

Patent analysis and transparency

Frederic CAILLAUD M.D, Ph.D., C.L.P Licensing & Business Development Director L'Oréal



"Global patent warming"

IP management new tools

Consequences of IP "transparency"

Hot, hot, hot
Inside the struggle to combat global patent warming

Banks and the innovation bonanza • How companies can resolve patent pool dilemmas

The secrets of successful reputation management • France's chance to take the lead in Europe

Why standardisation will see patent markets boom • Full IP Business Congress 2008 report



Patent Warming consequences

- Classical licensing process is too slow
 - → New tools to speed-up the process and reduce transaction costs
- Too many patents
 - → Better tools to identify relevant I.P.
- Patent appraisal « black box »
 - → Need for much more transparency
 - → Dreaming of a rating system allowing to determine the relative value of existing 33 M patents

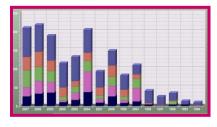


Emerging new tools

« Clusterisation »

Visualisation « satellite »

Patent rating





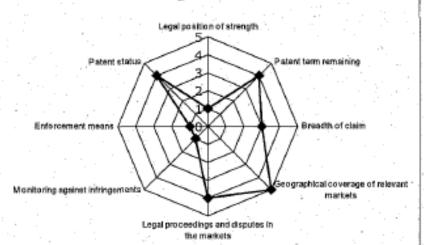






EPO IP Score

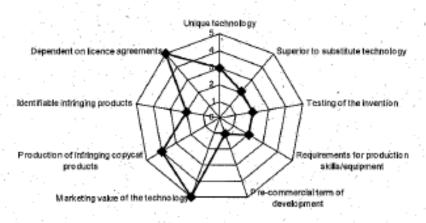
Legal status



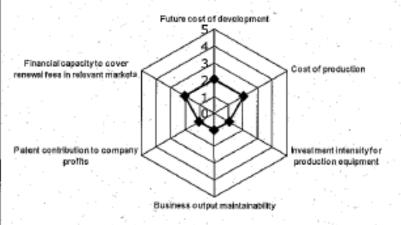
Market conditions

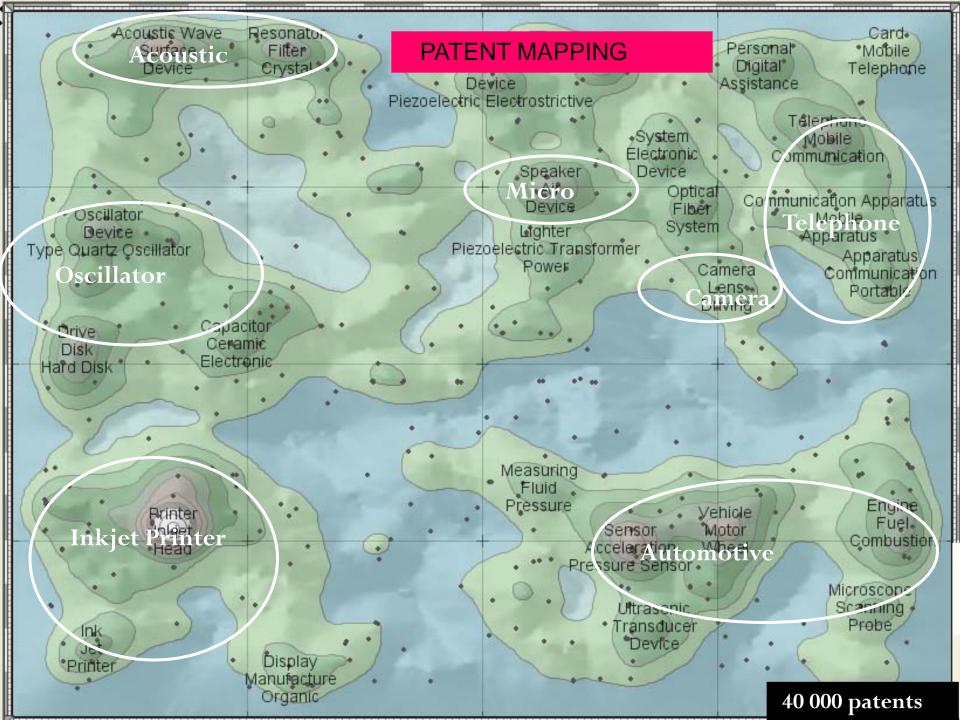


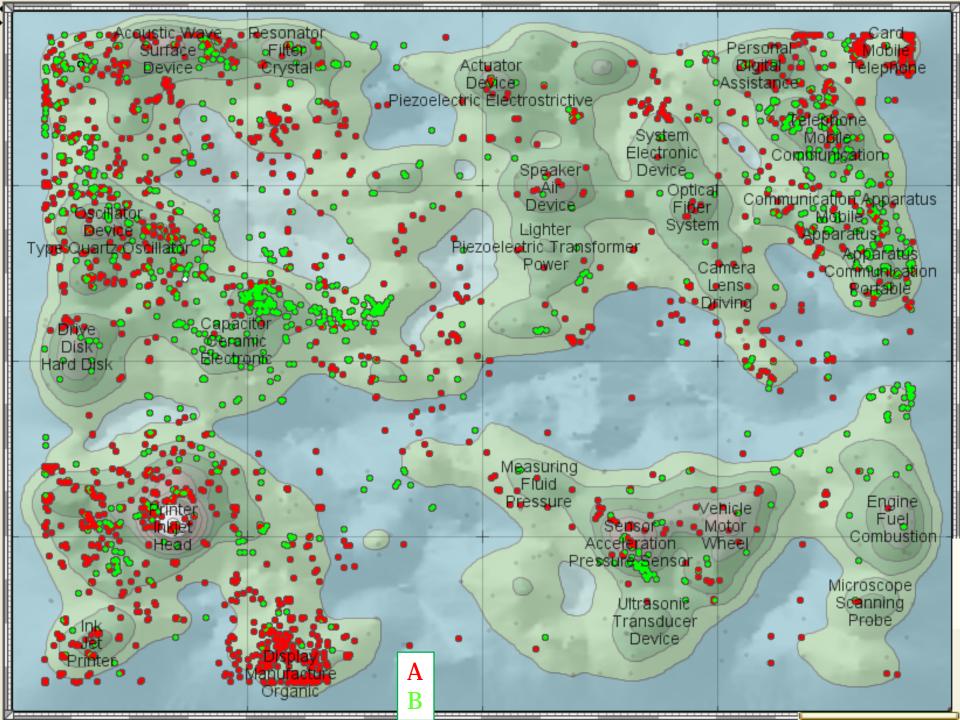
Technology

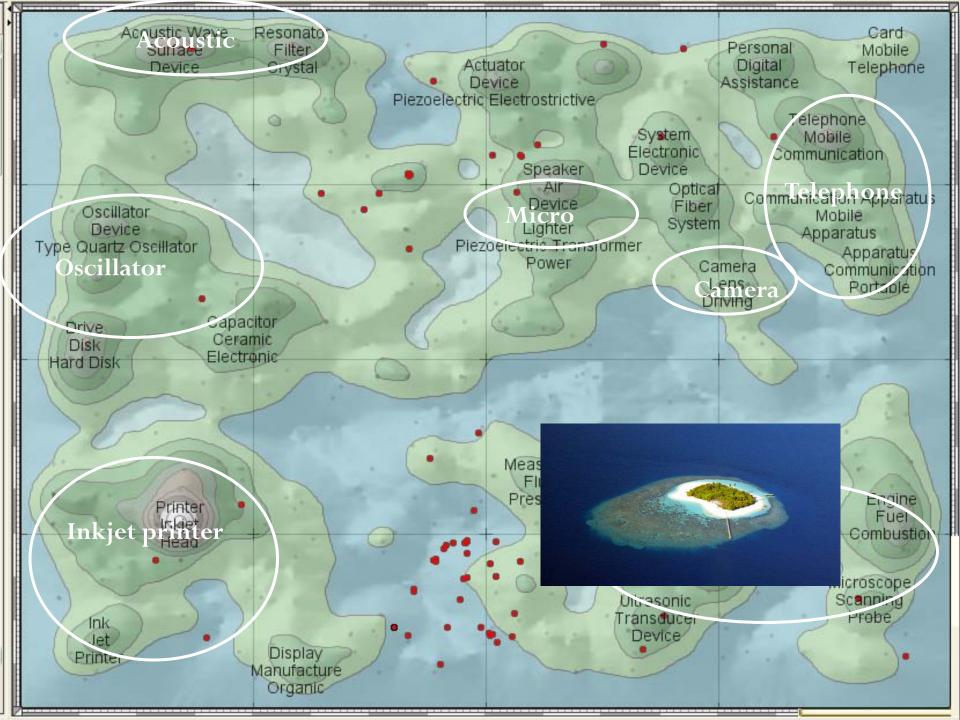


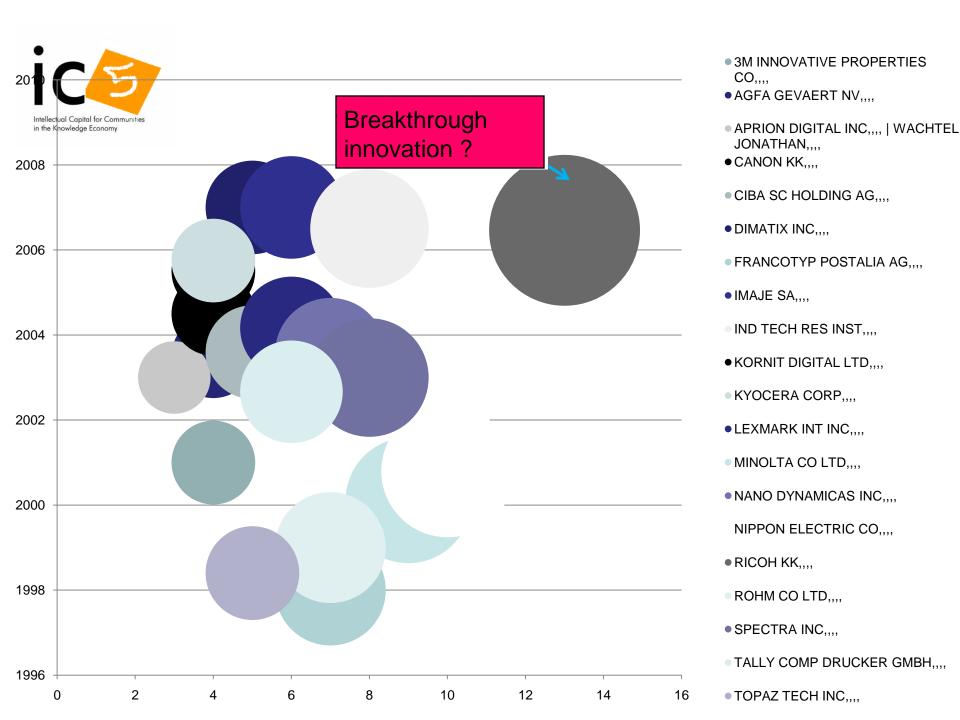
Finance

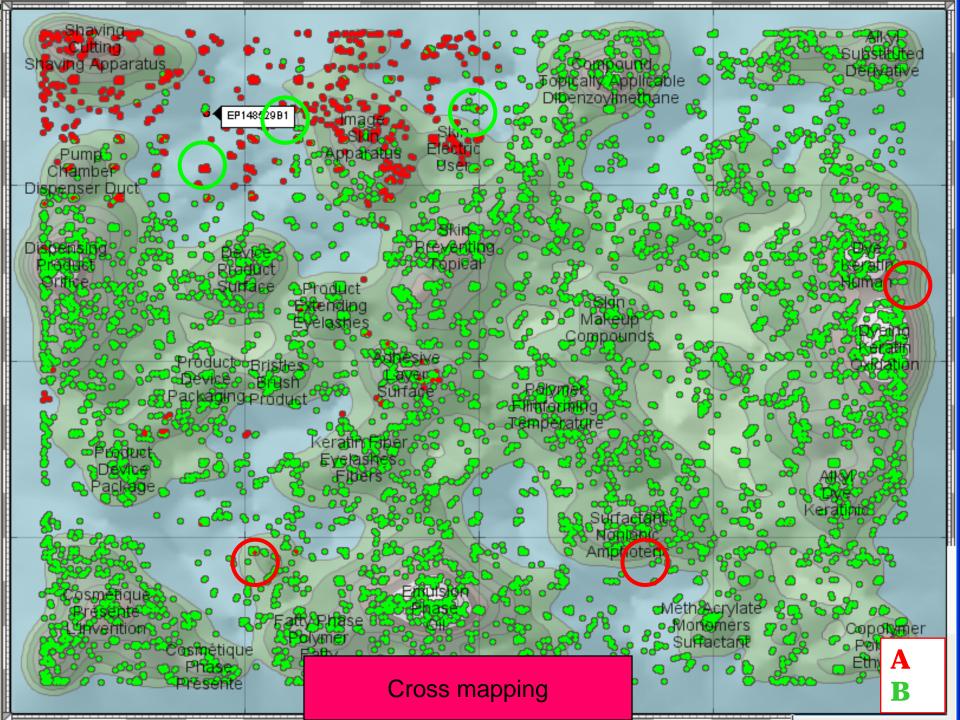






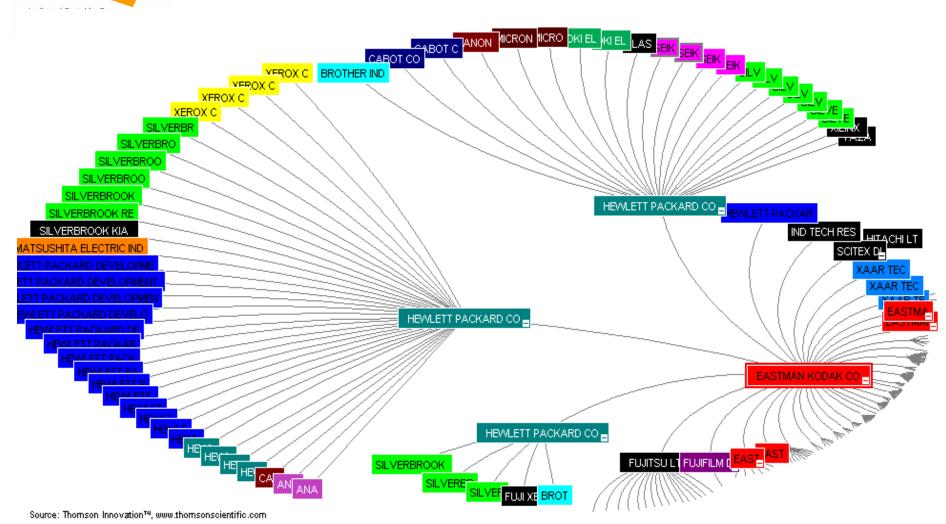






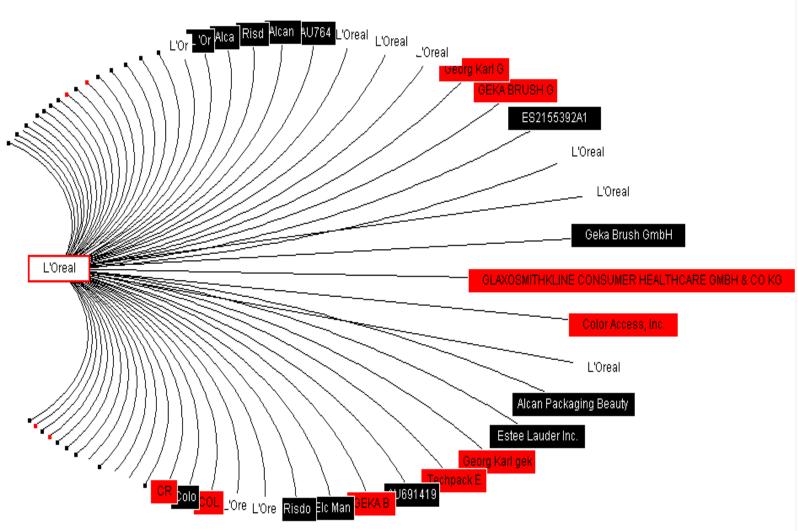


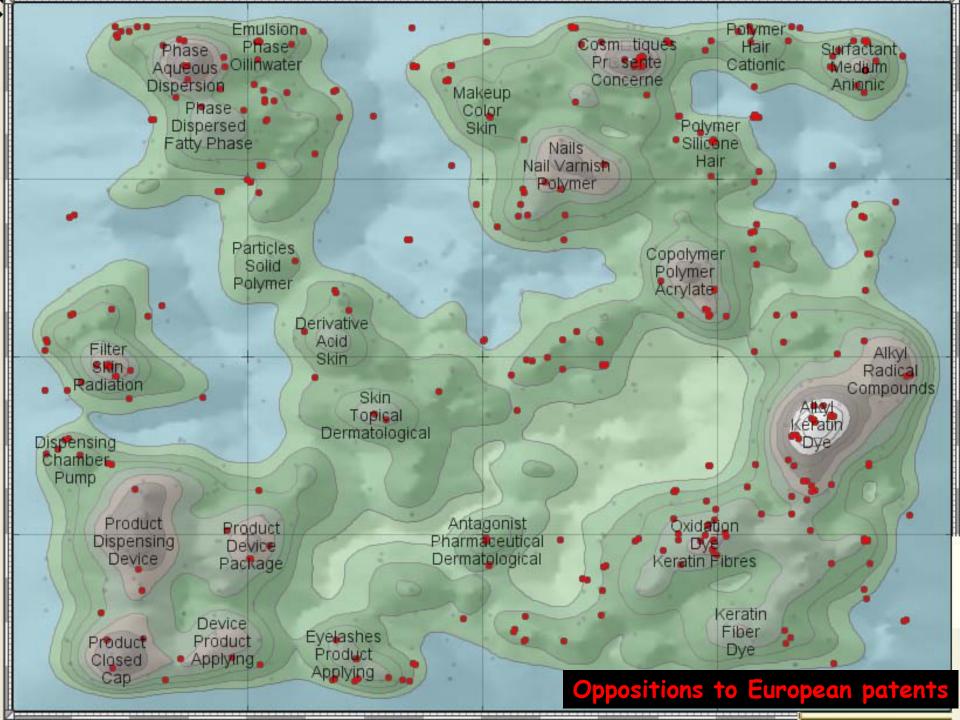
Citations tree

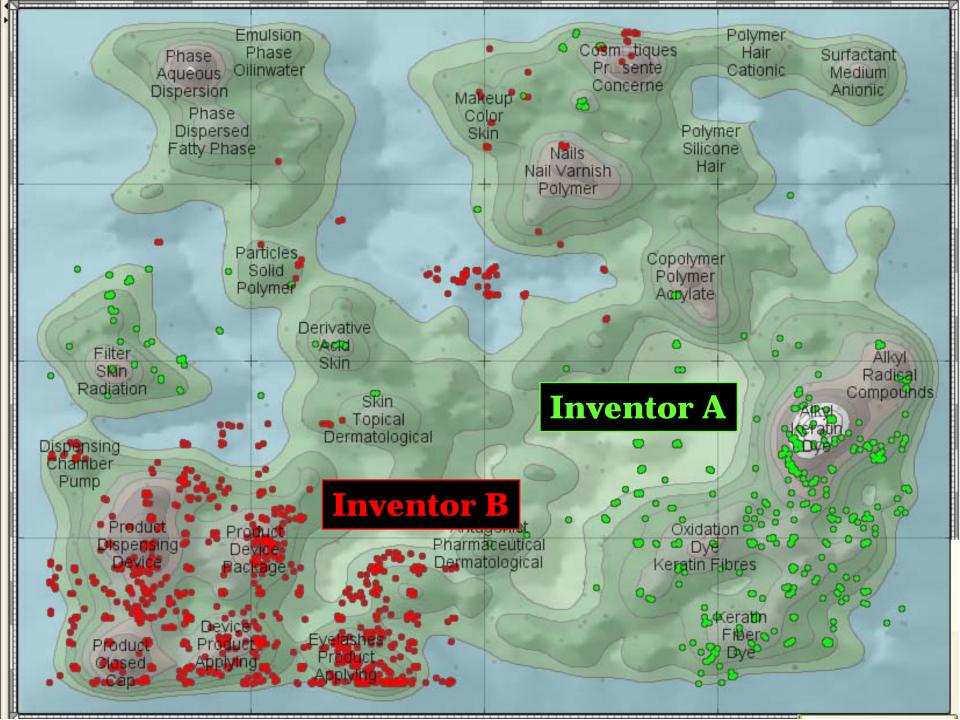




X or Y citation in EP search report









Patent mapping

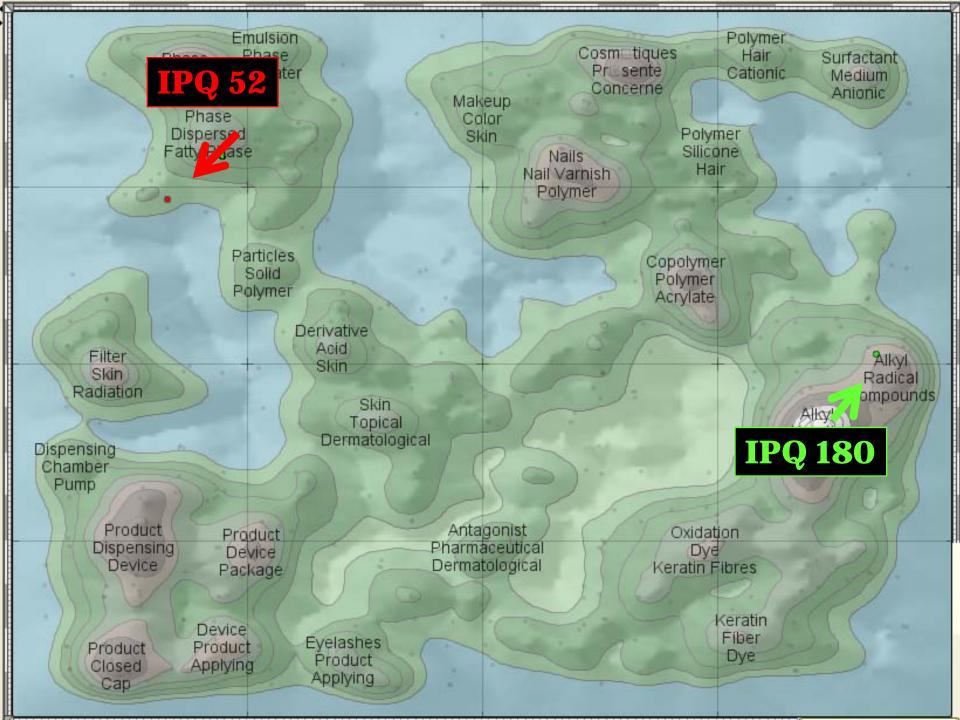
- Powerful tools to support decision making
- R&D strategic management tool
 - Transparency of the competitors R&D strategies
 - Understanding complex technological environment by analysing 33 M patents
 - More objective and faster selection of potential partners, licensees, counterfeiters
 - Breakthrough innovation identification
 - More objective patent portfolio analysis

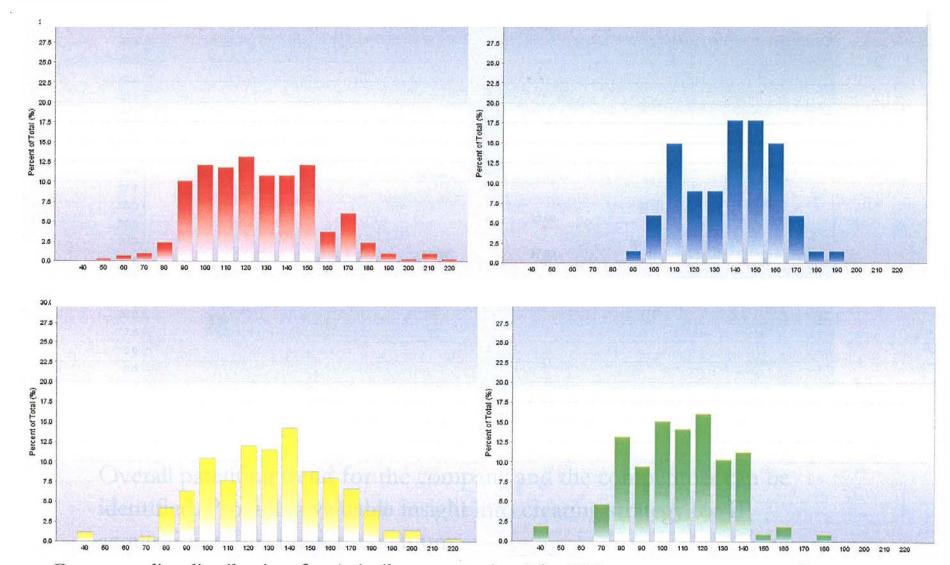


Patent rating

- Patent appraisal is always long, costly and not really effective
- Financial data related to IP transactions rarely available
- Ocean Tomo scoring algorithm (IPQ)
 - US patent scoring only
 - Most sophisticated initiative
 - Several limitations but statistically effective







Patent quality distribution for 4 similar companies. The IPQ scores represent quality of patents.





Possible rating impacts

- Reference for patent appraisal
- Ranking of the most innovative companies

Market capitalization
I.P. portfolio management
Shareholders
Class actions ?



More transparency



CONSEQUENCES

- I.P. portfolios and the way they are managed are becoming transparent to any party using a combination of the right IP dedicated softwares.
- FTO must be carefully checked prior to any investment in R&D.
- Major impact of the new tools on R&D strategic management and on IP portfolio management.
- You must prepare yourself (by training) and your organization (by acquiring the most promising new software) to play with (or invent) new rules.



Thank you for your attention

fcaillaud@rd.loreal.com