

Open Innovation to Expand Communications



Stephane Tronchon
Legal Director – IPR Policy – EU

stroncho@qualcomm.com

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OPEN INNOVATION IN ICT

Some characteristics

- Innovation, R&D expenditures and IP protection are intertwined
- OI: A fashionable and flexible term in the ICT industry
- Several attempts to define OI:
 - Business Models Wars
 - True innovation cannot be commoditized and innovation arrives in different ways
- Open Innovation and Patents

Business Example: Innovation and Value Chain Enabler



Dimension of Standardization in OI

- Standards play a role in innovation and drive growth
 - WIPO Report on Patent and Standards
 - Efficiency of the FRAND regime
- “Open” Source: A distribution model based on IP
- “Open” Standards
 - Open doesn't mean Royalty Free
 - Characteristics given in GSC Resolution 15/24

Key Concepts

Innovation

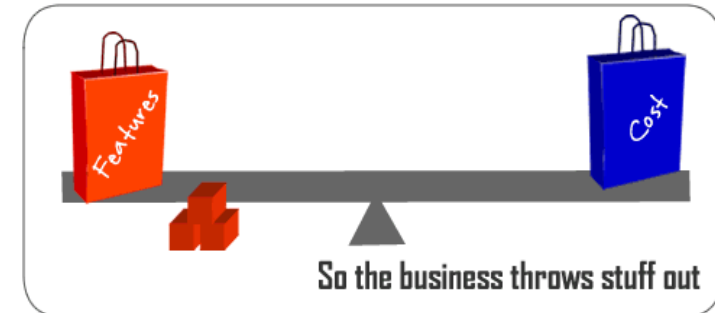
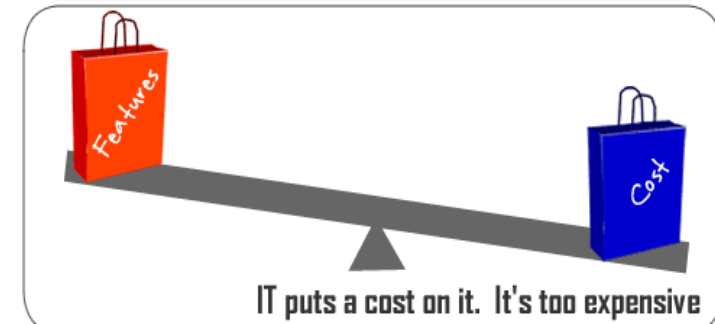
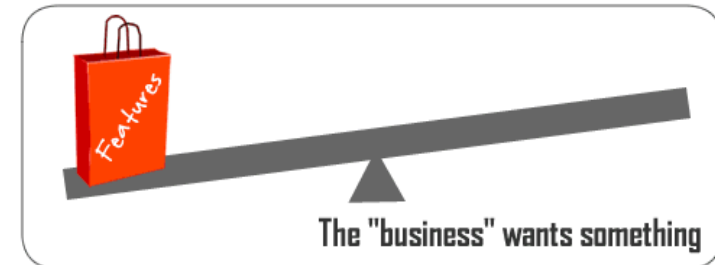
- Investment drives innovation
- Innovation creates new IP
- IP enables new products or technologies
- Economic returns through sales/licensing fees
- Reinvestment of returns in R&D sustains innovation

IPR protection

- IPR laws protect ability to earn economic returns from IP and recapture R&D expenses
- IPR laws are critical for new market entrants (SMEs)

Standards drive growth

- Help establish interoperability of competing products
- Simplifies development by defining a minimum set of common requirement
- Helps to enable business opportunities



Concluding Remarks

- Innovation is not a commodity
 - Cost and risk can be enormous even for “Eureka” innovation
 - R&D, product development, marketing, standards
 - Innovation must be rewarded based on cost and risk undertaken
- Open Innovation is not substituting IP
- Government policies must be technology, business, and economics neutral to drive innovation

Ressources

- **GSC: Global Standard Collaboration Meeting**
 - Resolution on IPRs (GSC-15/22)
 - Resolution on Open Standards (GSC-15/24)

http://gsc15.ccsa.org.cn/doc_list.php?doc_type=resolutions
- **ETSI IPR Policy**

<http://www.etsi.org/WebSite/AboutETSI/IPRsInETSI/IPRsinETSI.aspx>
- **WIPO Report on Patents and Standards**

http://www.wipo.int/meetings/en/doc_details.jsp?doc_id=116812