



E-Newsletter

Sixth Issue – January 2006

Dear Members

On behalf of the board of LES Benelux I would like to wish you a happy, healthy and prosperous 2006.

In today's global economy the world is becoming flatter, and consequently the competition is becoming tougher. Technology, and the transfer thereof, is becoming pivotal to companies, and intellectual property rights are increasingly used as strategic business tools. As a result of these trends there are plenty of challenges for professionals in the areas of licensing and intellectual property matters. Such challenges include, for example, the effective exploitation of intellectual property rights, and the efficient co-operation *with others who happen to own technologies* that is required by your company or client. Three important elements that we, as such professionals, should look into in order to deal successfully with such challenges are; education, networking and best practice sharing, which are precisely the core objectives/responsibilities of our regional chapter but also of LES at the international level. I therefore strongly recommend all our members to attend the meetings that our society will organise this year. Our first full day conference will be held in Brussels on 21 March 2006 and will focus on "Patenting Standards, Technology Pooling and other IP sharing strategies and corresponding licensing systems" and promises to be a most interesting event. The second full day conference, also worth pencilling in your diary, will be held in Rotterdam on 13 June and will focus on "Valuation of IP, royalties and maximizing that value (taxation, off-shoring etc.)". I would further encourage members to extend their international LES network, where possible, since the world is indeed becoming flatter. A good opportunity will be this year's LES International Conference that will take place on 9-12 April in Seoul, South Korea. Also, or possibly as an attractive alternative, the Pan-European conference to be organised by LES Britain & Ireland on 21-23 June in Glasgow, Scotland, is worth considering. In regard to our international LES network, I also refer to the two letters of our International President Peter Chrocziel that we have *included in this newsletter*, and from which it will be clear that also the board of LESI wishes to make the distance between LESI and the local and regional chapters smaller.

Due to the success of the Licensing Course that was organised in October last year, it has been decided to organise the same course again later this year, instead of waiting until 2007. Apart from the fact that many different nationalities were represented during the recent Licensing Course, even a waiting list had to be used because too many people were interested in attending. Another interesting development is the full day pilot course that LES Benelux organises in conjunction with the Dutch Platform for Innovation and Industrial Property, and which will take place on 19 January 2006 *and already fully booked*. This course should provide small and medium sized enterprises, as well as start-up companies, with a general understanding of intellectual property rights, their usefulness in the exploitation of inventions, and some licensing basics.

I encourage our members to provide feedback to our Programme Committee, as requested by letter, so as to enable them to organise interesting and high level conferences in the years to come.

Finally, I urge all members to make early payment for your membership subscription for 2006, since by doing so you would enable our society to contain our costs as much as possible.

I look forward to welcoming you in Brussels on 21 March 2006.

Yours sincerely
Lex van Wijk
President LES Benelux
E-mail l.vanwijk@verenigde.nl

New members for LES Benelux

- Dr. Vincent de Groot, Syntarga B.V., Nijmegen - The Netherlands
- Mr. Menno Caviet, Stamicarbon B.V., Geleen - The Netherlands
- Mr. Christophe De Vleeschouwer, Total Petrochemicals Research Feluy, Feluy - Belgium
- Mr. Koen Laagland, DSM - Corporate Legal Affairs, Heerlen - The Netherlands
- Drs. Hester Tak, Leiden University Medical Center, Leiden - The Netherlands
- Dr. Robert Smailes, Leiden University Research & Innovation Services, Leiden - The Netherlands
- Mrs. Lisa Albe, Total Petrochemicals Research Feluy, Feluy - Belgium
- Mr. Hendrik Jan Boer, Astron, Dwingelo - The Netherlands
- Mr. Robert Al, Erasmus MC, Rotterdam - The Netherlands
- Mr. Jean Beissel, Office Ernest T. Freylinger SA, Strassen - Luxembourg
- Mr. Darrell Warner, Shell International BV, The Hague - The Netherlands
- Mr. Christian De Cock, Hexion Specialty Chemicals, Ottignies Louvain-le-Neuve - Belgium
- Mr. Francis van Velsen, Simmons & Simmons, Rotterdam - The Netherlands
- Mr. Taco Huizinga, The Law Factor, Eindhoven - The Netherlands
- Mrs. Sarah Wijns, Huntsman (Europe) BVBA, Everberg - Belgium

Membership

For more information about membership, please e-mail to membership@benelux.les-europe.org and an information package will arrive within a few days. Information on membership and activities of LES Benelux can also be found www.les-europe.org/benelux. Membership for 2006 is Euro 135,00 per year; the entrance fee for new members is Euro 45,00.

Meetings - For your diary

LES Benelux

Tuesday, 21 March 2006 – Brussels, Belgium; All-day Topic Meeting on “Patenting Standards, Technology Pooling and other IP sharing strategies and corresponding licensing systems”.

Tuesday, 15 June 2006 - Rotterdam, The Netherlands; All-day Topic Meeting on “Valuation of IP, royalties and maximizing that value” combined with the AGM.

For these meetings members will receive an invitation with programme in due time. The programme will also be published on <http://www.benelux.les-europe.org/>. For additional information, please e-mail to meetings@benelux.les-europe.org.

LES Meetings

8 – 12 April 2006; LESI Conference 2006 – Seoul, Korea. Programme and information at <http://www.lesi2006.or.kr/>

21-23 June 2006; LES Pan-European Conference - Glasgow, Scotland. Programme and information at <http://www.les-bi.org/june06.pdf>

3 – 5 September 2006; LES Scandinavia - Annual Conference - Copenhagen 3-5 September 2006. Programme and information at <http://www.les-scandinavia.org/>

10 – 14 September 2006; LES USA and Canada Annual Meeting, New York. Programme and information at <http://www.usa-canada.les.org/meetings/2006annual/>.

Other Interesting Meetings

22 – 24 February 2006; IPTEC – International Conference and Marketplace for Technology Transfer Professionals. Palais des Festivals, Cannes, France. Programme, registration and information at <http://www.iptec-cannes.com>.

Meeting Reports

'Exploitation of Technology in Asia' (28-09-2005) in Brussels by Nigel Wagstaff and Joost van Rossem

Aspects of doing licensing business in Asia, with special emphasis on the specifics for China, India and Japan, were covered in this meeting by a range of speakers with considerable and various experience in their particular fields and countries/regions.

Asian economies have come of age and are a major factor in world wide growth scenarios and companies' business strategies. The sheer size of Asian markets coupled with their impressive growth rates, technologies, low cost but strong manufacturing bases as well as knowledge industries and reservoirs of talented people make this part of the globe an absolute must for businesses. This growing importance is reflected in the "hands on" experience of all the speakers, and the large amount of very practical information in their presentations (see the LES Benelux website for copies of the slides). **Martin Hyden** of Rouse and Company dispelled some of the many myths about doing IP business in China. With careful planning and preparation, together with common sense and an appreciation of appropriate business strategy, it is possible to minimise the risks and to take advantage of China's rapidly growing IP awareness. To be successful one must obtain a strong IP position and stand up for one's rights, as well as anticipating problems (good intelligence) and educating local personnel. It helps to have a clear idea of the objectives of the entities involved and to think through potential scenarios (e.g. infringement, counterfeiting, local personnel leaving to work for competitors) in terms of which objectives are best served by which courses of action. His conclusions were that (1) IP is a major issue for companies seeking to do business in China; (2) one needs to take its management seriously (include a provision in one's budget); and (3) it works best as part of a global strategy rather than in isolation. In his case study of India, **Lakshmi Kumaran** presented many reasons for doing business with India, including the size of potential markets, the improved IP culture and legislation, the knowledge base of the Indian economy, the presence of sophisticated technological resources in e.g. software, biotech and pharmaceuticals and (not least) the huge reservoir of well-trained, English-speaking professionals. He referred extensively to the forms of IP protection available under Indian law, the available judicial remedies, and the updates to keep the country well aligned with international developments in IP and commerce. **Satsuki Takasaka** referred to a number of important points in connection with IP protection and licensing practices in Japan. Included in the talk were aspects of exclusive licences in Japan (there are two types in the Japanese patent act), the advantages and disadvantages of officially recording licence agreements in Japan, the need to check agreements against the guidelines of the Japanese Fair Trade Commission, and the importance of correct spelling in Japanese! There is a drive in Japan to derive more benefit from the wealth of intellectual property created, with government encouraging activity. Some two thirds of Japanese patents are "sleeping", and await successful exploitation. **Tony Piotrowski** emphasized that China is essential to the future of Philips' business, and that the Philips group aims for a substantial and continuing presence in China and a win-win situation. The company tries to build on the IP legal structure and culture which China has built up so quickly during the past few decades. This involves variously: amassing a large Chinese IP portfolio, being seen as a Chinese company within China and developing good relations with all stakeholders, including the government and regulatory officials (e.g. in enforcement), and extracting value from its IP portfolio e.g. by licensing. The Philips IP & Standards department has set up four local offices in China. The enforcement emphasis has shifted from preventing imports of counterfeit/unlicensed products (e.g. DVD players) to stopping such production locally, through raids and/or licensing. It is important to build up local IP awareness and expertise, and the company tries to achieve this in several ways, for instance through creating IP academies at top ranked Chinese universities.

Licensing Course in Eindhoven (10/11-11-2005) by Bruno Vandermeulen

The fourth edition of the LES Benelux Licensing Course took place in Eindhoven (The Netherlands) at the Mandarin Plaza Hotel on 10-11 November 2005. The event drew 46 registrations from Belgium, Luxembourg, The Netherlands, Germany, Denmark, Croatia, Estland, Poland, Switzerland and Spain and staged 10 speakers coming from Belgium, The Netherlands, Germany and the United Kingdom. The LES Benelux Licensing Courses have become a regular event and a reference for professionals in industry, academic staff and lawyers and patent attorneys who want to learn more about legal and business aspects of licensing, and to network with other people in their field. The courses covered patent portfolio strategy and management, IP strategies, drafting of licensing contracts, updates on patent litigation developments in Europe, and the latest about EU competition rules and where they

become important when drafting licensing agreements. The second half day was devoted to a licensing game where the participants were divided into groups and had to play a role as licensor or as licensee. Eindhoven is known as the home of a multinational company (Philips) and the dinner speaker inevitable came from Philips and spoke about patent licensing strategies in China. Eindhoven is also known as the town nearby the "Efteling" where children can see fairy tales come to life. The last Licensing Course was precisely a combination of both : teaching industry realism on one hand but also learning a lot of tales about the tricks of the trade, stories to bring back home and tell further to disseminate knowledge even more.

'License Agreements: After the Honeymoon is Over' (30-11-2005) in Rotterdam by Allen Norris

The most recent topic meeting of LES Benelux was an all day event held in Rotterdam on November 30, 2005. Entitled "License Agreements: After the Honeymoon is Over" it was designed to provide advice on how to minimise the risk of licensing relationships turning sour and how to reduce the negative impact on the parties if they do. Although we were confronted by the late withdrawal of a speaker, the high caliber of the rest of our panel more than compensated in providing an intriguing day full of practical tips and valuable insights. Our speakers were drawn from private consultancies, law firms, industry and academia giving a broad range of perspectives and leading to some quite animated discussions. As usual we provided generous opportunities for networking and indeed the slightly longer time available on this occasion was positively welcomed by our numerous attendees. We would like to thank those who attended for their contributions to the success of this event and encourage you all to attend our next meeting in Brussels on March 21, 2006 directed to Technology Pooling. Please visit our website at www.benelux.les-europe.org for more information.

News LESI

The slate for 2005 – 2006 is:

President, Peter Chrocziel – LES Germany

Past President, Willy Manfroy – LES USA and Canada

President Elect, Ron Grudziecki – LES USA and Canada

Secretary, Adam Liberman – LES Australia and New Zealand

Treasurer, Pat O'Reilley – LES USA and Canada

Vice Presidents, Chikao Fukuda – LES Japan; Alan Lewis – LES South Africa; Ernesto Cavalier – LES Andean Community

Counselors, Bruno Vandermeulen – LES Benelux; Alan Gordon – LES USA and Canada

Messages LES International

11/2005

Dear LES Members,

It is a very special honor to be elected as President of the Licensing Executives Society International and I express my gratitude to all of you for that vote of confidence.

Before taking office, I talked to all of the national presidents to obtain their guidance and ideas for my term. One of the recurring comments was that International does not reach out enough to individual members. With this short letter, others will be sent on a more or less monthly basis, I hope to make a first step in providing more information on the "International" part of the Licensing Executives Society.

My predominant goal for the year to come is to make our Society more visible. Visibility is needed externally as well as internally. It is not uncommon that even within our most active Societies, members are surprised to learn about "International", what it is good for and what benefits it has to offer. It will be a challenge for all of us, but especially for the working groups, as our transmission belt to the Member Societies as well as to the public, to conduct an outreach program and develop content, that is key messages, that we want to be known for as LESI and which will be promoted through our website, les Nouvelles and various meetings taking place throughout the world.

As you know, we just finished the second International Delegates Meeting of this year in conjunction with the LESI USA and Canada Annual Meeting in Phoenix, Arizona. You may have heard that it has been a very successful meeting and I want to highlight one important item for International: The Awards Committee recommended that the following awards be made, a recommendation that was unanimously approved by the Delegates: Gold medal to Rodney De Boos, Certificate of Merit to Elisabeth Logeais, Certificate of Merit to Barry Quest. Congratulations!

Visibility, effective administration and proper funding, those are the themes that we will explore in-depth at the Winter Planning Meeting (the Expanded Board of Directors Meeting) taking place Friday, January 20 through Sunday, January 22, 2006 at the Four Seasons Hotel, Beverly Hills in Los Angeles. National Presidents and Committee Chairs will convene with the Board to get their arms around mid-term and long range planning for our Society. The society year 2005/2006 will be a short and busy one with many challenges for all of us, but in the best tradition of our Society we will make it fun to: I am counting on your support !

Peter Chrocziel, President LES International

12/2005

Dear LES Members:

This time of the year finds almost all of us involved in busy preparations. May it be for closing year end accounts, preparing budgets for 2006 or just organizing for the upcoming holidays seasons. With all these sometimes hectic activities, one act of preparation of the EU law makers should not be overlooked that recently was made public. The European Commission wants to allow prison sentences for the intentional infringement of Intellectual Property Rights. 'This is the right step to ban product piracy in the European Union', EU-representatives said defending their proposal that will also include patent infringements harmonizing national laws..

CEO's of the IT- and Software-Industry criticize this step and predict a decline of innovation across Europe. Better protection of European IP rights is seen as a way to foster innovation. The proposed directive would have the opposite effect, critics say. Patent experts mark the proposal as little helpful and hard to enforce. In their opinion, the new law will have negative effects on big patent owners making managers of such companies subject to criminal liability. You may want to note, however, that in some of the national laws of European member states corresponding provision have been in effect for quite some time (not always been applied, though).

The EU-proposal will be an item to be discussed by our committees to understand its consequences further on licensing and tech transfer. We will follow this development closely.

As an organisation, we are busy in preparations at this time of the year, too. National presidents and our committee chairs are preparing together with the board of LESI the Winter meeting in Los Angeles, January 20 through 22, 2006. Next to planning the year ahead, we will focus on effective administration and proper funding of our association and, above all, how to make our society more visible.

Happy Holidays and a successful 2006 !

Peter Chrocziel, President LES International

Links of interest

- LES Britain and Ireland: <http://www.les-bi.org/>
- LES International <http://www.lesi.org/>
- Nieuw Innovatie En Uitvinders Web <http://www.innovatiebeurs.nl/>

Next E-newsletter will be issued in May 2006.

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