

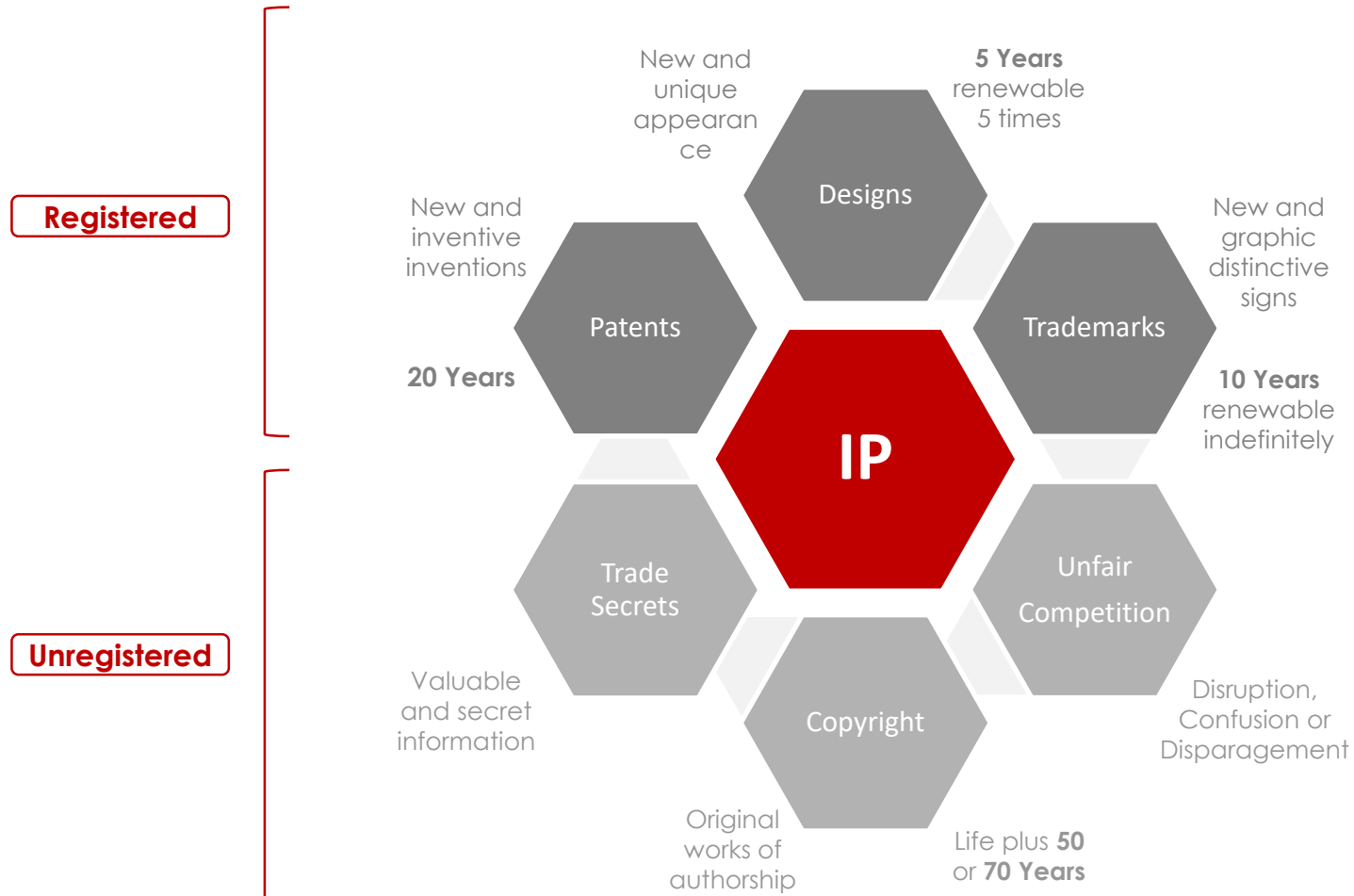


Intellectual property and E-innovation

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Board Member

Intellectual Property



IP Strategy

- Key strategic asset
 - One of biggest lines on Balance sheet
 - +84% of S&P 500 market value (2015)
- IP Characteristics
 - Non-rival, cumulative, multi-purposes, high-beta
 - Protection does not necessarily mean access
 - Fast-changing legal background
- To obtain or maintain a technological and/or marketing competitive advantage
- By achieving certain goals: Ensuring freedom-to-operate; Protecting innovation and reputation; Identifying and marketing products; Deterring, enforcing, litigating; Building an ecosystem and/or Maximizing the value of the IP portfolio

Innovation is the main growth driver

- The pace of innovation has accelerated
- Convergence of new technologies (info-cogno-bio-nano-eco)

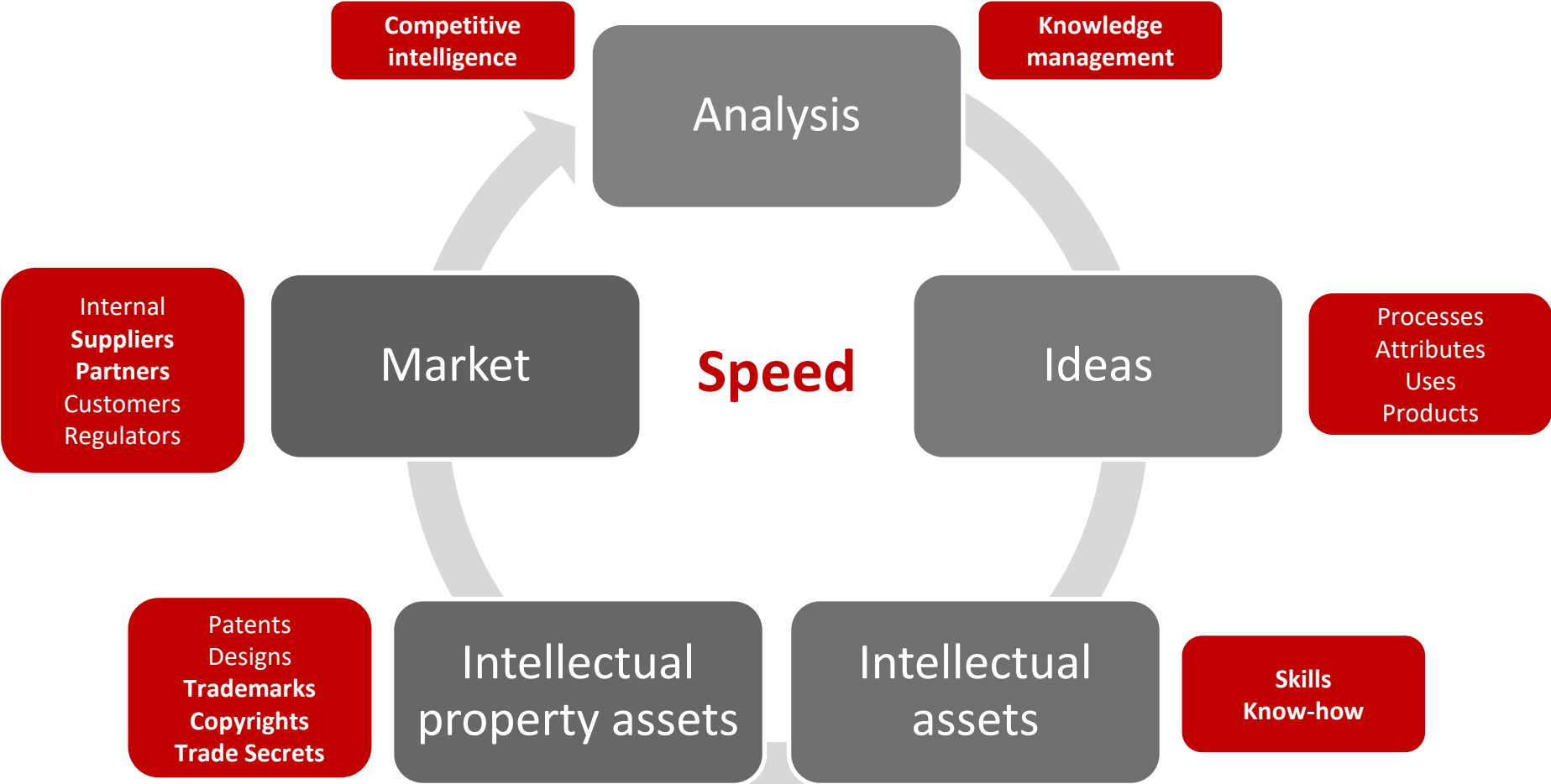
- Digital business transformation impacts every sector
- e-Business is growing exponentially
- New countries are now part of cross-border e-Economy
- New agile competitors
- Competitive pressure to move faster

- Increasing legal or regulatory environment
- ! Law does not prevent market changes to happen (e.g. entertainment)

The cost of not moving is dramatic

1. Speed of innovation is of the essence
2. Build a flexible and agile IP strategy
3. Open innovation becomes necessary to build an ecosystem
4. Change is technology driven, but can also be technology enabled

Review process to speed-up innovation and IP generation cycle



Build a flexible and agile IP protection

E-nnovation

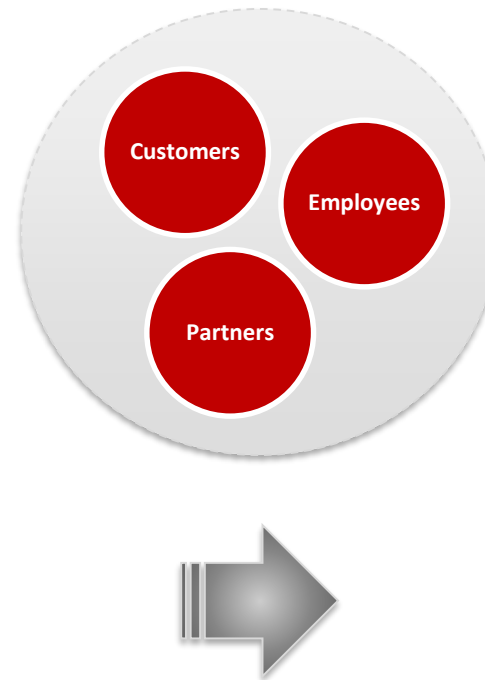
Innovation

- Strong technical IP protection
 - Long-term innovation, where **intensive** R&D
 - Ensure **FTO** and deter competitors to enter
 - Protect an **attribute** or a **market segment**
 - Long process before grant & enforceability
 - Limited time
- Soft IP & other competitive advantages
 - Early **identification** of consumer trends
 - **Fast** development and launch
 - **Open innovation** for new businesses or non-core technologies
 - Strong brands **in line** with consumer trends
 - Digital **communication** and touch points
 - New routes to market and **e-commerce**

Develop an ecosystem on open innovation

Closed innovation

- Innovator's dilemma
- Solely rely on internal development
- Control of idea and innovation
- Ensure IP protection
- Regulated by law
- Perfect launch
- Employ smart people



Open innovation

- Look at the ecosystem
- Partly relinquish control of ideas
- Negotiate IP options
- Regulated by contract
- Test, trial and learn
- Collaborate with smart partners
- Leverage start-ups

Foster technology-enabled IP

Enhance IP intelligence

- **Competitive & technology landscaping**
Speed increases FTO risks (18 months).
- **Improving IP search**
Integrating big data and semantic technologies, to reduce manual analysis
Connecting multiple data sources (patents, products, scientific literature, internal data) for complete view of prior art.
- **Mapping internal IP assets**
Match technical IP assets to products in use to adapt portfolio.
Link impact of IP assets with projected growth or actual sales.

Use IP as a business driver

- **Driving innovation and revenues**
Data mining of existing inventions portfolio for new business.
Identify 3rd party IP assets to secure licensing exclusivity.
Generating financing or licensing revenue from non-core IP assets on balance sheet.
- **Licensing in and out**
Smart contracts to reduce transactions costs.
- **Predictive modeling**
Detection of emerging technologies and trends to optimize inventions relevance.
Searching patentable routes for inventions, by identifying novel and non-obvious links.
Developing patentable inventions by identifying new benefits or convergence points between technologies.

Strengthen IP enforcement

- **Online monitoring and reporting**
Discrete soft IP identification & centralized lead reporting.
Automated trademark and copyright infringement detection system.
- **Better enforcement and litigation**
Automatic digital notice sending (individual infringers, online marketplaces, ISPs, advertisers, payment processors).
Identify clusters of counterfeiters to support legal strategy (administrative, large scale notice and take down, civil action to target source of revenue, or criminal action against major organizations).
Better use of IP litigation analytics.

“It is not the strongest of the species nor the most intelligent that survives. It is the one that is the most **adaptable** to change.”

Charles Darwin (1809-1882)

Grazie - Danke - Merci - Thank You !