



## European IPR Helpdesk

### Case Study

# *The ABC of IP strategy for a small R&D company*

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**TNtech, s.r.o.**

R&D company

[www.tntech.eu](http://www.tntech.eu)



### **1. Background**

The transition from conventional to renewable energy sources has been promoted in Central Europe in recent years. One that is already quite widespread is the use of biomass in the form of wood chips or wood pellets as a source for heat production. This new energy source opened a gap in the market for wireless measurements at stockyards as a prevention against fire hazard, and TNtech, the company of this case study, came up with the WiMES system, which is a wireless measurement system that incorporates wireless sensors of several physical quantities, signal receivers and the software necessary to evaluate measured data.

TNtech s.r.o., a Slovakian company from Trenčín, has been active on the market since 2012. It develops innovative solutions to solve technical problems related to:

- the field of safety,
- environmental monitoring,
- sensory systems integration.

Thanks to its continuous research and development activities, the company is able to bring innovatory or new products early into the market as swiftly as possible. The company has already concluded several business agreements in relation to the WiMES system within the Slovakian market and has the intention to expand its business abroad in the future.



## 2. Problem faced

Introducing a new or innovatory product into the market can result in new business opportunities, but also in possible fraudulent or unfair competition practices.

After the experimental installation of the developed WiMES system in a test stockyard, TNtech detected an attempt by a third party to copy the technology. Until that moment, the company had not yet implemented a coherent IP strategy, which needed to be defined from the basic level of employee contracts up to non-disclosure agreements and cooperation agreements with third parties.

## 3. Actions undertaken in this situation

TNtech started to prepare an IP strategy in cooperation with a patent attorney and the Industrial Property Office of the Slovak Republic by following the steps below:

1. Identification of IP to be protected: this included the electrical connection of the sensors and the control boards of the WiMES system as well as the mechanical design of the individual parts and eventually of the entire device. The technical part of the WiMES system has been granted protection as a utility model in Slovakia and in the Czech Republic. Furthermore, it was decided that some of the IP would be protected under the company's internal know-how.
2. Review of employment contracts: Contracts with employees were redrafted regarding IP protection measures. In particular, a new paragraph in employee contracts was introduced establishing the IP ownership rules applicable to new intellectual property developed during the course of employment.

3. Staff training: Key employees in the company took an IP course accredited by the Ministry of Education of the Slovak Republic.
4. Preparation of confidentiality contracts and other agreements: After consultations with a patent attorney, several confidentiality contract templates were prepared to meet the needs of the company in the area of IP protection. In particular, these needs are covered by non-disclosure agreements and cooperation agreements with third parties, such as business partners and academia.

#### **4. Outcome**

Once the above steps were taken, the company's operation in the field of IP became more efficient. The outcome of this work comes in three fundamental parts:

- a functional and competitive product delivered to the market (WiMES),
- IP protection in the form of utility models granted in selected countries,
- implemented internal IP strategy of the company.

By means of product advertisement and business networking, more and more companies are now interested in TNtech's products and its solutions in the area of wireless measurements. The new IP strategy has certainly resulted in an increase in the company's client portfolio, and customised solutions based on WiMes system are more and more demanded by customers.

In addition, thanks to the utility model protection, the company has gained a strong position in business negotiations. As an R&D company primarily not focused on production and installation, TNtech has gained new opportunities to commercialise the product under licence agreements.

While TNtech has gained many business opportunities since the implementation of the IP strategy, it continues to invest in innovation.

#### **5. Lessons learned and suggestions**

IP protection is a powerful tool to strengthen investment (in employees, material, machinery, etc.) and to fight against fraudulent or unfair competition practices. Once an IP strategy has been established, it is important to train employees in this field and make them observe any internal rules and guidelines, sourcing from this new IP strategy.

After a clear IP strategy has been defined, the company should focus on getting its IP rights protected. This should be done before, during and after the conclusion of the product development phase and before its introduction into the market. It is crucial to undertake the following steps in this order:

- identification of IP,

- consideration of different means of IP protection (utility model, patent, design etc.),
- preparation of a draft version of the application (e.g. patent application, etc.),
- verification and completion of the application by an IP professional (e.g. patent attorney),
- submission of the application to the IP Office.

Once the relevant IP rights have been obtained, the company can start commercialising the protected technology by the most convenient means (e.g. licence, assignment, etc.), depending on its economic and business priorities.

## GET IN TOUCH

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## ABOUT THE EUROPEAN IPR HELPDESK

The European IPR Helpdesk aims at raising awareness of Intellectual Property (IP) and Intellectual Property Rights (IPR) by providing information, direct advice and training on IP and IPR matters to current and potential participants of EU funded projects. In addition, the European IPR Helpdesk provides IP support to EU SMEs negotiating or concluding transnational partnership agreements, especially through the Enterprise Europe Network. All services provided are free of charge.

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**Website:** On our website you can find extensive information and helpful documents on different aspects of IPR and IP management, especially with regard to specific IP questions in the context of EU funded programmes.

**Newsletter and Bulletin:** Keep track of the latest news on IP and read expert articles and case studies by subscribing to our email newsletter and Bulletin.

**Training:** We have designed a training catalogue consisting of nine different modules. If you are interested in planning a session with us, simply send us an email at [training@iprhelpdesk.eu](mailto:training@iprhelpdesk.eu).

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