

Dr. Mindaugas Kiškis

mindaugas@irii.lt, www.irii.lt/mindaugas

INTELLECTUAL PROPERTY AND OTHER INCENTIVES FOR R&D AND INNOVATION

IP and its alternatives

- **IP – socio-economic mechanism of recovering investment into innovation (patents, copyright, etc.)**
- **Alternatives:**
- **Social capital**
 - strong connections, social networks of individuals, groups, institutions, etc.
 - reciprocity, tolerance, trustworthiness
- **Grants, prizes**

Innovation = Knowledge commercialization

- Converting scientific knowledge into business advantage
- Knowledge commercialization (transfer) underlies the process of innovation and socio-economic development
- IP alone is not able to facilitate efficient knowledge transfer

Innovation policies in Lithuania

- Centered on administration/ management of innovation rather than innovation itself
- Reliant on IP centric approach
 - One of the most modern IP legislation in the EU
 - Strong enforcement tools and efforts
 - All existing innovation tools focus on IP ownership/transfer/licensing
- Social capital (connection between players in innovation) is missing

IP falls short of delivering innovation

- Despite all efforts national IP is decreasing

Diagram: Lithuanian applications to State Patent Bureau (Source: SPB of Lithuania)

		2001	2002	2003	2004	2005	2006
Inven- tions	Lithuanian applicants	68	85	70	64	73	58
	Foreign applicants	3856	4593	5807	4707	NA	NA

IP falls short of delivering innovation (2)

- Despite all efforts national IP enforcement is minuscule

Diagram: IP cases reviewed by the Supreme Court of Lithuania
(Source: Supreme Court of Lithuania)

Note: The bulk of software piracy cases do not reach the Supreme Court

	2001	2002	2003	2004	2005	2006
Civil enforcement	11	5	6	6	4	9
Criminal enforcement	1	2	4	7	8	3

Why IP is failing?

- Intellectual property failures
 - IP and enforcement thereof is too expensive and time-consuming process
 - IP is alien as a social institute
 - Plain IP does not assure quality of innovation
- IP is nothing without the market and does warrant trust among key players (researchers, universities, businesses, investors)

If IP fails, what then?

- Focusing on social capital along with IP
 - Creating social networks between innovation players:
 - Technology platforms are a step into right direction
 - University technology transfer centres
 - IP clinics
- > Facilitating other alternative mechanisms – grants and prizes (including private)
- > Focus on innovators from the early age
- > Result targeted public incentives and funding of IP related activities, including enforcement costs

Dr. Mindaugas Kiškis

mindaugas@irii.lt, www.irii.lt/mindaugas

THANK YOU FOR YOUR
ATTENTION!