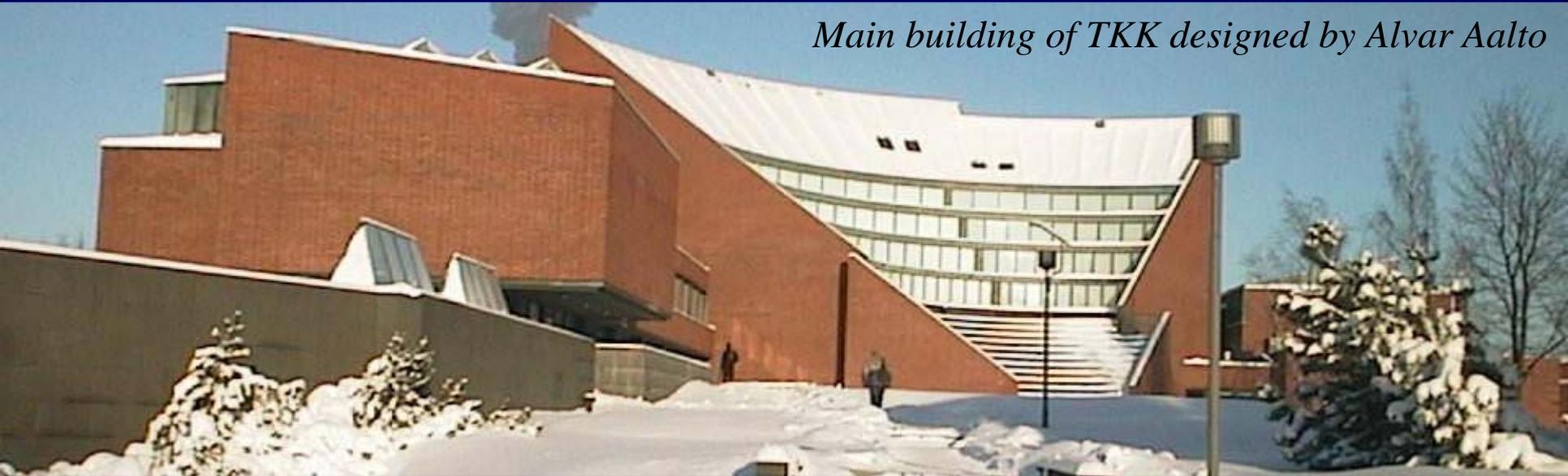


IP Valuation and Management in Finnish Universities

Main building of TKK designed by Alvar Aalto



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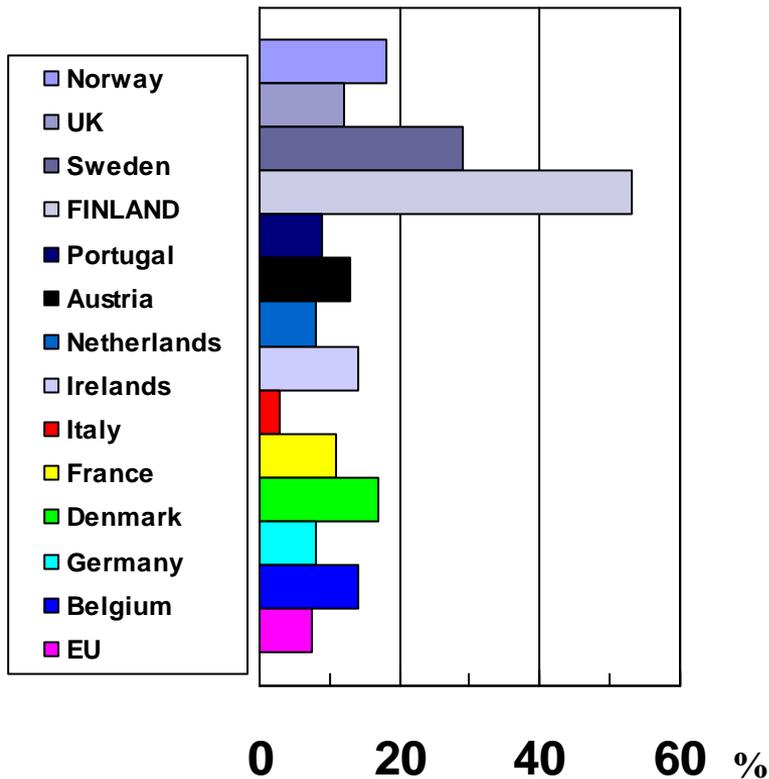


Southern Part of Otaniemi Campus

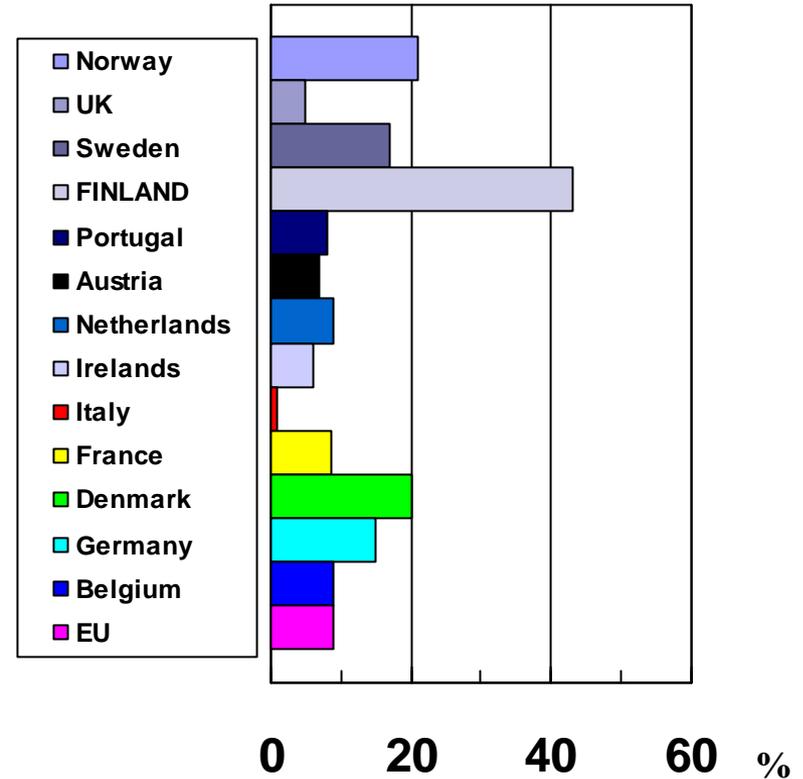
Some of the buildings
are under construction

Co-operation between companies and universities and research institutes

Share of innovative companies having co-operation agreements with universities (1994-1996)



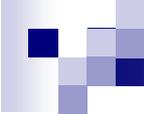
Share of innovative companies having co-operation agreements with public research institutes (1994-1996)



National Innovation Strategy 2008 -



Source: Ministry of Employment and The Economics <http://www.innovaatiostrategia.fi/en/overview>



Basics of IP Valuation Process

- Strategy of University
- Innovation Strategy
- IP Strategy
- Risk analysis
- Innovation and IP management structures
- Commercial business or not?

Innovation Strategy of TKK



- Strong commitment of TKK to co-operate with industry and companies (incl. SME´s and Start-ups) so that mutual investments to know-how are possible
- Protection of inventions in co-operation with researchers and partner companies
- Commercial exploitation with domestic companies is one essential activity of university - TKK as owner of IP



IP strategy of TKK



- Researchers shall be acknowledged as inventors
 - This sets an obligation also to industry
- Net income will be paid mainly to inventors (40 %) and to their departments (40 %)
- University will charge 20 % and the real costs of protection, marketing etc.

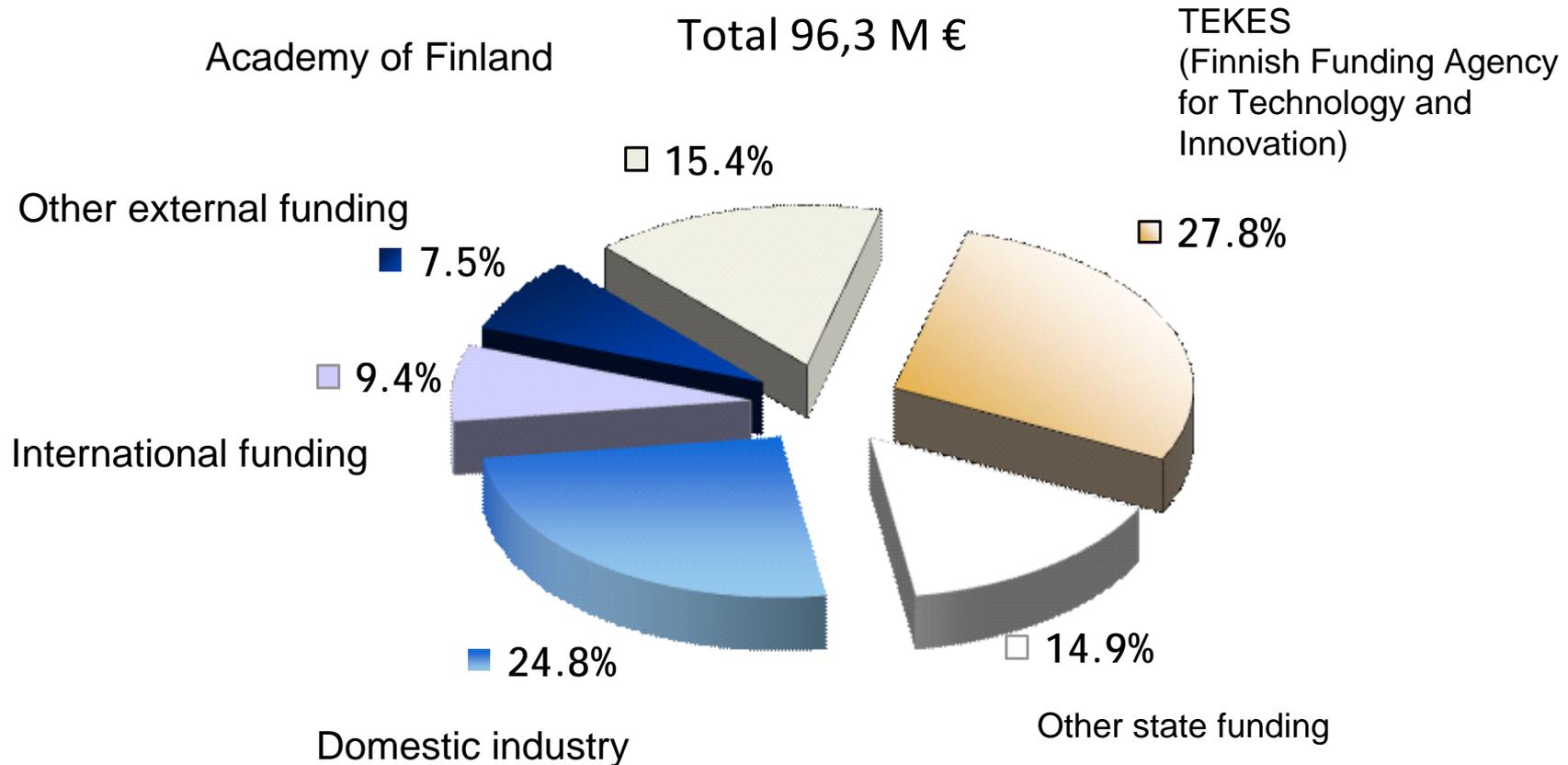


TKK: Direct research financing by companies

Number of actual R&D projects 2007 -

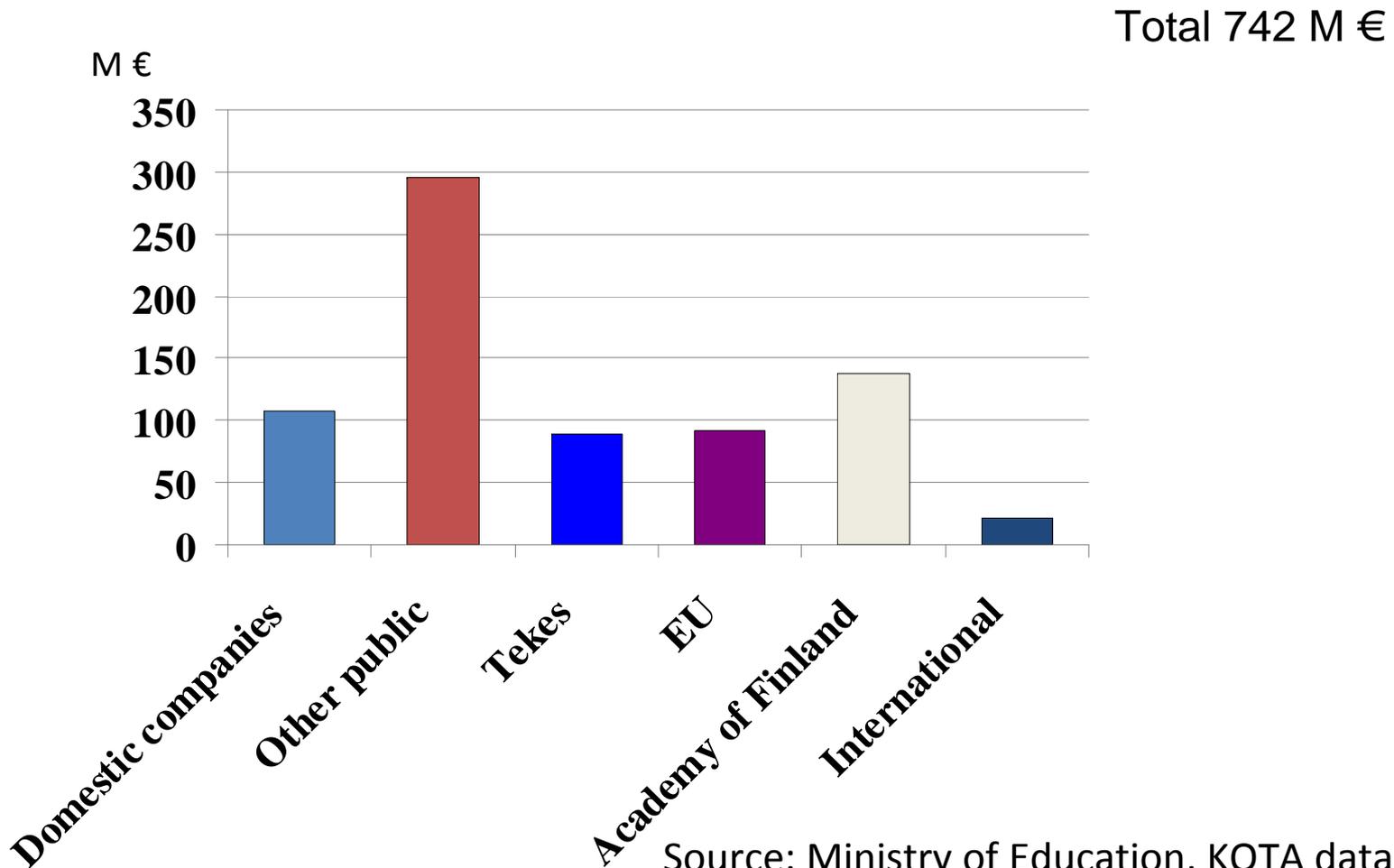
| | | | | | |
|----|-------------|------|-----|-------------|----|
| 1. | (VTT | 113) | 8. | M-Real | 19 |
| 2. | Nokia | 100 | 9. | Andritz | 18 |
| 3. | Metso | 48 | 10. | ABB | 17 |
| 4. | Outokumpu | 40 | 11. | Stora Enso | 14 |
| 5. | Wärtsilä | 35 | 12. | Rautaruukki | 13 |
| 6. | Kemira | 24 | 13. | Fortum | 12 |
| 7. | UPM Kymmene | 21 | 14. | Neste | 12 |

TKK - EXTERNAL SOURCES OF FUNDING 2007



Source: Ministry of Education, KOTA database

External Funding of Finnish Universities 2007



Source: Ministry of Education, KOTA database

Criteria of IP Valuation Process

- 1. STRATEGY AND RISK ANALYSIS
- Who owns the invention? – Careful study on research funding contracts and IP structure(s)
- University's strategies concerning invention
 - University's public role in society: Technology transfer free of charge?
 - University's own interest to develop the invention: i.e. university start up
 - Role of invention in scientific research and education
 - Intentions of inventors to exploit the invention privately or jointly with university
 - Need to publish the invention so that nobody can protect it
- Liabilities and risks of technology transfer
- Inventors motivation / enthusiasm / commitment / capacity

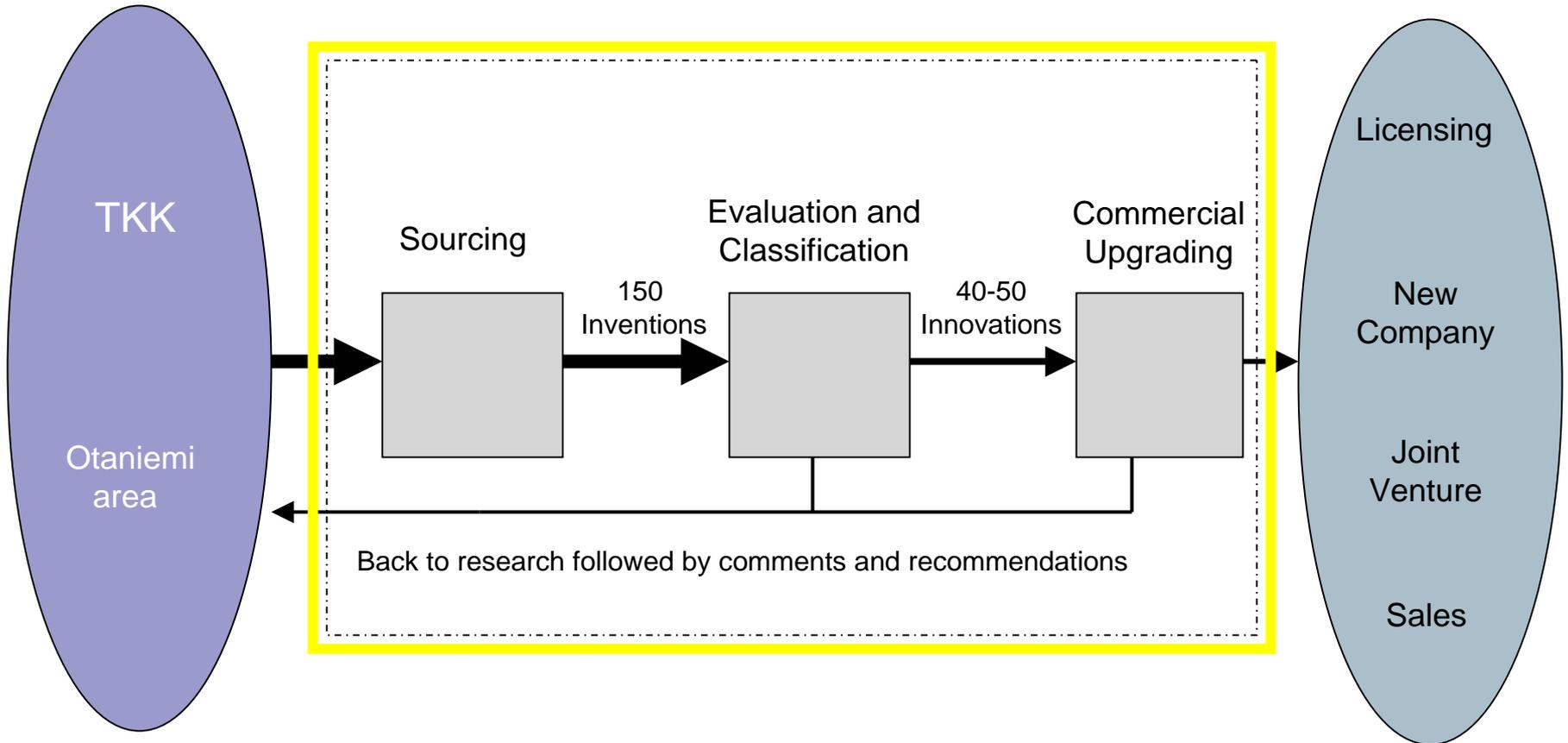
Criteria of IP Valuation Process

- 2. EVALUATION OF INVENTION
- Breaking invention (replacing technology) or new technology?
- Effects for the national and EU economy
- Environmental effects (sustainability)
- Novelty for patenting
- Industrial applicability

Criteria of IP Valuation Process

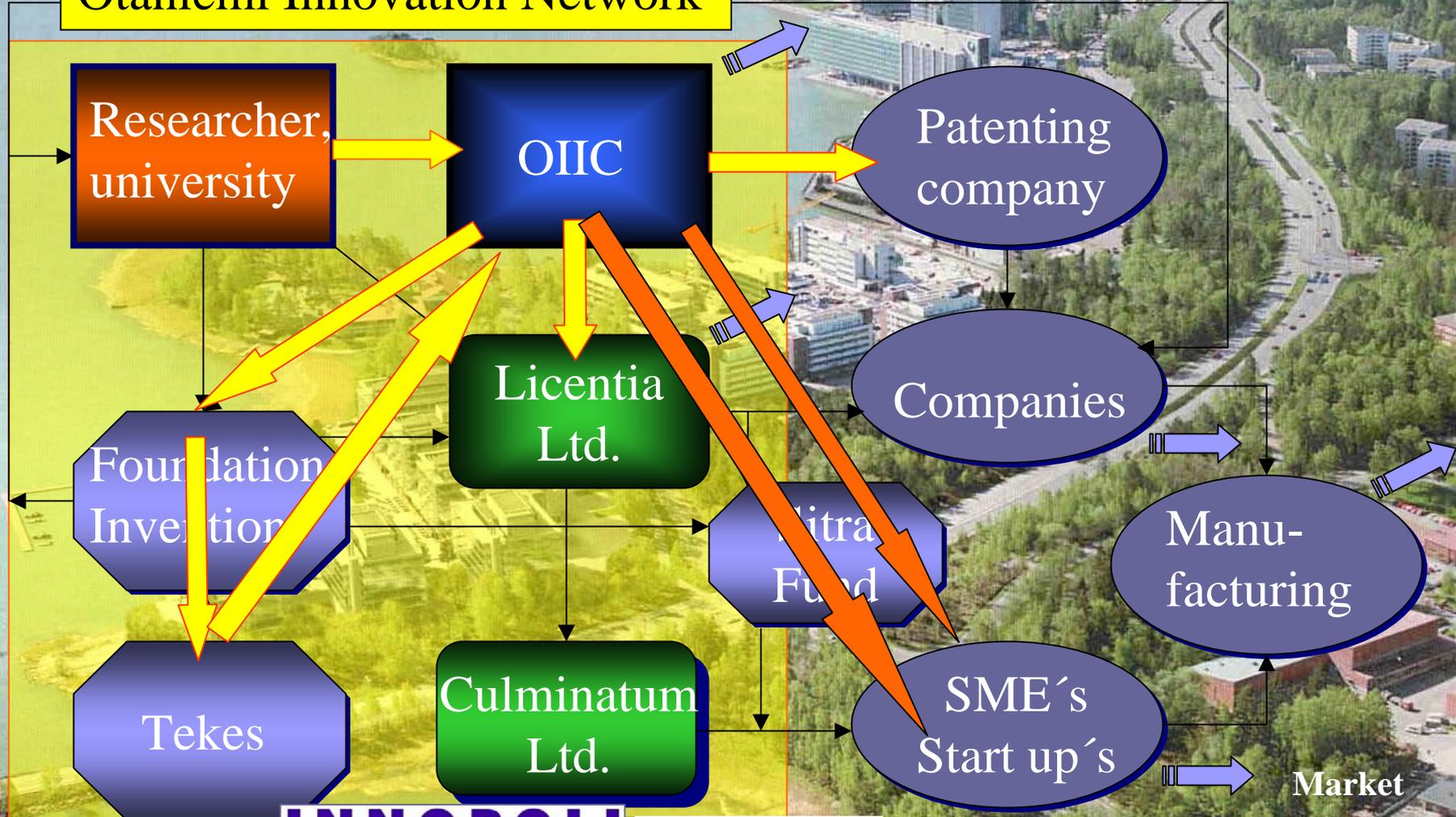
- 3. APPRAISEMENT
- Investments provided into to the project which has created invention
- Potential markets
 - “Sensitive nose” to sniff good value to the invention – there is no patented method to do that!
- Potential partners for exploitation
 - large export companies or start up? Else?
- Terms of charging:
 - One complete payment? Royalties? (Exit)
 - Ownership in company? New joint venture? (Joint development and value creation)
 - Combination?
 - Nothing?

Process Model



IP Management at TKK

Otaniemi Innovation Network



INNOPOLI
WHERE HIGH TECH IDEAS MEAN BUSINESS



Technopolis
Ventures

Sincere thanks!

oIIc

2008



