



## European IPR Helpdesk

### Fact Sheet

### *IP issues in brokerage events*

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|   |   |
|---|---|
| Introduction.....   | 1 |
| 1. Things you should know before you participate in a brokerage event.....      | 2 |
| 1.1. 1.1. Applying for protection can support a safer disclosure of your IP ... | 2 |
| 1.2. IP protection is territorial .....   | 3 |
| 1.3. Time limits for extending protection in another country.....               | 3 |
| 1.4. Registration of copyright may be advisable.....                            | 4 |
| 1.5. There are some intangible assets that must be kept confidential .....      | 4 |
| 1.6. Marking the technology is part of IP protection .....                      | 5 |
| 2. Do and Do not .....  | 5 |
| 2.1. Before the event .....   | 5 |
| 2.2. During the event.....  | 7 |
| 2.3. After the event .....  | 8 |
| Checklist .....   | 8 |
| Useful Resources.....   | 9 |

### Introduction

Several organisations across Europe organise brokerage events<sup>2</sup>. These events are an easy, cheap and quick way for companies' representatives to meet (at times in private) with potential business partners. Generally, participation requires companies to publicly show their technologies' profiles in the event's website or at the venue. Regardless of the format of such events, there are some risks associated with intellectual property (IP) that all participants should be aware of.

<sup>1</sup> This fact sheet was first published in January 2012 and updated in June 2015.

<sup>2</sup> Enterprise Europe Network (EEN), ARTEMIS Industry Association and the like.

The purpose of this fact sheet is to provide an overview of the main IP issues that should be considered when participating in a brokerage event. Being aware of the risks is part of a thorough preparation, which is essential for a successful participation in these events. Yet, to successfully build up a business relationship and start a partnership will also depend on what happens after the brokerage event, since it is unlikely that any agreement participants would be willing to conclude will be signed at these events. Follow up is therefore essential. Our suggestion is to be aware of IP, be prepared and keep motivated. The brokerage event is just one of the many steps for a successful business partnership!

## **1. Things you should know before you participate in a brokerage event**

### **1.1. Applying for protection can support a safer disclosure of your IP**

In exhibitions or events you are inclined to disclose your technology/ideas in order to make people aware of your value proposition and to establish new collaborations and/or partnerships.

However, if you disclose your ideas without any kind of protection you may certainly increase the risk of losing them. In fact, disclosure may not only prevent you from obtaining IP protection, but it also may give your competitors the advantage of using your ideas without any benefit for you.

There are several types of Intellectual Property Rights (IPR), in particular patents and industrial designs, which demand novelty as a requirement for acquiring protection. An early disclosure may result in the loss of novelty of your creation, which would then place your chances of being granted a patent or an industrial design at risk. Consequently, you would then not be able to take advantage of the right to exclude others from using your creation and therefore take full commercial advantage of it.

By utilising IP protection, you will thus be able to disclose your ideas more safely.

| IPR                      | What for?                               | Registration?  |
|--------------------------|---|--|
| <b>Patent</b>            | New inventions                          | Registration is required   |
| <b>Utility model</b>     | New inventions                          | Registration is required, but conditions are less stringent than for patentability           |
| <b>Trade Marks</b>       | Distinctive signs                       | Registration is required   |
| <b>Industrial Design</b> | Appearance of products                  | Registration is usually required, but it is possible to acquire an unregistered design right |
| <b>Copyright</b>         | Literary, artistic and scientific works | Not required, but it can be registered in some countries                                     |

## 1.2. IP protection is territorial

IPR are territorial in nature. That is, they are effective only in the country or region where protection has been applied for and granted. For example, a national patent granted by the Spanish Patent and Trade Mark Office only has effect in Spain. Consequently, the patentee does not have rights outside of Spain and cannot block others from using the invention in another territory.

There are several consequences that derive from the territorial nature of IPR, particularly the following:

- To get protection in more than one country, it is necessary to register the patent, trade mark or industrial design in all of the different territories;
- The laws and procedures for the protection of IP vary from country to country.

Thus, if you are looking for business partners in another country you should make sure that your IP is protected there.

## 1.3. Time limits for extending protection in another country

In most jurisdictions, the inventor who first files a patent application has priority even against an inventor that has created the same invention at an earlier time. This system is usually designated as the "first-to-file system", in opposition to the "first-to-invent system".

This priority right has an effect also in some foreign countries for a certain period of time. In fact, according to article 4(1) of the Paris Convention for the

Protection of Industrial Property<sup>3</sup>, applicants who have properly filed in one of the member states enjoy a priority right allowing them to seek protection within a fixed period in other signatory countries. Consequently, it is not necessary to file applications simultaneously in all countries where the applicant seeks protection. Besides patents, the rule also applies to utility models, industrial designs and trademarks. The periods of priority are of twelve months for patent and utility models, and six months for industrial designs and trademarks.

Thus, you are able to apply for IP protection in other countries during the priority period and be treated as if you had filed all the applications on the date of the first application. In this way, you still succeed to be the first to file in all of those countries and enjoy a delay for evaluating the potential commercial success of your IP both in your country and in foreign markets. After the priority period you not only lose your priority right, but also, as is the case for patent applications, the novelty of your invention since it was already disclosed with the first patent application.

#### **1.4. Registration of copyright may be advisable**

Even though copyright does not have to be registered and registration is not a requirement for protection, there are some tools available in order for your work to be recorded. Many companies, as well as some national IP offices in the European Union, provide a 'means of proof' of priority date<sup>4</sup>.

Using such systems may prove to be useful, particularly because it may prevent misappropriation of information in negotiations with potential partners.

#### **1.5. There are some intangible assets that must be kept confidential**

All organisations have confidential information, some of which may have great value (the Coca-Cola recipe or the Google search algorithms for example). Unlike other IPR, these assets do not require either novelty or registration and can be kept without any limit in time. Indeed, any kind of information (e.g. prototypes, know-how, formulas and methods) can be considered as confidential information, as long as:

- It is kept secret, i.e. it is not in the public domain;
- It has commercial value because it is secret; and
- The owner has taken reasonable steps to keep it secret.

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<sup>3</sup> Article 4(1) of the Paris Convention states the following: "Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed."

<sup>4</sup> An example of such registration is i-DEPOT, a service offered by the Benelux Office for Intellectual Property. Alternatively, creators may send themselves a copy of the original work by registered postal delivery, leaving the envelope sealed until when or if it is needed in an infringement action (in the US and the UK this is commonly known as the "poor man's copyright"). It is also possible to lodge the work with a solicitor or notary.

The owner of confidential information must therefore make efforts to maintain its secret nature, which includes signing Non-Disclosure Agreements (NDAs) with potential business partners whenever it is necessary to disclose information. This is usually the case in negotiations for the conclusion of licensing agreements, distribution agreements or other technology partnerships.

## **1.6. Marking the technology is part of IP protection**

Often we see in products *IPR symbols*, such as © for copyright, ™ and ® for trademarks, or any other equivalent indicating that it is protected by one or more different IPR. Even though attaching to a product such symbols is generally not mandatory, it may be very beneficial. Indeed, this is an easy way to tell other people and competitors that a product has been protected through the use of IPR, thus warning any potential infringer.

## **2. Do and Do not**

### **2.1. Before the event**

#### **2.1.1 Do identify and protect your IP**

You need to take an active role in the preservation and defence of your intangible assets, since the protection as IPR is generally not automatic.

The first necessary step is to identify the subject matter involved in the technology you intend to transfer or present during the brokerage event. This analysis will allow you to identify the forms of IP protection potentially available for each subject matter, since often more than one form of protection could be applicable.

| Subject Matter  | Patent         | Utility Model | Industrial Design | Copyright | Trade Mark | Confidential Information |
|---|----------------|---------------|-------------------|-----------|------------|--------------------------|
| <b>Invention</b> (e.g. device, process, method <sup>5</sup> ) | X              | X             |                   |           |            | X                        |
| <b>Software</b>   | X <sup>6</sup> | X             |                   | X         |            | X                        |
| <b>Scientific article</b>                                     |                |               |                   | X         |            |                          |
| <b>Design of a product</b>                                    |                |               | X                 | X         | X          |                          |
| <b>Name of a technology/product</b>                           |                |               |                   |           | X          |                          |
| <b>Know How</b>   | X              | X             |                   |           |            | X                        |
| <b>Website</b>  |                |               | X                 | X         | X          | X                        |

Once you decide on the most appropriate form of protection, you will know whether or not you need to apply for registration. Some forms of IPR, such as patents, utility models, industrial designs and trademarks require formal registration. It is advisable to contact a patent attorney or IP specialist in order to help you with such a registration and to decide on which territories to file for protection. Discuss as well with a specialist the possibility to use a strategy for protection based on the simultaneous use of several IPR, which would put you in a stronger position.

Some IPR, such as copyright, arise automatically when the work is created and registration is not a requirement for protection. Yet, you still need to carefully implement a strategy for their protection. In particular, it is advisable to register and mark the work using IPR symbols.

Thus, it is important to make sure that your intangible assets are protected in the country you are visiting or where you are looking for a business partner.

### **2.1.2 Do prepare carefully the promotional literature about your company and technology**

To avoid the risk of potentially losing your ideas and the novelty associated with them, all public disclosures should be reviewed. Indeed, the technical profile, as well as any publication (e.g. brochures, flyers and slides) you intend to take with you to the brokerage event should be checked to ensure that you do not disclose unprotected and valuable information inadvertently.

<sup>5</sup> Except methods excluded from patentability by virtue of Articles 52(2)(c) and (3) and 53(c) EPC.

<sup>6</sup> Software patentability is still a debated issue given its exclusion as subject matter as by Article 52(2)(c) and (3) EPC. However, the Enlarged Board of Appeal of the European Patent Office is inclined to its patentability as long as the claim related to a computer program defines or uses technical means (a hardware).

### **2.1.3 Do consider seeking the assistance of IP experts**

IP experts, such as lawyers or IP attorneys can be of assistance to you when you are planning to participate in a brokerage event. In fact, they can help you, for example, in the following tasks:

- Identifying your IP;
- Determining the most suitable form of protection for the asset (e.g. should you seek patent protection or would it be more appropriate to treat the invention as confidential information?);
- Pursuing registration of the IP.

It may also be advisable to keep their contact details and check their availability in case you need to deal with infringers during the event, as timely intervention is essential in these situations.

## **2.2. During the event**

### **2.2.1 Do not disclose confidential information or any new work not yet protected**

In most brokerage events, participants can distribute their profile with an offer of cooperation and any other technology literature so that they may present their technology to all visitors and schedule meetings during the event with specific participants. This means that you must keep in mind that you should only share the information you have previously decided to disclose. Do not forget that any new work not yet protected must be kept confidential.

In case you have scheduled any meetings with potential business partners, do not forget to prepare a short presentation. However, as a first meeting, it is advisable not to share any confidential information at this point, even under a NDA agreement.

### **2.2.2 Do take into account to come across infringers**

Meeting potential business partners also means that you are likely to meet potential infringers, in particular because brokerage events are often associated to trade fairs or exhibitions. If this is the case, you should at least use the event to collect as much evidence as you can (e.g. take photos, collect business cards and brochures). This material could be very useful later in case you need to enforce your rights<sup>7</sup>.

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<sup>7</sup> To learn about the concrete IP risks at trade fairs in Europe, we suggest that you consult the guide *IP Protection at Trade Fairs in Europe*, a publication produced by IPR2 with the assistance of the European Union, available at [http://www.ipr2.org/images/stories/trade\\_fair\\_study\\_brief.pdf](http://www.ipr2.org/images/stories/trade_fair_study_brief.pdf).

## 2.3. After the event

### 2.3.1 Do sign Non-Disclosure Agreements

Following the brokerage event, it is likely that you will have further contacts with the companies you have identified during the event for the conclusion of partnership agreements. At this stage, it is very important to have in place a NDA, which establishes the conditions under which you will disclose information in confidence. Being this document a contractual base for rights and obligations, it is highly advisable that it be revised by a legal professional before any use.

Yet, these agreements also involve some risks even though those who breach its terms are very likely to face legal actions and damage claims. Only when there is a serious and real interest in your information should you disclose it under such an agreement. Moreover, you must be sure that you really need to disclose the information and be careful about the person to whom you are disclosing it: would it be enough to share a general outline of the invention? Is this person able to keep your valuable information in confidence? You should ask yourself these questions and remember that the best way to protect your confidential information is not to disclose it at all, even under a NDA<sup>8</sup>.

## Checklist

- ✓ Identify the subject matter involved in the technology
- ✓ List the potential IPR attached
- ✓ Decide on the appropriate forms of protection of any relevant IP (IPR, trade secrets, confidentiality, etc.)
- ✓ Seek IP protection in the necessary territories
- ✓ Review promotional literature (brochures, posters, flyers, etc.)
- ✓ Keep in mind what information you can and cannot disclose
- ✓ Contact IP experts
- ✓ Be aware of potential infringers and, in case, take as many evidence as possible
- ✓ Conclude NDAs

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<sup>8</sup> See Irish, V., 'Disclosing Confidential Information', NXT plc September 2003, available at: [http://www.wipo.int/sme/en/documents/disclosing\\_inf\\_fulltext.html](http://www.wipo.int/sme/en/documents/disclosing_inf_fulltext.html).



## Useful Resources

For further information on the topic please also see:

- Secrets of Intellectual Property: A Guide for Small and Medium-sized Exporters: [http://www.wipo.int/sme/en/documents/guides/secrets\\_ip.html](http://www.wipo.int/sme/en/documents/guides/secrets_ip.html)
- EPO Inventor's Handbook: <http://www.epo.org/learning-events/materials/inventors-handbook.html>

## 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.

**Helpline:** The Helpline service answers your IP queries within three working days. Please contact us via registration on our website – [www.iprhelppdesk.eu](http://www.iprhelppdesk.eu) – phone or fax.

**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@iprhelppdesk.eu](mailto:training@iprhelppdesk.eu).

## DISCLAIMER

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