



▶▶ Eco-Patent Commons

LES USA & Canada 2009 Annual Meeting



World Business Council for
Sustainable Development

San Francisco 20 October 2009

IBM's Global Innovation Outlook 2.0 (2004)

- GIO is IBM's business process for identifying and harnessing innovation opportunities and enabling the collaborations that matter.
 - Rooted in the belief innovation has become increasingly open, collaborative, multidisciplinary, and global.
 - Environment & Energy one of three topics examined in depth
 - Convened over 100 people from industry, government, NGOs, and academia in a series of 10 discussions around the world.
 - Resulted in the idea of a Commons of pledged patents to promote environmentally beneficial results

- **World Business Council for Sustainable Development**
 - Global not-for-profit organization headquartered in Geneva
 - 200 members from more than 35 countries and 20 major industrial sectors
 - Provides a platform for companies to explore sustainable development, share knowledge, experiences and best practices, and to advocate business positions on these issues
 - Four focus areas: Energy & Climate, Development, Eco-Systems, and the Business Role
- **Natural fit for the Eco-Patent Commons**



Eco-Patent Commons Overview

- A leadership opportunity for global business to help protect the planet
- A collection of patents that directly or indirectly improve or protect the environment
- Patents are pledged by companies and other intellectual property rights holders
 - Made available to anyone for use free of charge
 - Provided on a dedicated public website hosted by WBCSD



The Premise

- Sharing patents that protect the environment is a way to:
 - Address a wide range of challenges and threats to our planet
 - Promote eco-efficiency and sustainable development
 - Foster new collaboration and innovation
- Businesses may hold patents that provide environmental benefit and are not an essential source of business advantage for them
 - May provide greater benefit in a public commons
 - Businesses not expected to contribute their “crown jewels”
- Enables technology innovation to meet social innovation



Status

- Launched with the WBCSD in January 2008
- 11 Members
 - IBM, Nokia, Pitney Bowes, and Sony since launch
 - Bosch, DuPont, and Xerox since September 2008
 - Ricoh and Taisei since March 2009
 - Dow Chemical and Xerox-Fuji to be announced shortly
- 100 Patents
 - Patents pledged by new members
 - Additional patents pledged by existing members

Benefits for Member Companies

- Provides an efficient channel for sharing innovations
- Provides a catalyst for further innovation
 - Can facilitate collaboration and new business opportunity, and reduce development cost for environmentally sound innovations
- Helps introduce pledger's technology and vision of the future to others – who may select and adopt them
- Allows pledger to use defensive termination
- Provides global recognition for leadership in fostering sustainable development



Benefits for Patent Users

- Provides free access to patents they can leverage to improve the environmental aspects of their operations
- The information is readily available in one easily accessible place
- Provides an avenue by which users can identify and connect with others with whom they may want to partner on further innovation and development
- Enables participation in sustainable development

Examples of Pledged Patents

- Patent from Nokia designed to help companies reuse old mobile phone by transforming them into new products such as digital cameras or other electronic devices
- A technology from DuPont that converts certain non-recyclable plastics into beneficial fertilizer
- Patent from IBM on the substitution of a toxic solvent with a mixture of alcohol and water which is better for the environment
 - Used by the Yale University for its quantum computing device research

Other Considerations

- Use of International Patent Classes (IPC) to set the scope
- Non-Assert
 - Self executing
 - No need to request and negotiate a license
 - Irrevocable, subject to defense termination
 - Hub and spoke model, no need to flow down to suppliers, customers, etc.
- Somewhat akin to widespread practice of cross licensing
 - Provides “freedom of action”

Other Considerations (cont)

- Provides several benefits over dedication to the public:
 - Recognize patent value
 - Defensive termination:
 - If asserting party is non member
 - If asserting party is a member and asserted patent is in one of the IPCs associated with Commons and patent used for environmental benefits
 - Allows companies to continue operating within the Commons independently of what goes on outside.
- Royalty Free pledges are commonly used for the Internet and software interoperability standards

Thinking of Joining the Commons?

- If you are interested or would like to explore joining the Eco-Patent Commons:
 - Check the website and contact one of our representatives to express your interest and discuss joining the Commons
 - Contact your Intellectual Property function and examine your business's patent portfolio
 - Identify patents you may want to contribute
 - Review and utilize the "How To" information and form on the website
- Even one patent is sufficient for participation and can make a significant difference in helping to further sustainable development



Additional Information

Eco-Patent Commons website:

<http://www.wbcasd.org/web/epc>

- Overview & Brochure
- Ground rules & Governance
- FAQ
- How to join
- Pledged patents database
- Latest news
- Contact info



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