.int/sme/en/ip_business/utility_models/where.htm).

Patents and innovations in Latvia:
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1018906

DEPOSITION AND AVAILABILITY OF BIOLOGICAL MATERIAL

Where an invention concerns a biological material, the disclosure of invention may include reference to a **deposit** of such biological material. Disclosure of invention in patent application is a general requirement. Disclosure usually comprises a written description and drawings. If an invention involves the use of or concerns biological material, a written description is not enough for the person skilled to reproduce the invention.

Therefore the deposit of the biological material in an officially recognized culture collection is required.

To facilitate the recognition of deposited biological material all over the world, the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure was established. The Budapest Treaty ensures that an applicant needs not to deposit the biological material in all countries where a patent is desired. The applicant needs only to deposit the biological material at one officially recognized culture collection, and this deposit will be recognized in all countries party to the Budapest Treaty.

Once a deposit is made in a depository, a biological material will be considered to be **available upon request to any person** from the date of publication of the patent application.

The requester must undertake not to make the biological material or any biological material derived therefrom available to any third party and to use that material for experimental purposes only, until such time as the patent application is refused (or withdrawn or deemed to be withdrawn), or before the patent has expired, unless the applicant for or patent owner expressly waives such an undertaking.

In Latvia the following International Depository Authority is recognized under the Budapest Treaty: [Microbial Strain Collection of Latvia \(MSCL\)](#), University of Latvia, Faculty of Biology.

In Estonia there are no International Depository Authorities recognized under the Budapest Treaty.

Index of International Depository Authorities under the Budapest Treaty please see:

<http://www.wipo.int/treaties/en/registration/budapest/pdf/ida.pdf>

What cannot be protected by patent?

Discoveries, scientific theories and mathematical methods, schemes for performing mental acts or doing business, designs of buildings, algorithms for computers and computer programs, presentations of information, etc., cannot be patented. Inventions that are contrary to public order or morality and methods of treatment and diagnostic methods practised on the human or animal body are not protected by patents.

What cannot be protected by patent?

- Discoveries
- Managing or business ideas
- Scientific theories
- Schemes
- Computer programmes, per se; etc.

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Exceptions to patentability

The following biotechnological inventions shall not be protected by a patent

- processes for cloning human beings
- processes for modifying the germ line genetic identity of human beings
 - uses of human embryos for commercial purposes
 - processes for modifying the genetic identity of animals which are likely to cause them suffering without any substantial benefit to man or animal, and animals resulting from such processes
 - essentially biological processes for the derivation of biological materials or the production of plant or animal varieties, except microbiological processes for the derivation of micro-organisms
 - inventions the application of which is confined to a single plant or animal variety

“Essentially biological process for the derivation of a biological material or production of plant or animal varieties” means a process which consists entirely of natural phenomena, including crossing and selection.

PATENT PROSECUTION PROCEDURE

Patent applications will be filed with the national/regional IP Offices or with the International Bureau of WIPO.

Please see also Table 2 with regard to filing strategies and patent protection territories and Table 7 with regard to time-line in Euro-PCT patent application route.

After filing a patent application, IP Offices will carry out the formalities and substantive examination.

During the substantial examination, the IP Offices shall verify the compliance of an invention with the criteria of patentability (novelty, inventive step). In some countries, like Latvia, the Patent Office does not examine the invention in respect of the criteria of patentability.

Patent applications will be published 18 months after the filing date. It takes 3-5 years as of filing a patent application until issuance of the patent.

Granted patents will be also published.

After grant, there may be a further opposition procedure (in Europe, during 9 months from the mention of grant). Opposition can be filed on the grounds that an invention lacks novelty or inventive step, or that disclosure of invention is not sufficient, etc.

In order to maintain the patent, as a rule, annual renewal fees must be paid.

The maximum term of a patent is 20 years from the date of filing (with regard to time limits please see Table 4).

Patent claims

The **scope and content of patent protection** shall be determined by the wording of patent claims.

The wording of patent claims shall be interpreted based on the level of knowledge of a **person skilled in the art at the time of filing the patent application.**

The description, drawings and other illustrative material shall be used to interpret the wording of patent claims.

Patent Claims

- Subject matter of the invention in a clear, concise and short manner
- A set of **all essential features** of the invention

EXCLUSIVE RIGHTS OF THE PATENT OWNER

Exclusive right of a proprietor of a patent means that during the period of validity of the patent and without the permission of the patent owner no person shall manufacture, use, distribute, sell or offer for sale products protected by the patent or acquire (incl. by way of importation) such products for the aforementioned purposes.

Exclusive right of patent owner (pate

- make, use, distribute, sell or offer for sale patented products

- use, distribute, sell or offer for sale a product made according to a patented process

In case of a patented biological material the exclusive right of patent owner shall extend to

- any biological material derived from that biological material through propagation or multiplication in an identical or divergent form and possessing the same characteristics.
- any biological material derived from the biological material obtained through the patented process through propagation or multiplication in an identical or divergent form and possessing the same characteristics
- all biological material in which the invention is incorporated and which performs its function according to the said genetic information, except the human body and parts thereof.

Patents and Research Exemption

Patent gives the patent owner a right to exclude others from making, using, selling and distributing their invention. There some restrictions, e.g. private use exception and experimental use exception.

Acts which do not constitute infringement of exclusive right of patent owner

- use of the patented invention **in testing** related to the invention itself
- the **single preparation of a medicinal product** containing the patented invention on the basis of a prescription in a pharmacy and the use of such medicinal product
- the propagation or multiplication of **biological material** placed on the market by the patent owner or with his consent, where the multiplication or propagation necessarily results from the application for which the biological material was marketed, provided that the biological material obtained is not subsequently used for other propagation or multiplication
- **the private non-commercial use** of the patented invention if such use does not harm the interests of the patent owner

Overview of the United States experimental use exception to patent rights and to patent infringement in European Law, incl. with regard to biotechnological inventions, please see website of IPR Helpdesk

http://www.ipr-helpdesk.org/documents/BP-Patenting-and-the-Research-Exemptio_0000003268_00.xml.html#N20179

PATENTING INVENTIONS IN FOREIGN STATES

For details of timescales and costs on the patent application process contact IP professionals.

Convention priority

Where the patent application has been filed within **12 months** after the filing date of the **first** patent application, priority can be established, upon claiming it, according to the date of filing the first patent application in any state party to the Paris Convention.

Example

The first (national) patent application was filed on 2008. It appears by 2010 that the invention is commercially valuable in abroad. But during 12 months after the filing date of the first patent application no patent applications were filed. The first (national) patent application was not withdrawn and published after 18 months from priority date. Thus, the applicant has lost the opportunity to obtain patent protection and gain profit from licensing or transfer of rights in abroad. If the applicant would apply for protection of the same invention on 2010, the patent will be not granted on grounds that the invention lacks novelty because the subject matter of invention was disclosed in the applicant's own earlier (2008) patent application.

Therefore, the decision in which countries to apply for a national patent or an international patent application should be made **within one year** from the filing date of the first patent application.

INTERNATIONAL PATENT APPLICATIONS

The Patent Cooperation Treaty (PCT) sets up a system for filing patent applications using a **uniform application** form for obtaining patents in many states.

International patent application shall be filed with the national patent office, European Patent Office or with the International Bureau of WIPO.

The first patent application filed to the national patent office is usually followed by the International patent application filed within 12 months calculated from the filing date of the first (priority) application.

All countries where protection is sought should be designated in the international application. But in order to obtain patent protection in a certain (elected) country, separate national or regional (e.g. European patent) applications should be filed in time. **A decision to grant or to refuse to grant a patent is made independently by each country, or by the regional patent office (e.g. European Patent Office).**

There is no international patent based on international patent

application

International patent application under Patent Cooperation Treaty (PCT)

- 1 unified application
- All states member to PCT are designated
- Election of states may be postponed until 20 (21) or 30 (31) months (instead of 12 months)
- International search report of EPO, USPTO, or other – overview of state of the art (patents, publications, etc.)
- International preliminary examination of EPO, USPTO, or other – helps to estimate whether the patent will be granted

Table 7. Time-line in Euro-PCT patent application route

| | | | |
|-----------------------|---|--|---|
| Euro-PCT route | National application (e.g. EE) 1 st filing (priority date) | PCT application Filed within 12 months from priority date | <ul style="list-style-type: none"> • National applications (e.g. US, JP, RU, etc.) • Regional (EP) application (designated countries: LV, FI, SE, DE, etc.) Filed within 30 (US) or 31 (EP) months from priority date |
| | | Called as International phase Applicant receives: <ul style="list-style-type: none"> • International search report • International preliminary examination opinion | Called as National/Regional phase |

National phase of an international patent application cannot be directly entered into Latvia, i.e. Latvian national patent cannot be directly designated in the international patent application.

The designation of Latvia in international patent application is possible only shall be regarded as request to obtain a **European patent that acts in Latvia**.

EUROPEAN PATENTS

European patents shall be granted for the contracting states to the European Patent Convention (EPC), and can be extended to extension states (Bosnia and Herzegovina and Montenegro). Member states of EPC please see <http://www.epo.org/about-us/epo/member-states.html>

How to apply for a European patent please see also <http://www.epo.org/patents/One-Stop-Page.html>

European patent is not a European Community patent.

EPC enables to apply for a patent simultaneously in several contracting states by using a unified application.

Similar to PCT applications, the designated states where a patent is applied for should be designated in the European patent application.

The decision to grant a patent or not shall be made by the European Patent Office.

The European patent has same effect as a national patent.

European patent automatically confers on its proprietor from the date on which the mention of the grant is published in the European Patent Bulletin, in each contracting state in respect of which it is granted, the same rights as would be conferred by a national patent granted in that state.

| |
|--|
| <p>As a rule, European patents shall be not automatically valid in EPC contracting states</p> |
|--|

European Patent shall be valid in designated states if the applicant will submit the required documents (translations of the description of invention and/or claims) and pay the fees (within 3 months from the publication of the notice of grant in the European Patent Bulletin).

The aforesaid procedure is called as **validation of European patent** in designated states.

The validation costs (translation costs of the full description of invention and/or claims) of European patent to several European languages are remarkable.

In order to reduce the translation costs of European patents, the **London Agreement** (entered into force on 2008), was concluded. London Agreement is optional for EPC member states. Parties to London Agreement please see from web site of EPO (Status of accession and ratification of London Agreement) <http://www.epo.org/patents/law/legal-texts/london-agreement/status.html>

Latvia is a contracting state to the London Agreement. For validation of European patent in Latvia a translation of claims into Latvian must be supplied.

Estonia has not acceded the London Agreement. For validation of European patent in Estonia the translation of full specification and claims into Estonian has to be submitted.

However, for validation of European patent in France, Germany, Luxembourg, Monaco, Switzerland/Liechtenstein and the United Kingdom, the patent owner needs to take no action before national IP Office. In these countries the European patent takes effect as a national patent on the date on which the mention of the grant is published in the European Patent Bulletin.

Annual maintenance fees of validated European patents should be paid to national IP offices.

Translation requirements after grant of European patent in each desired country please see on website of EPO
<http://www.epo.org/patents/law/legal-texts/html/natlaw/en/iv/index.htm>

Database of the **European patents validated in Estonia** is available on web-site of the Estonian Patent Office
<http://www.epa.ee/ep/default2eng.asp>.

The database contains data of the European patents validated in Estonia, the European patents valid in Estonia and the European patents lapsed (or revoked) in Estonia.

Database of the European patents validated in Latvia is not available via Internet.

TRADE AND SERVICE MARKS

A trademark or service mark (hereinafter trademark) is a sign which a company uses (or intends to use) in economic and business activities to distinguish the company's goods or services from other similar types of goods or services of other persons.

In R&D and product development projects trademarks have an essential role in the designation of product names, computer programs, databases, medicinal products, research, commercial and diagnostic kits, strain names and other similar products, including services and technologies that are being developed. In case of services the registration of the business name of a company also as a trademark is important, as well.

It is possible to register any sign or combination of signs which consists of letters, words, numerals or designs, or which is three-dimensional, as a trademark. Registration of a **national trademark** gives its owner the exclusive right to use the trademark in the country where it is registered.

Since the protection of trademarks is territorial, trademarks registered in one country, e.g. Latvia, are not effective in other countries.

European Community trademarks are valid on territory of European Union.

International trademark registrations are valid only in these countries which have been designated in the registration, i.e. the international trademark registration is not valid world-wide, but only in limited number of countries.

Table 8

| Trademark protection |
|---|
| National trademarks (e.g. Estonian or Latvian) |
| European Community trademarks |
| International trademarks (enforced in designated countries) |

The registration certificate of a trademark is valid for 10 years from trademark application date in Latvia and from registration date of the trademark in Estonia, and its term of validity can be prolonged by 10 years.

Please see also Table 3 with regard to Trademark application filing strategies and trademark protection territories and Table 4 with regard to time limitations.

Before ordering a trademark from a designer a company should certainly consult an IP professional who is expertise to perform a trademark search in the necessary databases, so that the availability and alleged strength of protection of the trademark would be established before creating a new trademark and commencing the usage thereof. Otherwise it may turn out that the company has useless expenses because the desired mark cannot be registered as a trademark at all or it cannot be used because the new trademark of the company infringes upon the rights of other proprietors of a trademark.

| |
|--|
| Availability search must be conducted before creating, using, and registering a trademark |
|--|

Upon creating a trademark one should remember that the mark may not describe the goods or services on which the trademark is to be used. Furthermore, an agreement needs to be concluded on the transfer of the **economic rights of the designer** as the author of the trademark with regard to the trademark to the company. If this is not done, the designer could sell the same trademark (e.g. a logo) to another person, or file for the registration of this sign as a trademark himself, and/or prohibit use of the sign as a trademark and accuse of copyright or trademark infringement.

| |
|---|
| Economic rights of the designer of the trademark must be assigned to the trademark owner (by contract) |
|---|

In time the value of a good trademark will grow, therefore it is worth spending resources on the creation and timely protection of a trademark.

The exclusive rights of a trademark owner include the right to provide goods and services under identical or similar trademarks.

INDUSTRIAL DESIGNS

An industrial design is the two-dimensional or three-dimensional design of a product: the shape, configuration, ornamentation, colours, texture and material.

An industrial design is a product design that does not arise from the technical purpose of the product.

If the design of a product does not remain visible when assembled in the whole product, it will not be considered an industrial design.

| |
|-------------------------------------|
| Industrial design protection |
|-------------------------------------|

| |
|---|
| National industrial design European Community design International industrial design registration |
|---|

About European Community designs see
<http://oami.europa.eu/ows/rw/pages/RCD/communityDesign.en.do>

COPYRIGHT

Copyright protects the author's rights to its literary and artistic works, e.g. articles, collections of articles, monographs, reports, schemes, models, maps, lectures, presentations, opinions, expert evaluations, video films and other audiovisual works, translations, adaptations and other alterations of works, computer programmes, collections of data, incl. databases, computer games and other multimedia works, websites, etc.

An entrepreneur or a researcher enfaces possible copyright issues daily – by composing letters, scientific papers, minutes of meetings, reports, applications, and other written documents; by ordering commercial texts; by creating or ordering databases, computer programmes, product packages,

trademark designs, etc. Thus, daily new copyrighted works are created or exploited.

All of the above named creations are **protected by copyright** as works (work is a general term defined by copyright law) **provided that following conditions are met:**

- The work is a person's **original creation**;
- The work has been created in the field of **literature, art or science**;
- The work is expressed in an **objective form**; and
- The work can be **perceived and reproduced** in this form either directly or by means of technical devices.

Table 9

Originality of a creation as a condition for copyright protection means that a person has to create the work on its own, i.e. as its own personal intellectual creation. Originality does not mean that the work needs to be new (as in case of patentable inventions). Work must be created by the author itself independently as a result of its own intellectual work, and must not be copied from a work of another author.

A work is expressed in an **objective form**, if other people are able to perceive and reproduce this work. Such form may be for example a written text (incl. printed, handwritten or in digital form saved on a computer disc), a drawing, an oral presentation, a three-dimensional model, internet webpage, etc. This particular form through which author makes its work perceivable to others, is not limited by law. It means that any kind of form that allows other people to perceive the work in sufficient. This means also that a person's ideas that are still only in his mind and have not expressed to others so that they can perceive them, are not in the objective form, and thus cannot be protected by copyright.

There are no other conditions for a work to be protected by copyright - it must be created by the person itself and the work must be expressed in objective form.

There are no other requirements to a work. The quality or content of the work is not relevant for the copyright protection. The work also needs not be ready in the meaning that the final goal must not be reached in order to enjoy copyright protection. Also the interim stages of a work that correspond to the requirements of work set by law are protected by copyright. For example, an article must not be complete in order to be protected by copyright.

Copyright protection arises in a work automatically by a creation of the work. This means that as soon as a person's creation meets the above described conditions for a work (Table 9), it is automatically protected by

copyright. A work must not be registered or deposited in order to obtain copyright protection. This is a general principle set forth by the Berne Convention, and is common for most of the countries (164 countries have joined this convention).

A work must NOT be registered or deposited in order to obtain copyright protection

Although the scope of copyright protection is very wide, there are **results that are not protected by copyright**. Ideas, methods, concepts, theories, formulas, etc. that have been described in a work are not protected by copyright. Ideas, theories, etc. are a work's content elements, but copyright protects the form of expression of the work, not its content. For example if you invent a new method for doing something, then this method itself cannot be protected by copyright. But if you should write an article where you describe this method in detail, then copyright protects the written form of this article. Thus, under copyright law it is prohibited without consent of the copyright owner to reproduce, translate or distribute this article, on the other hand the exploitation of this described method in manufacturing is not (as copyright does not protect the method itself).

Also single data, facts and claims are not protected by copyright. However, in EU original compositions of data are protected as copyrighted works (e.g. product catalogues), or by special *sui generis* database owner's rights (e.g. collections of research data).

Similarly to other intellectual property rights also copyright comprises exclusive rights, thus one ought to beware of other's copyrights in order not to infringe anyone's rights.

INTELLECTUAL PROPERTY RISKS IN EXPORT

It is important to note that industrial property is protected on a territorial basis, i.e. each country grants its own patents or registers trademarks. Therefore, the protection of an invention patented or trademark registered in one country does not apply in other countries. This does not, however, mean that a patent must be applied for or a trademark must be registered separately in each country. Certain international agreements enable organizations to file a single application for several countries, e.g. the international (PCT) procedure that is widely used for patenting inventions abroad. Estonia and Latvia have acceded to the most important treaties regarding intellectual property. The European Patent Convention has been enforced in respect of Estonia and Latvia.

Trademarks and patents are valid only in these countries where they are registered

TRADEMARK INFRINGEMENT

One should always be aware of IP rights of other persons in the field of its activity. It is of paramount importance to conduct a thorough trademark search and analyses in respect of the signs/trademarks under which export of goods or services is planned abroad. That means that trademark search must be performed in the databases of trademark registers of all individual countries where business activity is planned. In Europe, the respective national trademark registers as well as Community Trademark register must be searched for identical or similar trademarks which have been registered for identical or similar goods or services.

If a prior trademark search has not been conducted, and upon export of goods or services it appears that there is an identical or similar trademark in the target country which has been registered for identical or similar goods, the owner of this registered trademark will very likely accuse of the infringement of its exclusive rights. It is common to first send a **cease and desist letter** to the infringer. In this letter cease of infringing activity (i.e. offering of goods or services under the identical or similar trademark) is demanded. If the cease and desist letter is not followed by desired action by the infringer, then the trademark owner may file a **civil action** in court or even apply for a **criminal action**.

Thus, the situation where a person wished to gain profit with export of goods or services, very likely turns to be with an opposite outcome – it cannot sell its product or services under the initial sign, its goods may even be confiscated, it must find a new trademark for its products or goods, pay for legal costs, and possibly also compensate damages to the trademark owner.

Considering all of the above, it is strongly advisable to conduct a thorough trademark search and analyses in respect of all of the countries where business activity is planned to avoid interfering and costly legal actions. It is important to note that European Community trademarks are valid in all European Union countries.

Example

A start-up company produces and exports commercial laboratory kits, which are advertised via its website. Aforesaid kits are bearing non-descriptive English names that according to the company are not

trademarks, but just product names. As a rule, such activity can be considered as use of a trademark, and thus also as an infringement of registered trademark owner's rights if the comparable goods are identical or similar and the trademarks are identical or similar.

Before using the said signs the company didn't conduct an **availability search** in all required trademark databases, i.e. in the national trademark databases of these countries where the products with the signs are sold, and if export is made to EU countries, in the European Community trademarks database in respect of European Union countries. In the member states of European Union both national and Community trademarks are effective. The national trademark databases comprise also international trademarks valid in the particular country, and these trademarks have the same legal status as national trademarks.

Use of Non-Registered sign (Trademark)

Irrespective of the country where a sign (a word, logo, slogan, etc.) is used to mark products (e.g. a device, database, etc.) or services (e.g. research services, etc.), it should always be registered for the goods and services in respect of which it is exploited. As protection of a trademark registration is defined by the territory of a certain country, which means that in order to obtain exclusive rights on a trademark (to become a trademark owner) in a specific country, one must apply for a trademark registration in this country (or in case of European Union countries, apply for European Community trademark registration).

If a product or service is launched with a sign/trademark that has not been registered in a certain country, then it is possible that another person (very likely a possible competitor) would register the trademark itself. Consequences to this activity are that the owner of the registered trademark very likely would prohibit the use of the trademark or impose a licence agreement with payment of licence fee or file a civil action in court. The user of the unregistered trademark will lose its investments in the creation of the trademark, product or service marketing, etc., and would probably need to pay for additional legal costs, even compensation of damages, and for the costs of creating, protecting and marketing a new trademark.

Example

A spin-off company provides technology development services that are offered via internet. The company uses on its web site an original slogan and logo. The company has not registered the slogan and logo as trademark. Unfortunately it appears that another company applied for trademark protection for similar kind of services in the same country. The slogan and logo can be considered confusingly similar to the applied

trademark. Thus, the initial user of the sign (i.e. the spin-off company) may use this slogan and logo only upon permission of the trademark holder. If the trademark owner does not give the permission which is likely, the spin-off company may not use its original slogan and logo. **Generally trademark owner's exclusive rights do not arise from the mere use of a trademark, but from the trademark registration.**

PATENT INFRINGEMENT

Before a product is to be developed and marketed in a foreign country, one should always perform a thorough evaluation of the relevant market situation as is done in home country.

As to the intellectual property rights, the following must be considered: Have patented inventions (device, process or compound) of other persons been used in the product or service? Are these patents valid in these particular countries?

If a **freedom to operate (FTO) search** has not been conducted it is very likely that one of these consequences would occur - the product is infringing a valid patent, and/or the trademark used on the product infringes a registered trademark.

A freedom to operate search is essential and inevitable before commencing any kind of business

In case the right holder discovers the infringement it shall demand termination of the infringing activity (i.e. sales of the products), may file a civil action in court, demand and compensation of damages. The infringing company shall lose its investments in the product development and marketing, and bear substantial legal costs.

Notice should be taken of that also sales through the internet has the same consequences.

Trademark risks exist in the marketing of any kind of products as all products are always bearing some kind of an identifying sign that performs as a trademark. Also the business name may fulfil the function of a trademark in some cases.

Thus, it is always critical to perform a freedom to operate search in order to find out possible legal hazards, avoid unnecessary costs, and conduct efficient business.

IP IN R&D, AND IN PRODUCT DEVELOPMENT

In cooperation projects, e.g. in R&D and in product development projects where participants agree on the activities, costs, deadlines, etc., an agreement on project result IP ownership and access rights must be concluded. The same also applies to consortium agreements where there are many parties.

OWNERSHIP AND USE OF PROJECT RESULTS

Cooperation between research institutions and companies may take place as follows:

- Contractual research sponsored by companies
- Contracts with spin-off companies (spun off from an R&D institution)
- Licensing of technologies (inventions, know-how)
- R&D cooperation projects (by the support of European Union and national programmes, and other financiers, e.g. Wellcome Trust, etc.)

In all the above contracts it is inevitable to regulate the issues of intellectual property, i.e. **project results IP ownership and exploitation rules**. This means that before the commencement of research it is required to reach an agreement in for example who shall have the right to apply for the patent on the result of the project, and the access rights regime. Namely, on which conditions the access rights for use of project partners' IP background and project results are provided.

Access rights

- in respect of project partner's IP background (in Estonian: *IO kaasavara*)
- in respect of project results

A common misconception is that the result of a project always belongs to the sponsor/the company who ordered and paid for the research.

Payment is not enough for obtaining the IP rights

Example

A start-up company ordered a technical solution of a device from an Estonian R&D institution. As agreed, researchers of the R&D institution compiled the drawings, assembled a specimen of the device, delivered it to the start-up company, and the start-up company settled the invoice in time.

There was no IP ownership regulation in the agreement. As a result, there were 3 different views on the issue of ownership of the project results:

The start-up company was of the opinion that the right to apply for a patent with regard to technical solution of the device belongs to it because the company paid for it.

Researchers of the R&D institution assumed that the right to apply for a patent belongs to them as inventors.

R&D institution declared that the right to apply for a patent belongs to it as the employer of the researchers because the inventors had assigned their rights to apply for a patent to their employer, i.e. R&D institution.

Who is the legitimate owner of project results? The R&D institution. As there is a contract between the researchers/inventors and the R&D institution by which the relevant IP rights are assigned to the R&D institution. If there's no agreement concluded between the project partners on the ownership and exploitation of IP rights, it constitutes a substantial risk.

RIGHT TO PATENT

Commonly, the right to apply for a patent and to become a patentee shall belong to the author of the invention and to his legal successor (Estonian Patent Act, § 12, Latvian Patent Act, § 12). Still, as in all legal matters, the national laws must always be considered.

In case of labour relations, the right to file for a patent and to become a patent owner varies according to the national laws. In Estonia, where the invention has been made in the course of fulfilling a contractual or work assignment, the right to apply for a patent and to become a patentee shall belong to the author or to another person pursuant to the contract or contract of employment. This means that in Estonia, if not otherwise agreed, the right to file for a patent and to become a patent owner belongs to the inventor, and not the employer or sponsor of the research. Thus, it is advisable to conclude in a labour or sponsored research (or other) agreement the issue who has the right to apply for patent and become a patent owner – if this is not done these rights shall vest with the inventor.

In Latvia, the Patent Act § 15 sets forth that it is the employer who has the rights to a patent, if the invention has been invented by the employee, the work duties of which include:

1) the activity of an inventor; and

2) research, designing and construction or preparation of technological development.

Therefore, in each country it is substantial to consult the local national laws in order to determine the ownership of patenting rights, and most of all, with every project to conclude an agreement where the ownership of intellectual property rights, including, the right to apply for a patent and to become a patent owner, is defined.

If more than one inventor has created the invention, then the inventors shall have a joint right to apply for the patent and to become a patent owner. As the management of the patent application and patent is very likely to be complicated with several patent applicants or patent owners, it is common and highly recommended that the inventors would agree between themselves who shall represent them in patent management or who they shall assign their patent rights to.

On joint ownership in IP, see http://www.ipr-helpdesk.org/documents/JointOwnershipinIntellectualPropertyRights_000000649_03.xml.html

In Estonia, in case of utility models, similar rules on the right to file a utility model registration application and to become a utility model registration owner, apply.

Right to apply for an industrial design registration

In case of industrial designs, the right to apply for the registration of an industrial design and to become the owner of the industrial design is vested in the **author** or person who has acquired the right to apply for the registration of the industrial design from the author.

In Estonia, the right to apply for the registration and ownership of an industrial design created in the performance of duties of employment or contractual obligations is vested in the **employer or the customer**, unless the duties of employment or the contract prescribe otherwise (Estonian Industrial Design Protection Act, § 14).

In Latvia, a **designer** shall have the rights to the design that has been created in the performance of a work task, unless provided otherwise by the contract with the employer (Latvian Law on Designs, § 10).

IP portfolio

Before starting an R&D project, a project partner should prepare an overview of its intellectual property relevant to this project (IP background):

- to ascertain **the ownership of the intellectual property economic rights** under employment contracts and other contracts, i.e. to ascertain whether the right to apply for a patent is vested in the organization or an employee;
- to compile a **patent portfolio**: to map patent applications, patents, registration applications and certificates for utility models, their legal status in different countries;
- to compile a **trademark portfolio**: to identify trademarks in use and ascertain whether the existing registered trademarks cover the products and services developed in R&D project;
- to compile a **copyright portfolio**: to review the organization's **databases**, software, publications, etc.;
- to compile a **list of proprietary strains** of microorganisms, and other relevant biological material.

IP portfolio before R&D project

- **Pre-existing know-how and knowledge, background**
- IP ownership in labour contracts and other contracts - who does own the right to apply for a patent? License agreements, IP issues and obligations in contracts
- Industrial property (patents, trademarks) .
- Copyrighted works
- Proprietary strains

An exact description of pre-existing knowledge and know-how gives a company a solid position in contract negotiations and in obtaining favourable terms, incl license fees for providing **access rights** to project partners.

It is advisable that intellectual property rights be vested in just one participant in a project. Situations where several owners hold one patent (**joint ownership**) are considered the most complicated in practice.

About **joint ownership in IP** please see the web-site of IPR Helpdesk

http://www.ipr-helpdesk.org/documents/JointOwnershipinIntellectualPropertyRights_000000649_03.xml.html

CONFIDENTIALITY AGREEMENTS

Trade secrets, i.e. confidential information can be protected as intellectual property. This information may be comprised of business ideas, know-how, the subject matter of a patentable invention, etc.

An idea as such cannot be protected by legal means, because ideas are meant for free use by everybody – they are in the public domain.

To avoid problems, a confidentiality agreement should be concluded in the initial stage of a cooperation project or even before negotiations.

Confidential information (trade secrets) in an agreement must be specified with sufficient accuracy, enabling the participants in a cooperation project to clearly understand which information must be kept in secret. One possibility is to agree that all documents used in the course of a project are confidential unless indicated otherwise in a document. Another option is to decide that confidential documents must have a notation stating “confidential,” etc.

Certainty, in respect of confidential information, facilitates cooperation and resolution of possible disputes. In addition, the issues of preservation and security of confidential information in the company should be considered in the initial stage of a cooperation project.

Confidential Disclosure Agreements (CDA) or Non-Disclosure Agreements (NDA) have been common for entrepreneurs for a while already, but today also scientists conclude between themselves CDAs before commencement of cooperation.

Protection of trade secrets is not limited in time or territory, as the rights on trade secrets are not registered.

The aim of confidentiality agreements is to protect the secrecy of the information to be shared, but also provide proof in later possible disputes or legal actions.

A CDA can be unilateral, i.e. only one party discloses its valuable information, or bilateral, i.e. parties mutually disclose their confidential information.

As a CDA may be a mean of proof that at a certain time this information was known to one party only, it is important to describe the confidential information with sufficient accuracy in the CDA, because if the information is described too generally, it may be possible for the other party to exploit the information to create a new result and claim it has reached this result independently, i.e. not using the other party's information.

If no CDA is signed at all, there is a great risk that the other party would take advantage of the information by producing its own product or even filing a patent application, and thus depriving the original owner of the

information from the possibility to apply for patent, to produce and market a product, etc.

Thus in order to protect one's valuable business or scientific information a CDA should always be signed before any information is disclosed to another party.

MATERIAL TRANSFER AGREEMENTS (MTA)

Material Transfer Agreements are used for the transfer of any biological compounds (plants, animals, microbes) from one institution to another – e.g. from one research institution to another research institution, or from a research institution to a company.

Unified Material Transfer Agreements (UMTA) were implemented in USA in 1995 by the National Institutes of Health (NIH) and the Public Health Service.

Material transfer agreements in international conventions

Obligatory or elective use of biological material transfer agreements is regulated by several international conventions and organisations:

Convention on Biological Diversity (CBD)

Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore of WIPO

OECD Biological Resources Centres (BRC) work group suggests to make the use of MTAs by BRC obligatory

International Treaty on Plant Genetic Resources for Food and Agriculture provides the conditions to the access terms and division of revenues in MTA

According to OECD it should be mandatory to use MTAs with IP clauses

In case of MTAs the following issues should be taken into account with regard to intellectual property (inventions):

If an MTA is concluded before filing of a patent application, it can endanger the patentability of the invention.

The reason for that could be the lack of one of the criteria of patentability – **lack of novelty** of the invention.

Patent is issued only to an invention which corresponds to all the criteria of patentability – it is new, involves inventive step, and is susceptible to industrial application. An invention is new if it differs from the state of the art (or prior art). The state of the art shall be held to comprise all the technical information made available to the public by means of written or oral description, by use, or in any other way, in any part of the world before the filing date of the patent application (priority date). An invention shall be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art. An invention shall be considered as susceptible to industrial application if it can be manufactured or used in economy.

If certain biological material is transferred before filing of a patent application, it could be held as a part of prior art, i.e. not new, and not patentable

As usually it is not known at the transfer of a biological material if filing of a patent application is economically expedient, an MTA should always include a clause on the **obligation of confidentiality** on the part of the recipient of the biological material.

This means also a **limitation of scientific publication** – the institution who receives the biological material (the recipient) may publish such scientific articles, conference presentations, etc. only upon prior consent of the owner of the biological material (i.e. such obligation must be included in MTA).

It is commonly recommended to make a provision for a reasonable waiting period (30-60 days) – the recipient presents the proprietor of the biological material with a copy of every planned publication (scientific article, conference presentation, etc.) 30-60 days before the alleged date of publication. If the proprietor of the biological material finds that the publication contains its proprietary confidential information (e.g. valuable information concerning its alleged patentable invention or other commercially valuable information), it shall notify the recipient about this in certain established period of time (e.g. 30 days).

The proprietor of the material may have the recipient institution to change the publishable text so that the confidential information is removed from it or to delay with publication up to 12 months from the alleged date of publication with the aim to provide the proprietor with time to ensure the protection of its intellectual property protection, i.e. to file a patent application.

Upon patenting an invention in USA it is a duty of the patent applicant to disclose the US Patent and Trademark Office information on the prior publications (prior to filing of the patent application) and other published

materials (i.e. to file Patent Office with information that could “impair” invention’s novelty).

MTAs which do not include confidentiality clauses and that have been concluded before filing a patent application could compromise the issuing of a patent.

An MTA that has been concluded before filing of a patent application may **endanger the validity of an issued patent** – an interested person may file a civil action against the patent owner in order to revoke the patent for the reason that the patent doesn’t comply with the criteria of patentability (lack of novelty, see above).

An increased interest in the MTAs concluded by research institutions has emerged on the part of their collaboration partners (companies), especially in the course licence negotiations. Non-disclosure of the prior MTAs to the potential licensee may be regarded as acting in bad faith and conclusion of a licence agreement could be waived.

Resources:

Management of Intellectual Property in Offshore Outsourcing: How Shinetech Software Inc. Sets Itself Apart From its Competitors
http://www.wipo.int/sme/en/case_studies/shinetech.htm

Biotechnology Intellectual Property Management Manual
(Spruson&Ferguson, 2008, Australia)

<http://www.sprusions.com.au/pdf/Biotechnology%20Intellectual%20Property%20Management%20Manual.pdf>

Biotechnology IP Manual (Spruson&Ferguson, 2001, Australia)
http://www.sprusions.com.au/pdf/Biotechnology_IP_Manual.pdf

IP LICENSING

IP owner (e.g. trademark owner, patent owner, etc.) has the exclusive rights to use the respective intellectual property. All other persons are obliged to respect the exclusive rights of the right holder, i.e. to avoid using the protected IP without a prior permission from the right holder. This permission to use the protected IP is called a licence. A licence is granted by the IP owner (licensor) to the person who wishes to use the protected IP (licensee) by a contract. In a license contract the owner of the rights first represents and warrants that he actually owns the economic rights (a declaration of ownership).

By a licence agreement the IP owner or licensor provides the future user of the IP (e.g. a biological compound) or the licensee the permission or licence to exploit the IP on specific conditions. A license contract sets out the territory (i.e. countries) and the products in respect of which the license is granted, as well as the fee payable for the license (lump sum or royalties. An international contract must also set forth the law of a particular jurisdiction applicable to the contractual obligations.

LICENCE TYPES

Licence conditions usually include the type of licence, licence fee, purposes or field of use, territory of use, period of use, etc. The licence to use certain IP may be provided as a non-exclusive licence (i.e. the licensor shall retain the right to grant similar licences also to other parties), or as an exclusive licence (i.e. the licensor shall not have the right to use the IP in the same extent as provided by the licence nor may it provide such licences to any other parties). The licence (usually exclusive licence) may include also the right to sub-licence, i.e. the licensor permits the licensee to grant licenses to use the IP to third persons (sub-licensees) within the extent of the licence.

| Licence types |
|---|
| <ul style="list-style-type: none"> • non-exclusive licence • exclusive licence • sub-licence |

LICENCE FEE

Beside the type of licence, the way of determination and the amount of the licence fee is an essential part of licence agreements. The parties may agree that the licensee shall pay for the exploitation of the IP as a fixed sum, i.e. lump-sum payment, or as a certain agreed percentage from the net sales. The way and amount of payment is decided by the parties by mutual agreement.

| Licence fee |
|---|
| lump-sum, up-front payment <ul style="list-style-type: none"> • royalty - 0,5-10% from net sales • royalty-free – e.g. access rights in EC FP |

How to calculate royalty percentages, please see **Inventor`s Handbook of European Patent Office (EPO)**

<http://www.epo.org/topics/innovation-and-economy/handbook/dealing/royalties.html>

Example

Licensing provides an R&D institution as well as a company various possibilities to organise its activity more effectively. For example **licensing-in** strategy gives an institution or business the opportunity not to create all necessary IP on its own, but to buy it in from someone else. Usually, this strategy is used when certain needed product or service is not directly from the main field of activity of an institution or a company. This might be a case e.g. in an institution specialised in biotechnology research who needs certain software for its databases, or a pharmaceutical company who needs new strains of microorganism for its new products. One possibility to reach these desired results would be to have its own staff to create the desired results or hire new people who are qualified enough to accomplish the task. In the first case it could mean that the staff who really is qualified to deal with other kind of tasks is engaged in doing something they are not so qualified in, and at the same time cannot be focused as much as before on their main area of expertise, which could turn out to be rather ineffective in a long term for the company or institution. In the latter case, hiring new staff for a specific task might prove to be too time and money consuming for the institution or company as finding suitable staff, providing work space and labour relations.

Over the past decades it has become more and more common to license some of the necessary IP in from another party, especially if the needed product or service is not of the exact field of the company or institution.

This means that one is able to optimise its costs on staff and development activity in the specific field. In addition, in case of a patented technology, the licensor (owner of the IP) is responsible for the management of the IP rights of the technology, e.g. payment of patent maintenance fees, etc. If a suitable product or service provider is found, a licence agreement shall be concluded between the parties (the provider of the necessary technology, e.g. software or strain of microorganism, and the receiving party who shall buy this technology). The type of technology that is licensed is not limited, e.g. it can be software, database, biological compound, etc. It does **not** have to be a patented technology. The licence agreement shall include among others the purpose of the agreement, i.e. whether the licence to use certain product is granted for research or commercial exploitation, licence type, territories (e.g. countries) of authorised use, term of licence, licence fee, etc. If exploitation of a biological compound is the object of a licence, then also a Material Transfer Agreement (MTA) shall be concluded (on MTA see respective section above).

On the other hand, a company or an R&D institution that has made substantial investments in the creation of certain technology, e.g. a valuable database, may find it profitable to provide other persons with licences to use this technology under specific conditions. This **licensing-out** strategy should be considered, e.g. if the areas and possibilities of use of this valuable IP are so wide that the IP owner alone cannot and is not interested in covering by itself. Selling licences for the exploitation of its technologies may turn out to be much more profitable for a company or an R&D institution than keeping the technology only for itself. A licence on one product, e.g. database, may be sold for several persons as the licence terms for different licensees may vary in respect of field of exploitation, term or territory, and as what concerns non-exclusive licences, they enable the IP holder to provide licences on exactly the same conditions for different licensees.

Resources:

On licensing biotechnology: http://www.ipr-helpdesk.org/documents/Licensing_biotechnology_0000006446_00.xml
http://www.ipr-helpdesk.org/documents/Licensing_biotechnology_0000006446_00.xml

OECD Guidelines for the Licensing of Genetic Inventions
<http://www.oecd.org/dataoecd/39/38/36198812.pdf>

IP MANAGEMENT

According to WIPO, IP can be responsible for more than 70% of the market value of company.

IP management makes it possible to protect company's investments, helps to assure monopoly position among the competitors and avoid infringements.

Patent and trademark searches can be considered as easily accessible and smart market watch tools as patent search gives both technological and legal information, and trademark search provides, inter alia, information on the availability of trademarks and competitor's trademarks.

Patent and trademark protection lower business risks and open opportunities for commercial exploitation of inventions.

It is worth applying for legal protection for such an invention that is likely to be issued a patent and which has commercial value both in the eyes of the proprietor as well as the potential licensee.

For IP management compiling of IP portfolio is required. Besides the list of inventions, trademarks and their legal status, and proprietary strains of microorganisms (and other biological material) IP portfolio

should include an evaluation of patent claims with regard to legal and technological aspects as well as an analysis of commercial perspectives of inventions. IP portfolio may also include an overview of contractual obligations of company with regard to IP matters (CDA-s, MTA-s, license agreements, etc.). IP management system should be like a ring-shape chain without any missing link.

IP portfolio will be evaluated by investors when carrying out due diligence.

IP Due Diligence Readiness by Philip Mendes please see from WIPO web site

http://www.wipo.int/sme/en/documents/due_diligence_readiness.html

In addition to companies, nowadays the universities and R&D institutions (like Technology Development Centres in Estonia) are active in technology transfer and manage the use of their research results for the public benefit. As a rule, universities have imposed rules on IP handling (IP policies), which, inter alia, will help to avoid premature publication of scientific papers prior to patent filing, and safeguard their co-operation with companies.

Industrial competitiveness Catalogue of online tools for business about IPR, developed as part of European Commission co-operation with the USA in the EU-US IPR Working Group, which also contains links to materials developed by the US administration to aid businesses, please see on web site of the European Commission

http://ec.europa.eu/enterprise/policies/industrial-competitiveness/intellectual-property-rights/catalogue-online-tools/index_en.htm

| IP Management |
|--|
| <p>Market watch</p> <ul style="list-style-type: none"> • Patent search • Trademark search |
| <p>IP handling and development</p> <ul style="list-style-type: none"> • Handling of IP portfolio (patent applications/patents, trademarks, designs) • Protection of trade secrets • IP in contracts (CDA, NDA, MTA, labour contracts, R&D contracts) |
| <p>IP protection</p> <ul style="list-style-type: none"> • Patenting of inventions • Registration of trademarks, designs • Right enforcement |
| <p>IP commercialization</p> <ul style="list-style-type: none"> • Licensing • Transfer of rights |

PATENT AND TRADEMARK SEARCH

Patent Search

Knowledge of technological and legal background information helps to save resources and obtain advantages over competitors.

Patent search results are used making strategic business decisions.

Why do I need patent search if I do not intend to apply for a patent?

Firstly, patents disclose information about players and tendencies in the market. On their websites companies tend to only publish information that is useful for them, while patent information is “dispassionate” – IP Offices publish both patent applications submitted and patents granted. Thus, patents cannot be kept secret from competitors. These free of charge documents are inexhaustible source of technological information.

Secondly, patent databases contain precious legal data. It is easy to observe whether a “dangerous” patent will be granted to a competitor, or not. Since a patent may prevent a competitor from operating in a certain territory (where the patent owner enjoys exclusive rights), it is useful to be aware of this beforehand, i.e. before making any investments.

The aim of patent research may consist in searching for the novelty of an invention. Finding just one publication about a presumed technical solution prejudices its novelty, i.e. patentability. In the research community the premature release of a scientific publication is the most common way of affecting novelty and/or inventive step. In that event a patent cannot be granted and non filing of patent application avoids unnecessary costs.

| Objectives of patent search |
|--|
| <ul style="list-style-type: none">• State of the art overview – 80% of technological information is in patent documents• Overview of patents of competitors• Gives information to avoid infringements: freedom to operate (FTO) or clearance search Helps to assess novelty of invention |

| |
|---|
| Patent applications and patents cannot be kept secret from |
|---|

competitors

Only US provisional patent applications will be not published.

Check the legal status of competitor's patents

Patent information tour of EPO please see <http://www.european-patent-office.org/wbt/pi-tour/tour.php>

PATENT SEARCH DATABASES

- The Estonian Patent Office www.epa.ee > Databases of Estonian national patents, utility models and European patents valid in Estonia
- The Estonian Patent Information Centre <http://www.patentinfo.ee/index.php?id=1482>
- US Patent and Trademark Office, databases of patent applications and patents www.uspto.gov
- **esp@cenet** database maintained by the European Patent Office <http://ep.espacenet.com/>
Espacenet® provides information on patents granted in Estonia, Latvia, other European countries, the USA, Japan and other countries, also international (PCT) patent applications. The data is provided by each of these countries/organisations.
- At present (January 2011) Latvia's patents and European patents valid in Latvia are not available on web-site of the Latvian Patent Office www.lrpv.lv.
- Latvia's patents are included in the database Espacenet.
- The Latvian Patent and Technology Library www.patbib.gov.lv
- Patent Lens <http://www.patentlens.net/patentlens/structured.html> provides US, EP patent applications and patents, also international (PCT) patent applications

Trademark search

Before creating a new trademarks and commencing the usage thereof an availability search should be carried out in the necessary databases.

Otherwise it may turn out the desired mark cannot be registered as a trademark at all or it cannot be used because the new trademark

infringes the rights of a registered trademark owner. Since the protection of trademarks is territorial, the availability search should be made on each relevant country.

Thus, national trademarks, international trademarks (designated in that country) and Community trademarks should be checked in EU countries. Please note that, business names also may be regarded as earlier rights.

Dependent upon the results of trademark research, it might prove necessary to alter the strategy of a company. However, it is possible that information is obtained which helps to avoid making wrong investment decisions or infringing others' rights.

TRADEMARK SEARCH DATABASES

- European Community Trademarks
http://oami.europa.eu/CTMOnline/RequestManager/en_SearchBasic
- International trademarks <http://www.wipo.int/romarin> (valid in certain countries)
- Database TMView
<http://www.tmview.europa.eu/tmview/welcome.html> - trademarks of Belgium, Luxemburg, the Netherlands, the Czech Republic, Denmark, the Faeroe Islands, Greenland, Italy, United Kingdom, Portugal, Spain, Slovenia, Slovakia, Estonia, European Community Trademarks and International trademarks
- Estonian trademarks - The Estonian Patent Office www.epa.ee > Databases
- Latvian trademarks – The Latvian Patent Office
<http://www.lrpv.lv/database3/index.aspx?lang=EN&id=361>

COPYRIGHT

OWNERSHIP OF COPYRIGHT

Copyright originally vests in the person who has created the work, i.e. the author. This means that the person who has contributed to the creation of the work with its intellectual activity and whose contribution meets the requirements of work (see Table 9) is the author and proprietor of copyright.

If there are many people who have contributed to the completion of the work, the authorship and the initial ownership of copyright depends on the specific contribution of these people. Only these persons who have made a creative contribution to the works are deemed as authors.

People whose contribution into the work is not creative, but more of a technical assistance, are not authors of the work and thus do not own the copyright. Such persons can be e.g. consultants, editors, drawers of schemes and schedules, etc. This means that copyright does not arise in people who deal only with technical kind of assistance to the work's author. As work, in respect of which copyright arises, requires a person's creative activity, therefore a person whose activity is not of creative but of technical kind, be an author.

When there are several authors to the work, e.g. a work is created by a working group collectively where each of the members of the group has made a creative contribution to the work, then joint authorship arises. It means that copyright in the work belongs jointly to all of its authors.

Joint authors need to agree between themselves how the management of copyright shall be organised, e.g. whether one of the authors shall represent all of the authors in negotiation and conclusion of licence agreements, etc. Authors may also agree in the proportion of contribution of each author in the work, and decide on the division of royalties. If authors make no such agreement then all of the authors are deemed to have equal contribution to the work, and possible royalties are also divided equally between all authors. These agreements between authors are advised to be concluded in writing.

If a work is created by many people jointly, whereas the creative contribution of an author is clearly distinctive from the work of others, and this contribution of one of the authors can be used independently, it is defined by law as co-authorship. For example, if a chapter of a monograph is written by one single author, etc. In respect of each such independent part of a work the author of this part shall have an independent copyright, and other authors (of the whole work) shall not have any author's rights on this particular part of work. In such case the author may use its independent part of the work on one's own without asking permission from other authors of the complete work. Still, the independent exploitation of a part of the work may not harm the interests of other co-authors of the whole work.

The copyright consists of several exclusive rights, e.g. the right of reproduction (copying the work in any form), distribution, transfer in the Internet, alterations, translation, etc (see Table 5).

Initially the economic rights of author belong to the author of the work, but there are certain cases set forth by law where economic author's rights may transfer to someone else. Such cases are e.g. works created under employment contract.

The author of a work created under an employment contract or in the public service in the execution of his or her direct duties shall enjoy copyright in the work but the economic rights of the author to use the work for the purpose and to the extent prescribed by the duties shall be transferred to the employer unless otherwise prescribed by contract. In Latvia the economic rights in a work created under employment contract may be granted to the employer by the contract to the extent necessary to him at the time of the creation of the work.

In Estonia the author of a computer program or the author of a database who creates the program or database in the execution of his or her duties or following the instructions given by his or her employer shall enjoy a copyright in the program or database but the employer has the exclusive licence to exercise all economic rights unless otherwise provided by contract.

Thus, if not agreed otherwise, the employer shall have the exclusive right to permit or prohibit the exploitation of a work, and to receive royalties for the use of the work. As by the general rule the economic rights (e.g. the right to reproduce, distribute, perform, present, translate, exhibit, transfer, etc. a work) belong to the employer (or in case of computer programmes and databases, under exclusive licence of the employer) all other persons must ask for permission (licence) to use the work from the employer, and the author itself doesn't have any longer the right to provide licences for the use of the work. For example, if an employee has created a computer programme as a result of execution of his/her direct work tasks, he/she cannot provide other persons with a licence to use the computer programme (i.e. to reproduce, distribute, translate, etc.), and he/she himself cannot exploit the computer programme the same way, unless he/she has obtained a licence from its employer.

It is critical to be aware that afore described rules apply only in case of employment contracts and in public service. If a work is created in any other contractual relationships, e.g. under contracts for provision of services, all author's economic and moral rights remain with the author. Thus, from the standpoint of a company or institution who orders some works (e.g. a design of a company logo or of a website) from persons who are not working for them under employment contract, it is crucial to conclude an agreement whereby the author's economic rights are transferred or exclusively licensed to the company or institution who ordered the work. If this is not done, all author's rights shall remain to the author, and the author may use the work him/herself or grant licences to other persons, companies for the exploitation of the work.

Thus, the company at whose financing and order the work (e.g. logo, website design, etc.) was initially created may find itself in a position where not only other persons are using its logo or other work it has ordered and paid for, but even worse, it can be accused of copyright infringement as there is no licence or assignment contract.

According to the respective national laws of Estonia and Latvia, moral rights of author (e.g. authorship, see Table 5) remain with the author also in case of an employment contract. Employee and employer may agree on the licence for the use of the work also in respect of author's moral rights, e.g. employee permits the employer to name itself as the author of the work.

In case of research institutions, it is essential to be aware of the institution's internal regulations on the intellectual property ownership (incl. copyright in respect of works created under employment contracts). Most of Estonian universities have such regulations. These rules are a part of employment contract. There can be different regulations on the ownership of author's economic right in respect of some types of work.

FREE USE OF WORK

As described above the proprietor of author's rights has the exclusive right to use the work in any manner, and to authorise or prohibit the use of the work by other persons, and to receive remuneration from such use. The author's economic rights include e.g. right of reproduction, distribution, translation, alteration, compilation of collections, public performance, transfer over the internet, etc. of the work. Author's personal or moral rights include the right of authorship, author's name, publication, etc.

Still, there are certain specific instances strictly set forth by law where a person who wishes to use a copyrighted work needs not to ask for permission from the copyright holder. Such cases are regulated by national laws, and as a rule the free use must comply exactly with all the conditions set forth by the legislator.

These cases where no permission is required are e.g. free reproduction of a work for personal (non-commercial) use (in Estonia this does not apply in respect of computer programmes and databases); making summaries and quotations from a work; use of work as an illustrative material for teaching or scientific research purposes; reproduction of a work for the purpose of teaching or scientific research, etc. In the

described cases of free use, the name of the author of the used work, the name of the work and the source publication must be depicted.

The national laws set very strict conditions for the free of works, thus before the exploitation of another's work, it is advisable to consult the respective laws. If one has not obtained a licence from the copyright owner, and the specific way of exploitation of work does not fall within the strict terms of free use set by law, it is a copyright infringement.

For the specific regulations on free use of work see Estonian Copyright Act §§ 17-27¹; Latvian Copyright Act §§ 17-27.

COPYRIGHT AND THE INTERNET

There is no material difference from the regular rules and principles in the protection of copyright in the context of Internet or electronic/digital works. The works which are expressed in electronic form and/or published in the Internet enjoy the same copyright protection as other works.

Although all works made available on the Internet enjoy copyright protection, the cases where exclusive rights of authors are violated in the Internet are very common. From the legal (not technical) point of view it could be of help in order to prevent copyright infringements, to provide copyrighted materials that are made available over the Internet with a warning notice. The warning notice should contain information about the proprietor of copyright, and what the consequences of a violation of copyright for the infringing person are. In addition, access to the materials published on a website may be made subject to acceptance of certain terms of use, where also clauses on the exploitation of copyrighted material are included. As such, it is not possible with any measure to prevent with 100% certainty to avoid copyright infringements, and as the case in Internet may be, it is almost impossible to identify the person who by infringing copyright e.g. copies a work from a website and distributes it over the Internet.

It should be stressed that in order to the work to be protected by copyright there are no required formalities. This means that a work is protected by copyright also in the Internet even if it has not been supplied with a copyright warning notice. This notice has only an informative function, the work is protected nonetheless.

The practice of using symbol © is widely spread. This symbol derives from the English word *copyright*. The requirement to use this sign is set forth in the Universal Copyright Convention (UCC). The sign shall follow with the name of copyright holder, and the year of the first publication of the work.

In Estonia and Latvia (as also in majority of other countries) the use of symbol © is not obligatory.

The custom to use the sign © in Estonia and Latvia originates from the times Soviet Union. Soviet Union joined UCC 1973. The Republic of Estonia and the Republic of Latvia are not parties to this convention. Also, at the time being, this convention has lost its original essential meaning, as majority of world's countries (164) have joined the Berne Convention which requires that no state may order any formalities for the copyright protection. Therefore, it is advisable to designate author's economic rights with the word "copyright" (in respective language) instead of the symbol ©.

DESIGNATION OF COPYRIGHT

One possible way of designating ones copyright is following: "Copyright (in respective language): name of the copyright holder, year of publishing".

For example:

"Copyright: John Smith, 2011", or

"The economic author's rights belong to John Smith, 2011"

Copyright notice may also be longer containing more information on what may or may not be done with the work and/or who and where to turn to for copyright licence. For example:

"Copyright: University of Biotechnology, 2011. This website, the texts and images herein are the copyrighted works of University of Biotechnology. Any exploitation of the copyrighted works, including reproduction in whole or in part, whether on paper, on the internet, on CD-ROM, or any other medium, without the express permission (licence) of University of Biotechnology, is prohibited. If you wish to obtain a licence for the use of any of the works, please contact the Licence Officer licence@ub.com".

COPYRIGHT INFRINGEMENT

If someone uses the work without permission (licence or assignment agreement) of the copyright owner, and the use does not qualify under fair use requirements, then such use of work is a violation of copyright.

In case of a copyright infringement it is advisable first to attempt to reach an agreement with the infringer. If the parties are unable to reach an agreement between themselves independently, it is also possible (in Estonia) to turn to the copyright committee at the Estonian Ministry of Culture. The copyright committee resolves disputes by way of conciliation of the parties. Both parties need to agree with the settlement of the dispute in this committee, i.e. as the committee resolves the disputes by the way of conciliation of the parties, it cannot be done if one of the parties is unwilling to participate. The committee shall make a proposition to the parties in respect of resolving the dispute and making an agreement, incl. e.g. in respect of compensation of damages. Proceedings in the committee are quicker and thus also less costly than in court. If a party disagrees with the decision of the committee, it may recourse to the courts in the same dispute.

In civil court it is possible to claim also for compensation for the material and moral damage caused through the unlawful use of a work. If a person claims the compensation of damages caused by the infringement of copyright then it is obliged to prove the damage and size of damages. Determination of damages is often complicated.

Some of the more serious copyright infringements are also qualified by the law as criminal offences (e.g. violation of authorship (plagiarism), manufacture of pirated copy).

RESOURCES

Laws, treaties and conventions regarding IP of the Republic of Estonia

In Estonian
http://www.epa.ee/client/default.asp?wa_id=456&wa_object_id=1&wa_id_key=

In English (database of Estonian legislation in English)
<http://www.legaltext.ee/indexen.htm>

Laws, treaties and conventions regarding IP of the Republic of Latvia

in Latvian <http://www.lrpv.lv/index.php?lang=LV&id=15> and
in English <http://www.lrpv.lv/index.php?lang=EN&id=15>

Estonian Patent Office www.epa.ee

Estonian Patent Information Centre (Eesti Patendiinfo Keskus)
www.patentinfo.ee

Patent Office of the Latvian Republic www.lrpv.lv

Latvian Patent and Technology Library www.patbib.gov.lv

European Patent Office www.epo.org

US Patent and Trademark Office www.uspto.gov

Intellectual Property & Biotechnology

- Protecting biotech inventions in Europe by Julia Molitor and Regula Rüedi <http://www.iam-magazine.com/issues/article.ashx?q=cc7e3e98-5048-45cf-a4e5-7d6bc936d9db>
- Biotechnology Intellectual Property Management Manual (Spruson&Ferguson, 2008, Australia)
<http://www.sprusons.com.au/pdf/Biotechnology%20Intellectual%20Property%20Management%20Manual.pdf>
- Biotechnology IP Manual (Spruson&Ferguson, 2001, Australia)
http://www.sprusons.com.au/pdf/Biotechnology_IP_Manual.pdf

Patents

- European Patent Convention
<http://www.epo.org/patents/law/legal-texts/epc.html>
- Member states of EPC <http://www.epo.org/about-us/epo/member-states.html>

- How to apply for a European patent
<http://www.epo.org/patents/One-Stop-Page.html>
- Parties to London Agreement
<http://www.epo.org/patents/law/legal-texts/london-agreement/status.html>
- Patents and innovations in Latvia:
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1018906

Trademarks

- Intellectual Property Issues in Advertising by Lien Verbauwhede, WIPO http://www.wipo.int/sme/en/documents/ip_advertising.htm
- The Synergy of Trademarks and Marketing by James Dimitrijevs and Annette Schaffer, INTA Bulletin 15.04.2006

Industrial designs

- European Community designs
<http://oami.europa.eu/ows/rw/pages/RCD/communityDesign.en.do>

Copyright

- Creative Expression. An Introduction to Copyright and Related Rights for Small and Medium-sized Enterprises. WIPO Publication.
http://www.wipo.int/freepublications/en/sme/918/wipo_pub_918.pdf
- Heiki Pisuke. Autor ja ülikool: autoriõiguse alused (Author and University: Basics of Copyright, in Estonian). Tartu Ülikooli Kirjastus, 2004.
- Estonian Intellectual Property (more specifically copyright) gateway www.autor.ee

Ownership of IP

- Joint ownership in intellectual property rights http://www.ipr-helpdesk.org/documents/JointOwnershipinIntellectualPropertyRights_0000000649_03.xml.html

Licensing

- A Guide To Licensing Biotechnology by Katarina Bills, LES, les Nouvelles, June 2004

- http://www.usacanada.les.org/membersonly/les/current/june04/GuidetoLicensing_Bills.pdf
- Core content of licensing agreements, IPR-Helpdesk, DG Enterprise and Industry of the European Commission
http://www.ipr-helpdesk.org/documents/ES_LicensingAgreements_000006276_00.xml.html
 - Inventor`s Handbook of European Patent Office (EPO)
<http://www.epo.org/topics/innovation-and-economy/handbook/dealing/royalties.html>
 - Licensing and Technology Transfer in the Pharmaceutical Industry by Philip Mendes, WIPO
http://www.wipo.int/sme/en/documents/pharma_licensing.html
 - SPL: International Patent and Trademark Protection to Secure Licenses http://www.wipo.int/sme/en/case_studies/spl.htm
 - Patent Valuation at IP Bewertungs AG (IPB) by Dirk Loop, Guido von Scheffer and Stephan Lipfert
http://www.wipo.int/sme/en/documents/patent_valuation.htm
 - On licensing biotechnology: http://www.ipr-helpdesk.org/documents/Licensing_biotechnology_000006446_00.xml.html
 - OECD Guidelines for the Licensing of Genetic Inventions
<http://www.oecd.org/dataoecd/39/38/36198812.pdf>

IP Agreements (NDA)

- Management of Intellectual Property in Offshore Outsourcing: How Shinetech Software Inc. Sets Itself Apart From its Competitors
http://www.wipo.int/sme/en/case_studies/shinetech.htm
- WIPO material on Disclosing Confidential Information, incl. model contracts
http://www.wipo.int/sme/en/documents/disclosing_inf.htm

IP Management

- IP Due Diligence Readiness by Philip Mendes
http://www.wipo.int/sme/en/documents/due_diligence_readiness.html
- Industrial competitiveness - Catalogue of online tools for business about IPR
http://ec.europa.eu/enterprise/policies/industrial-competitiveness/intellectual-property-rights/catalogue-online-tools/index_en.htm

Patent Information

- **Patent information tour of EPO** <http://www.european-patent-office.org/wbt/pi-tour/tour.php>
- Koolituse "Patendiinformatsioon ettevõtte arendustegevuses" õppematerjal (Study material of the training "Patent information in an entrepreneur's development activity", in Estonian). Enterprise Estonia (Ettevõtluse Arendamise Sihtasutus) <http://www.eas.ee/toostusomand/index.html>

European Community IPR Helpdesk

<http://www.ipr-helpdesk.org>

- European Commission Enterprise and Industry http://ec.europa.eu/enterprise/index_en.htm
- How to manage Intellectual Property under FP7? A practical guide for SMEs http://www.ipr-helpdesk.org/documents/IPR_Guide_for_SMEs.pdf

WIPO IP publications

- WIPO Intellectual Property Handbook: Policy, Law and Use <http://www.wipo.int/about-ip/en/iprm/IPO>
- IP Panorama – audiovisual teaching material, compiled by WIPO Korean IP Office <http://www.wipo.int/sme/en/multimedia/>
- Inventing the Future: An Introduction to Patents for Small and Medium-sized Enterprises. WIPO Publication http://www.wipo.int/freepublications/en/sme/917/wipo_pub_917.pdf
- Inventing the Future (in Latvian), Nationally customized version of short guides in the "IP for Business Series" of WIPO http://www.wipo.int/export/sites/www/sme/en/documents/guides/translation/inventing_future_la.pdf
- WIPO free of charge IP publications: <http://www.wipo.int/freepublications/en/index.jsp?cat=general%20information>
- WIPO e-publications: <http://www.wipo.int/ebookshop/>

Legal Acts

Industrial property

In Estonia the following national laws on industrial property protection have been adopted:

Patent Act, Utility Models Act, Trademark Act, Industrial Design Protection Act, Act of the Protection of Layout Designs of Integrated Circuits, Geographical Indication Protection Act and Implementation of the Convention on the grant of European Patents Act.

In Latvia the following national laws on industrial property protection have been adopted:

Patent Act, Law on Trademarks and Indications of Geographical Origin, Law on Industrial Designs, Act of the Protection of Layout Designs of Integrated Circuits, and Implementation of the Convention on the grant of European Patents Act.

The directives and regulations of European Community are enforced in Estonia and Latvia as member states of the EU.

In the field of industrial property following Community legislation is most relevant:

European Parliament and Council Directive 98/44/EC of 6 July 1998 on the legal protection of biotechnological inventions [Official Journal L 213 of 30.07.1998]

Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (codified version)

Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks

Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs

Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs

Commission Regulation (EC) No 772/2004 of 27 April 2004 on the application of Article 81(3) of the Treaty to categories of technology transfer agreements

Estonia and Latvia have acceded the following main international treaties in the field of industrial property:

Paris Convention for the Protection of Industrial Property

Convention Establishing the World Intellectual Property Organization

Patent Cooperation Treaty (PCT)

Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

Latvia has acceded London Agreement on the application of Art 65 EPC (translation only of claims for validation of European Patent in Latvia).

Copyright

The Copyright Act of the respective country regulates the field of copyright protection in Estonia and Latvia.

The directives and regulations of European Community in the field of copyright are enforced in Estonia and Latvia as member states of the EU:

Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society

Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version)

Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases

Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art

Directive 2006/116/EC of the European Parliament and of the Council of 12 December 2006 on the term of protection of copyright and certain related rights (codified version)

Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version)

Estonia and Latvia have acceded the following main international treaties concerning the protection of copyright:

Berne Convention for the Protection of Literary and Artistic Works and
WIPO Copyright Treaty (1996).

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Sirje Kahu, patent attorney
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