



FILSE

IP policy review Working group

Proposed actions

FI.L.S.E. s.p.a. is Partner of the EU funded project "IP Capacities for Smart, Sustainable and Inclusive Growth in the Mediterranean Region" (IPMED), which is implemented within the European Program ENI CBC MED. IPMED aims to increase the innovation potential of young and women entrepreneurs, as well as start-ups, through the strengthening of support services and skills related to intellectual property rights. Lead Partner of the project is the Organization "JEDCO-Jordan Enterprise Development Corporation- Irbid Brunch" based in Jordan, while further to FILSE, other project Partners are Thessaloniki Chamber of Commerce and Industry from Greece and the Tunis Chamber of Commerce & Industry.

For the implementation of the relevant actions of IPMED, FILSE has set up a Working Group, which aims, through round table meetings of its members, to identify - discuss, at national level, possibilities for improving laws, regulations and policies related to intellectual property rights, so that they can be aligned with international best practices. Similar local working groups were created by the other project partners involved in the specific actions.

The aim is to formulate revision proposals per local Working Group, which will be submitted to the competent decision-making bodies and will constitute deliverables of IPMED.

FILSE's Working Group consists of:

- a) eight Very Small and Medium Enterprises: Studio Delle Piane, Bistems s.r.l., Erre Esse, Teatro GAG, Open Eyes s.r.l., Costa edutainment s.p.a., LuminousBees s.r.l., Sward s.r.l.
- b) five representatives of intellectual property rights service providers: Studio Demetra, ARBOIP, Metroconsult, Order of intellectual property consultants, LCA
- c) seven authorities: Chamber of Commerce and Industry of Genova, Ligurian Technology District on Integrated Intelligent Systems (SIIT), Italian Institute of Technology (IIT), Competence center START 4.0, University of Genoa, International Association for the Protection Intellectual Property Italy group (AIPPI) and Italian Association of Patent Documentalists (AIDB)

The Working Group met five times: 16/07/2021, 14/12/2022, 21/12/2022, 16/06/2023 and 27/07/2023.

During the first meeting FILSE presented IPMED project: its partners, its aims, its activities and the purpose of Working Group.

The Working Group's discussion started from the current state of the Italian patent protection system, starting from the regulatory system and the latest action adopted. In details:

In November 2020, the European Commission adopted the "Action Plan on Intellectual Property to Support EU Recovery and Resilience," following which the Ministry of Economic Development, in collaboration with UIBM - Italian Patent and Trademark Office, drafted the "Strategic Lines of Action on Industrial Property." (<https://uibm.mise.gov.it/images/Lineediintervento.pdf>).The document was then submitted for public consultation between April and May 2021 with the aim of improving and enhancing the industrial property system, a central point of our country's industrial policy About 60 parties contributed, including public administrations, business confederations, trade and professional associations, universities, IP consultants and experts; among the contributors were some members of the working group: Metroconsult, Order of intellectual property consultants, AIPPI e AIBD. All contributions can be found at <https://uibm.mise.gov.it/index.php/it/proprietà-industriale-adottate-con-decreto-del-ministro-le-linee-di-intervento-strategiche-per-il-triennio-2021-2023>

The suggestions sent as part of the public consultation clearly highlights that the current system makes it difficult to access the instruments for the defense of property industrial property and it is characterized by articulated and complex procedures, with respect to which appropriate simplification and digitization interventions are requested. The consultation process addresses five clearly identified challenges to strengthening intellectual property (IP) protection and enforcement:

- Improve the IP protection system;
- stimulate the use and dissemination of IP, especially by SMEs;
- facilitate access to and knowledge of intangible assets;
- ensure stricter enforcement of industrial property;
- strengthen Italy's role at the international level.

Main issue to be solved are:

- Fragmentation of the EU IP system characterized by complex and costly and sometimes unclear procedures;
- Poor exploitation of the opportunities offered by IP protection; especially SMEs, in addition to registering low levels of IP protection, do not fully exploit the commercial exploitation of their intangible assets;
- tools to facilitate access to IP are insufficiently developed and in particular licensing of essential patents (SEPs) appears to be a complex and costly exercise for both patent holders and technology users;
- extensive prevalence of counterfeiting and piracy;
- deficiency of fair play at the global level that leads to the undermining of EU companies when operating abroad.

In July 2022 in Italy began the process of revising the Industrial Property Code in Parliament (<https://documenti.camera.it/Leg19/Dossier/Pdf/AP0049b.Pdf>), which ended in August 2023 with the publication in the Official Gazette (<https://www.gazzettaufficiale.it/eli/id/2023/08/08/23G00104/sg>).

The revision of the Industrial Property Code had two objectives:

- 1) the strengthening of the competitiveness of the country's system and the protection of industrial property;
- 2) the administrative simplification and digitization of procedures.

In particular, the revision of the Code leads to a strengthening of the protection of geographical indications and designations of origin through the prohibition of the registration of evocative, usurping or imitative trademarks, also by operating the instrument of opposition to protect the same IIGs; the reversal of the so-called Professor privilege, in order to facilitate the transfer of technology to the production system, through the provision of the attribution of ownership of inventions made by research personnel in the university environment in the first instance to the structure to which they belong and, only in case of inertia of the latter, to the researcher; the possibility of paying the patent application filing fees not only at the same time as the application is filed, but also later, within one month, as currently allowed by many European countries, the European Patent Office (EPO) and the World Intellectual Property Organization (WIPO), in each case keeping the filing date firm.

The working group, also, analyzed the actions taken to grow the culture of industrial property with the goal of increasing the number of patents.

As for example:

- Public funding <https://uibm.mise.gov.it/index.php/it/incentivi>
- Intellectual property evaluation grid <https://uibm.mise.gov.it/index.php/it/2-non-categorizzato/2036035-griglia-di-valutazione-economica-dei-brevetti>
- Platform Knowledge Share <https://www.knowledge-share.eu/>
- PATLIB 2.0 <https://www.epo.org/searching-for-patents/helpful-resources/patent-knowledge-news/2021/20210621.html>
- UIBM Academy (MOOC for students, EPAC 2023, ecc.)
- WIPO IP DIAGNOSTICS TOOLS <https://www.wipo.int/ipdiagnostics-assessment/global/en>
- WIPO IP and Gender Action Plan <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-rn2023-1-en-wipo-intellectual-property-ip-and-gender-action-plan-the-role-of-ip-in-support-of-women-and-girls.pdf>
- https://www.wipo.int/export/sites/www/ip-development/en/agenda/docs/policy_approaches_close_the_ip_gender_gap.pdf
- <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-ds-gender-2023-en-the-gender-gap-in-global-patenting-an-international-comparison-over-two-decades.pdf>
- EPO - Women's participation in inventive activity <https://new.epo.org/en/news-events/press-centre/press-release/2022/452251>

- WIPO Strengthening local innovation capacities to accelerate knowledge and technology transfer <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-1059-22-en-wipo-resources-tiscs-and-ttos-report-2022.pdf>
- EUROPEAN INVENTOR AWARD 2024 <https://new.epo.org/en/news-events/european-inventor-award>

In order to collect the opinions of the Working Group participants FILSE prepared a questionnaire (Attached 1).

As main outcome of the consultation process, the working group, after the discussion meetings and the completion of the questionnaire, recommends focusing on the following aspects:

- avoid fragmentation of the IP system with complex, costly and unclear procedures, fighting onerous efforts in terms of economic and “in time spent” costs; reduce filing and judicial time for intellectual property
- facilitate technology transfer system between research centers and companies
- develop better tools to facilitate access to IP; the goal is to unify the IT system for applying intellectual property. A single interface, portal, would be optimal to reduce the time required for submission. For example, at European level, on June 2023, has been established The Unified Patent and Unitary Patent Court, coexisting with the European Patent and the national patents of individual European states. So, at the moment something more is needed to harmonize these instruments of access for the IP protection.
- fight extensive prevalence of counterfeiting and piracy;
- rebalance the relationship with the global system of IP protection. Deficiency of fair play

The working group proposes:

- **Reducing fragmentation of patent filing system and intellectual property litigation**

At the judicial level as of June 1, 2023, The Unified Patent and Unitary Patent Court was established.

The Unitary Patent system aims to modernize, simplify and streamline the patent protection and enforcement system in Europe. The Unitary Patent will significantly reduce the complexity of the existing system by enabling inventors to obtain uniform patent protection (including patent validation and renewal) across the territory of the participating EU member states in a simple and cost-effective manner. This change is expected to boost Europe's competitiveness by facilitating a barrier-free internal market for technology and centralizing the European patent granting and validation system on the EPO.

The Unified Patent Court (UPC) will serve as a single adjudicative body of patent law in Europe and in doing so, create harmonized body of law, remove jurisdictional forum shopping and provide greater legal certainty in European patent law.



It has jurisdiction over 17 states (colored red on the map): Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovenia and Sweden; 7 additional states (Cyprus, Czech Republic, Greece, Hungary, Ireland, Romania and Slovakia) will join as they complete the required legislative steps.

The Unitary Patent does not replace the European Patent as we know it, but coexists with the European Patent and the national patents of individual European states.

The harmonization of patent protection brought by the Unitary Patent system is expected to have positive impact on trade and Foreign Direct Investment flows in IP- and technology-intensive industries in Europe. The broad territorial protection the Unitary Patent offers will facilitate cross-border technology transfers and co-operation across European countries. A central register containing legal status information on transfers of Unitary Patents and licenses – including licenses of rights – will help to establish an efficient market for technology transfer in the participating Member States.

It is necessary to implement actions to expand the number of countries adhering to the Unified Patent and Single Industrial Property Court and overcome national patents of individual European States for creating an increasingly less fragmented system. In addition, it would be necessary to overcome national patents of individual European states.

A simplification of the industrial property system, at least at the European level, would induce companies to be more inclined to file new patents as costs would decrease and they would have greater legal protection. To date, one of the problems most felt by companies is precisely the lack of certainty of protection in lawsuit cases.

- **Training actions aimed at banking system employees to have the economic value of corporate patents recognized in credit applications.**

Although, as early as 2008, a memorandum for the economic and financial evaluation of patents was signed between Ministry of Economic Development, the Italian Banking Association, Confindustria, the Conference of Italian University Rectors and the Order of Industrial Property Consultants (<https://uibm.mise.gov.it/attachments/article/2036035/griglia.pdf>) to date, it is not a common practice in the credit world to recognize the economic value of patents.

To be able to get companies to use intellectual property as collateral or security for debt finance or additional basis for seeking equity, it is necessary to leverage IP skills of the credit system employees . The proposal is to create training workshops aimed at the credit system that can provide basic knowledge on intellectual property and can train on the systems of economic and financial valuation of it. Training could be extended to accountants and business consultants who often handle credit-related paperwork, so that they learn how to value intellectual property in business assets. Recognition of the economic value of intellectual property by the credit system would create the conditions for companies to be more willing to invest in patent filing

For example, in China, there are government programs that promote the use of IP rights as collateral by subsidizing interest rates, specific bank funds, and valuation guidelines and tools to lower the lending risk. Between 2018 and September 2019, reports suggest that in the Guangdong province alone, patent-collateralized loans worth some RMB 30 billion (more than USD 4 billion) were granted, with “thousands” of companies benefitting from the schemes.

- **increases the number of patents filed by women.**

The European Patent Office (EPO) has recently released the outcomes of its new study named “Women’s participation in inventive activity”. The study focuses on women’s participation in patenting activity at the EPO, by examining all European patent applications filed between 1978 and 2019 (with occasional extensions until 2021), from the 38 European Patent Convention Contracting States. It finds that even if the share of women inventors has increased steadily over time, only 13.2% of inventors in Europe are women. Therefore, measures need to be found and implemented to overcome the inventor gender gap.

In general, a higher proportion of women are named on patent applications from universities or public research organizations than on those submitted by companies.

There are several reasons why women hold fewer patents on innovations than men. One hypothesis is that women may be less attracted to math-intensive fields, which produce most inventions.

Others factors behind women’s lower participation in patenting include the socio-economic context of the family in which they grew up as girls, but also that in which they pursue their women’s life (, including their care-giving responsibilities, work environment, in particular their specialization and sector of employment, and the culture and institutions of their country.

It is necessary to create more female inventor program, to increase participation in patenting activity by female. The program will help to identify potentially patent-worthy ideas, to submit those ideas for patent consideration, and to turn approved ideas into patent applications. It is important to increase to knowledge of women about patents.

Institutions, in addition to being proponents of these programs dedicated to female inventors, should include priorities dedicated to women in the funding calls for patenting. Also, it is necessary to increase the women that study STEM subjects.

Attached 1 – Questionnaire

- 1) If your Association/Body/Business conducts one or more IP-related activities specify the types below:
e.g. representation at national tables, provision of IP services to businesses, etc.
- 2) Are the activities paid or free?
- 3) Who are the activities aimed at? E.g. enterprises, associates, etc.
- 4) Do you think the current laws cover all aspects of IP? Yes/No.
- 5) Are international, European and Italian laws consistent with each other? Do you think there could be room for improvement? If yes, which ones?
- 6) If you answered No, what aspects do you think are not covered?
- 7) Do you think the organizational structure at the European and national levels is adequate? If no, what improvements would you like to make?
- 8) What improvements have there been in your opinion since the Ministry launched the Strategic Lines of Action on Industrial Property for the three-year period 2020-2023?
- 9) What benefits do you expect from the revision of the Industrial Property Code?
- 10) Why are companies not investing in IP today?
- 11) What actions could be implemented to make businesses understand the true value, including economic value, of IP?
- 12) To date, IP is not taken into consideration by banking and financial institutions as a guarantee for access to credit, do you think this is correct? If not, what arrangements do you think are needed for IP to be valued even economically by the financial system?
- 13) What do you think of the Patent Economic Valuation Grid? Is it a sufficient tool to make lending institutions value IP economically?
- 14) Do you think that if lending institutions recognized IP as a guarantee for access to credit, firms would be more likely to initiate patent applications?
- 15) Are the concessional finance instruments for IP support present today adequate? If not, how should they be supplemented?
- 16) Is the training provided on IP sufficient? Do you think it could be improved? Do you have any proposals in this regard?
- 17) Are there Technology Transfer Offices in your area? If yes, which ones? Please indicate whether public or private



- 18) What role do such Offices currently play? Do they have relationships with businesses? If yes, which ones?
- 19) What do you think could be the role of Technology Transfer Offices in disseminating IP culture?
- 20) What are the main challenges facing the IP professions (lawyers, agents, etc.)?
- 21) What policies would you like to see adopted in the future regarding IP?
- 22) What best practices would you report on IP issues? (Both nationally and internationally)
- 23) Suggestions for future projects/collaborations: