

Allocations of Ownership of Inventions in Joint Development Agreements — The United States Perspective

by D. Patrick O'Reilley



If the agreement between LCC and BAC does not allocate ownership of inventions made by their employees during the course of the R&D program, who would own the inventions and patents?

In the United States, inventions are owned by the inventors unless they are under some express or implied obligation to another. If several inventors jointly make an invention, the invention is owned jointly by each of them.

Where the inventors are hired to invent and inventions are made as part of their employment, those inventions are the property of the employer. If an invention is jointly made by employees of different employers, the invention is jointly owned by the employers. Assuming all inventors are employees of LCC or BAC and there is no contractual allocation of ownership, inventions made solely by LCC employees would be owned by LCC, inventions made solely by employees of BAC would be owned by BAC, and inventions made by employees of both parties would be jointly owned by BAC and LCC.

Should LCC and BAC have agreements with their employees regarding inventions made during the course of the R&D program?

As noted above, in the United States an employer is entitled to own any invention made by an employee who was hired to invent. Without a contract with the employee, the employer will not have complete title until either the employee executes an assignment or a court orders transfer of title. If such an employee has left the company after making the invention or otherwise

refuses to cooperate in transferring title to the employer, confirming title to an invention and related patents can be very difficult, expensive and time-consuming.

If an invention is made by an employee who was not hired to invent or to work in areas where invention is expected, normally the employee would own the invention. The employer would only receive a nonexclusive, non-transferable, royalty-free license to use the invention and any patent on the invention (a "shop right"), but only if the employee used the employer's time or facilities to make the invention. Since a shop right is not transferable, a party to the joint development agreement who acquired only a shop right could not give rights to the other party.

To avoid such problems, most employers require employed inventors, and sometimes all employees, to sign an employment contract that automatically assigns the employee's inventions and patent rights to their employer. In terms of employment contracts, it is important to note the difference between a promise to assign an invention in the future and a present assignment of a future invention. Under U.S. law, an employment contract can provide for the present assignment by an employee of all future inventions. Such a provision results in immediate and automatic assignment to the employer of any invention. This avoids any dispute over who owns legal title to the invention.

Under U.S. law, inventions and patents on the inventions are different rights. An employer's ownership of an invention made by an employee does not automatically result in the employer's ownership of any patent on the invention. Thus,

in addition to a contract provision that automatically transfers legal title to an invention, the contract provision also should provide for the present assignment of all future patents on such inventions.

Since employees normally are not parties to a joint development agreement between their employers, the joint development agreement cannot impose obligations on the employees. It is good practice, therefore, to require each party to the joint development agreement to place each employee who is likely to work on the R&D project under a contract to presently assign to his employer all future inventions and patents thereon.

If BAC wants the exclusive right to exploit the results of R&D in the automobile industry and LCC wants to exploit the R&D results elsewhere, how can rights be allocated in the joint development agreement?

In the United States, inventions and patents may be assigned in whole or in part and may be licensed exclusively, non-exclusively and in fields of use. Ownership of and rights to inventions made under the joint development agreement and patents on such inventions may be allocated in any way the parties agree.

OWNERSHIP ALLOCATED TO ONE PARTY

The joint development agreement can provide that all inventions and

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patents made during the R&D project will be solely owned by LCC, for example. While this appears to be inconsistent with BAC's desire to have exclusive rights in the automobile industry, this approach has certain benefits under U.S. patent laws.

Where inventions are made by different inventors who are obligated to assign to different employers, a patent application on one invention may be used as prior art against a patent application on the other invention. This can be a real problem where the two employers are involved in joint R&D since it is likely that all inventions made in the course of such effort will be related and therefore likely to be available as prior art. The problem can be alleviated by providing in the joint development agreement that each party's employees will assign inventions made during the R&D to a single entity. The single entity can be one of the parties or a separate joint venture company set up solely for that purpose.

The parties' respective benefit from the R&D can be provided by exclusive field of use licenses. Thus, for example, BAC and LCC can agree that their employees will assign all inventions made during the R&D to LCC. LCC will grant to BAC an exclusive, royalty-free, irrevocable license under all such inventions and patents in the automobile or vehicle manufacturing field. This provides BAC what it wants from the joint development and leaves LCC with rights outside of BAC's field.

One disadvantage of this approach, particularly for smaller companies, is one party gets no asset for the expenditure under the joint development agreement. Investors may not consider an exclusive field of use license to be the same thing as ownership of patents.

Other problems, discussed more fully below, concern the cost and control of prosecution of patents on the inventions and enforcement of the patents. If LCC owns all inventions, logically LCC should control obtaining and enforcing patents. BAC may wish to share such con-

trol; any rights to do so must be provided in the joint development agreement.

ALLOCATION OF OWNERSHIP BY EMPLOYMENT

A typical approach in joint development agreements is to allocate ownership in the same way as would happen without contract provisions. Such an agreement would specify that inventions made solely by employees of BAC would be solely owned by BAC, inventions made solely by employees of LCC would be solely owned by LCC, and inventions made by employees of both BAC and LCC would be jointly owned by BAC and LCC.

Such an allocation of rights introduces two problems that should be addressed in the joint development agreement. First, how do the parties cooperate with respect to the jointly-owned inventions. This will be discussed in detail below.

Second, what happens if employees of BAC are the sole inventors of some process or formulation that is critical to exploitation by LCC of the R&D results. Without rights under patents solely owned by BAC, LCC could be left at BAC's mercy. Thus, the parties should negotiate some cross license arrangement to insure each party has the rights necessary to exploit the results of the R&D in its respective field.

ALLOCATION OF OWNERSHIP BY SUBJECT MATTER

Another approach is to allocate ownership based on the relation between the invention and the party's field of interest. For example, the agreement could provide that all inventions and patents solely related to paint formulation will be owned by LCC and all inventions and patents solely related to paint systems and methods will be owned by BAC. The agreement would require BAC to assign to LCC all paint formulation inventions made solely or jointly

by BAC employees and would require LCC to assign to BAC all other inventions made solely or jointly by employees of LCC. To the extent this approach avoids joint ownership of patents, many complications are avoided.

Although inventions may be allocated by subject, patents often claim both compositions and related methods of use. A patent directed to a paint formulation may include claims to use of the formulation. The joint development agreement, therefore, should include either an obligation on both parties to limit patents to a single invention, or means for allocating rights where the field of the invention or patent is not clearly on one side or the other. An obvious solution to the latter is joint ownership of such inventions and patents, but, as discussed more fully below, each joint owner of a patent can exploit the entire patent without accounting to the other joint owner. To completely allocate based on subject matter, other restrictions would be necessary to prevent one party from exploiting a patent in the other party's field. And, because there would be some jointly owned patents, the complications discussed below would have to be addressed in the agreement.

CROSS LICENSES MAY BE NECESSARY

In most joint development agreements the parties must consider how each will exploit the results after the R&D is complete. If each party expects to have some exclusive rights under inventions made during the R&D, regardless of how ownership is allocated, some form of exclusive cross licenses will be necessary. Certainly, this is true where one party will solely own an invention that may have application in the other party's area of interest. In the United States, it is also true where both parties are joint owners of an invention and patent, since, unless contractually restricted, each joint owner can exploit the patent without account-

ing to the other joint owner.

To provide each party with exclusive rights in its respective field, each party could grant to the other an exclusive field of use license. Thus, LCC could grant BAC an exclusive license under patents solely and jointly owned by LCC but only for the automobile or vehicle manufacturing industry, and BAC could grant LCC an exclusive license under patents solely and jointly owned by BAC for all fields except the automobile or vehicle manufacturing industry.

LICENSES MAY BE NECESSARY UNDER BACKGROUND TECHNOLOGY

Before entering into the joint development agreement, LCC and BAC each owned patents and technology that may have application to the results of the R&D. Such background technology, and particularly the pre-existing patents, owned by one party may be an obstacle to the other party's enjoyment of the results of the joint R&D. The parties, therefore, should anticipate this problem.

Since BAC and LCC are not competitors, each could grant to the other party a nonexclusive license under background patents (and perhaps technology) to the extent necessary for the other party to fully exploit the results of the joint R&D. The license to BAC could be limited to the automobile manufacturing field and the license to LCC could exclude use within the automobile manufacturing field.

The licenses under background technology do not have to be royalty-free; as with any other license, the parties could negotiate a reasonable consideration.

If the parties are competitors or the background technology and patents are particularly valuable to one party or the other, a simple cross license may not be possible. In such an event, an agreement by each party to give the other an opportunity to negotiate a license for background rights may be all that can be agreed to.

The parties should address rights

under background technology and patents. Failure to do so may result in unintended implied licenses to the other party. For example, if LCC and BAC agree that BAC will have the exclusive right to exploit the R&D results in the automobile manufacturing field, a U.S. court later may prevent LCC from enforcing an LCC background patent against BAC because LCC cannot take from BAC what LCC granted in the joint development agreement. To avoid such implied rights, the parties need to expressly address in the joint development agreement each party's rights in the other's background technology and patents.

If the joint development agreement provides for joint ownership by BAC and LCC of some inventions and patents, what contract terms are needed to protect each party's exclusive markets?

In the United States, joint owners of patents have no obligation to account to the other joint owners. Thus, a joint owner, unless there is a contract restriction, can fully exploit the patent, including granting licenses to others, without notice to or revenue sharing with the other joint owners.

If, for example, LCC and BAC jointly own a patent on a paint formulation, BAC could license LCC's competitor under the patent and could keep all royalties received. Since LCC wants to have exclusive rights to paint formulations made during the R&D, the joint development agreement must provide protection.

One form of protection, as discussed above, is cross exclusive field of use licenses. If BAC grants to LCC under BAC's interest in the patents an exclusive license for all fields outside of automobile manufacture, then BAC will have no right to license a third party to compete with LCC.

Another form of protection is to require each party to obtain prior approval of the other party before granting any license to a third party under a jointly owned patent.

Parties dislike such restrictions as they give the other party the ability to frustrate negotiations and business plans. The obligation can be more narrowly defined, such as by requiring prior approval only where the third party is a competitor of the other party. This, of course, requires some definition of a competitor and, given the possibility of mergers and acquisitions, may be a variable restriction.

If the parties to the joint development agreement are competitors in any market, any agreement for cooperation regarding licenses to third parties under jointly owned patents may raise antitrust issues. Where a contract requires two competitors to agree before granting rights to a potential third competitor, the required agreement could appear to be a conspiracy to restrain competition, particularly if the parties decide not to grant the license. Thus, if the parties to the joint development agreement are competitors in the area in which the R&D will have impact, cross exclusive field of use licenses are preferred over prior approval provisions.

Instead of preserving exclusive markets, each party could be allowed to grant licenses under jointly owned patents for some consideration. The joint development agreement then could require each party to share with the other any revenue obtained from exploiting the jointly owned patents.

If BAC and LCC jointly own a patent on a painting system that uses a unique paint formulation, will sale of the paint by LCC give the purchaser rights under the patent? If so, how can the agreement restrict that effect?

Exhaustion of a patent right arises from the unrestricted, authorized sale of a patented product or of a product having no use except in a patented process or with another patented product. Thus, if the paint has no substantial use except in the patented painting system, sale of the paint by LCC will convey to the purchaser the right to use the patented system. As a joint owner of the patent, LCC

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December 2000
Licensing Executives Society
International

Looking Ahead to Refocusing in the New Millennium



When the International Board of Delegates voted in Toronto for me to serve as president of LES International, Inc., and Heinz Goddar immediately after my election gave me the gavel and said, "Mr. President, it's your meeting now. The

society is under your watch," I immediately recognized the complex, intricate and demanding skills it takes to be president of LES International, Inc. It is truly a great honor for me to serve you this coming year, and I will use all of my energies to provide that scope and dimension of leadership necessary for the public's understanding of the very important international activities provided by or available through membership in LESI, Inc.

I have been very fortunate to have the support and guidance of many of the past presidents of LESI. I don't wish to eliminate any of my friends who were past presidents, but I have particularly appreciated the working relationships I've had with past presidents over the last ten years, including Fernando, Akira, Larry, Oliver, Norman, Jeremy, Sam, Rodney, Platon and last, but not least, my dear friend Heinz Goddar. My friend Heinz Goddar is a very tough act to follow. His wisdom and leadership, as well as his untiring energy, have elevated our society around the world to new levels of prestige. Much thanks to those departing members of the Board of Directors, Platon, Saskia and Valery for their hard work and service for our society. It was a great pleasure to serve with you.

Before I set out some of the goals and activities that we will be focusing on this year, I also want to thank those committee chairs and vice chairs with whom I worked last year, and those committee chairs and vice chairs that I have appointed for this year. You will find that during this year, I will strive to increase the emphasis on the substantive industrial committee activities of LESI. For example, IT and e-commerce, patent and technology licensing, chemical industry, biotechnology, copyright licensing, communications, education, healthcare prod-

ucts, trademark and character licensing, environmental, automotive and university research, etc.

These committees are merely illustrative of the committees with which we will be working to enhance their participation at future national and international meetings. I feel that all of our committees have very strong and effective chairs and vice chairs and the Board of Directors will give as much support to the committees as necessary to accomplish their many goals and objectives for the year. This will include more active participation in international conferences and national and regional meetings in order to support more programs with a stronger emphasis on business to attract more industrial participation and future business members. I will be also looking to our Long-Range Planning Committee, chaired by Rodney De Boos, and Vice President Peter Chrocziel, to consider refocusing the activities of the committees of LESI in view of today's business climate and the market appearance we wish to create for all the members of LESI. This effort is already underway. Peter Chrocziel, Rodney De Boos and others have put much work forth in considering this very important issue.

In view of the fact that the major aim of LESI activities is networking and education, we wish to expand our membership to those individuals who are working in technology transfer and licensing, but have not been exposed fully to the activities of LES. We have put into place to handle the publicity of our society Saskia van Dijk-Struyk, who is already moving rapidly in this position to establish, among other things, a network around the world to work with her in her capacity as publicity manager.

I am also hopeful that we will be able to encourage ordinary members of our various committees to become more active and attend the international delegates meetings as observers, providing they or their society pay the delegates fee for the meeting as other official delegates. I believe this will enable those members who wish to participate more frequently to have the opportunity to enhance and contribute more fully to their committee activities.

I also look to the LESIAC Committee to maintain and intensify its contacts with international organizations such as WIPO, WTO and UNIDO, where we have NGO status, and the ICC. The European Committee headed by

Arnaud Michel will be working with the EPO and EU Commission, where we have NGO status, and OHIM. In fact, in November of this year, Heinz Goddar and Nigel Jones will be representing LESI, Inc., at the EPO Diplomatic Conference in Munich with the status of an official NGO. The IT & E-Commerce Committee chaired by Elisabeth Logeais will be liaising with IPC. As a matter of fact, Mehard Cireasi of the committee represented LESI at the IPC Meeting October 13-14 in Vienna. Ron Grudziecki, chair of LESIAC, Thierry Sueur, Heinz Goddar and myself will have meetings with WIPO and WTO in Geneva this February, as well as meet with UNIDO in Vienna at the same time. As currently planned, Thierry Sueur Ron Grudziecki and I will also attend the 5th International Symposium of the ICC in Paris February 15-16, which is directed to protecting IP assets in the millennium

I will continue the summit talks with other associations, namely AIPPI and FICPI, that were started for the first time by Heinz Goddar during his presidency in order to explore how we can work together with respect to certain critical questions regarding regulatory policy, new legislation that could effect the business of technology transfer, and licensing. We are also seeking to widen the talks with other associations that would be compatible with LESI and that have activities that would relate to the business of technology transfer and licensing. There will be other activities, which will be discussed for future common goals. This meeting will take place with Heinz Goddar, Thierry Sueur and I in February of this coming year in Paris.

I intend to personally visit and be supportive of as many societies as possible during my term as president. In this regard, I will participate at the LES Korea International Conference in November. Yoon Bae Kim, who is vice president of LES International is chairman of the Organizing Committee for the meeting and has put together an outstanding program of LES speakers from around the world. I have asked Yoon Bae Kim, in his capacity as vice president, to focus on the Southeast Asian region and make recommendations as to what additional activities and support are needed to promote the awareness and increase the membership of societies within the region. I will be visiting the Organizing Committee of LES Japan in Osaka, in November to help the committee finalize the

arrangements for the International Conference that was previously chaired by Peter Chrocziel has been able to provide support and assistance to member societies for creating a speakers' database, which will provide and support various societies that need an informed and literate body of information about perspective speakers in subjects for conferences, seminars, etc. In addition to the speakers' database, which I know that Heinz Goddar has worked diligently for, LESI has been granted access to the Fundamentals Intellectual Asset Management Course, which is under the direct control of the Board of Directors of LESI at the present time. The Education Committee of LES USA/Canada, as well as a group of very experienced licensing professionals developed this course after several years of intense work. The course is to be an introduction to the major aspects of the technology transfer business, particularly information that a new professional needs to have. The sessions are divided on different types of intellectual property, asset management, how to identify strategies for licensing out and how to do the deal. The course is structured so that there will be interactive group sessions. It will be a great benefit to all member societies of LESI. Peter Chrocziel, as a vice president of LESI, Inc., is responsible for arranging special access to the course by our member society that wish to use the materials in their future meetings.

I am looking forward to meeting with the various chairs and vice chairs of the committees at

the expanded Board of Directors meeting taking place in Delray Beach, Fla., January 27-28. This is the first expanded board meeting ever held in the United States, and I would like to extend a very special thanks to John Woodley and USA/Canada for all their help and support. There will be an add-on seminar prior to the expanded Board of Directors meeting on January 26, which is titled "Bringing Licensing and Technology Transfer to the Forefront of E-Commerce."

Much thanks to Elisabeth Logeais for putting together an outstanding program with international speakers for the seminar and much thanks to Ernie Posner, Dave Braunstein and Greg Nelson in handling the various arrangements for the seminar and the expanded board meeting. I hope that many of the attendees of the expanded Board of Directors meeting will register and participate in the seminar. Invitations to the expanded board meeting, as well as hotel reservation materials and registration for the seminar, will be sent out very shortly.

I would also like to mention that the International Conference for 2001 will be held in Cape Town, South Africa, April 29-May 2 and is firmly in place. The theme of the International Conference is Universality of Licensing. Alan Lewis and his committee have put an outstanding program together. The setting for the meeting in Cape Town is at the Table Bay Hotel, which is in the heart of Cape Town's waterfront. The weather should be perfect and we look forward to seeing as many of you there as possible for the first LESI International Conference held in South Africa.

I am very pleased that the Membership Committee, chaired by Willy Manfroy with vice chairs Adam Liberman and Gunther Kahler, is continuing to monitor actively a number of associations in various countries around the world (i.e., Poland, India, Greece, Bulgaria, etc.) with a view to making recommendations for the best means for creating a viable LES chapter or society in those countries and regions in the future. It is believed that the efforts of the Membership Committee in carefully reviewing the policies and activities of potentially new LES societies will ensure that the society, when and if admitted, will be a viable and active member of the LESI family.

I am hopeful that with the efforts of the Board of Directors, committee chairs and vice chairs, we will be able to increase the participation and activities of those societies that need support, as well as improve and enhance the reputation of LESI in the international business community. I would also like the national presidents to provide input to the Board of Directors as to how they believe LESI can be more supportive of and helpful to their societies. It is my desire that, regardless of the society a member belongs to, whether it is one of the largest or the smallest, the benefits and rewards of being a member of LES will be the same for all our members all over the world.

Again, I want to thank all of the delegates for the privilege of serving as president of LESI this year.

Success Stories in Licensing

The Patent and License Committee of LES International is interested to receive articles that describe licensing programs that have produced win-win results. Several articles have already been received and others are promised. It is intended that each article be considered for publication in *les Nouvelles*.

The articles should be about 3,000 words and written in a manner whereby readers may be able to get ideas to help their own projects. Once a "critical mass" of 15 articles has been received, it is expected to collect them as an anthology to be published by LESI in hard copy and also on the committee's Web site.

The committee considers this to be an excellent opportunity for new authors in LES to contribute to the literature of licensing. Any questions should be addressed to Bob Goldscheider, and manuscripts should be sent c/o Bob to the office of the Licensing Executives Society USA/Canada, Inc. at 1800 Diagonal Road, Suite 280, Alexandria, VA 22314, USA.



LES International Board of Directors 2000-2001 with the Legal Counsel
standing left-right: James Leavy (secretary), Heinz Goddar (past-president), Clyde Willian (legal counsel),
Edwin Shalloway (president)
sitting left-right: Yoon Bae Kim (vice-president), Peter Chrocziel (vice-president) and Thierry Sueur (president-elect)

The First Steps in the New Millennium — Where LESI Stands Now

Immediate Past President LESI 2000/2001

BY HEINZ GODDAR

Having handed over the presidency of LESI International to our new president, Ed Shallowly, at the conclusion of the meeting of the International Delegates in Toronto this September, my activities as an officer of LESI, now as immediate past president, have not slowed down very much. Nevertheless, during the last few months I have found the time to lean back and have a relaxed look at the year in which I had the honor and pleasure to lead our society.



To summarize, I feel that the essential goals I wanted to achieve, as announced in my introductory message as the then-new president in the December 1999 issue of *Les Nouvelles*, at least approximately have been achieved.

First, I am very satisfied that by transforming our society into a corporation, with the unanimous approval of all member societies, we have been able to secure a safe haven for our members and member societies worldwide, as well as for the officers of LESI International and LESI as far as protection against undue liabilities is concerned. LESI, Inc., is now organized under the laws of the state of Delaware, USA, as a first, and possibly permanent, status. The Board of Directors (as the former Executive Committee of LESI now more correctly should be designated), with the assistance of counsel, is actively searching for other possible organization forms and locations for LESI, Inc., in countries where the jurisdiction might be more favorable for the worldwide activities of LESI.

A more material achievement, in view of the educational tasks I have tried to focus on during my year in office, has been the excellent manner in which the Education Committee of LESI has brought us two tools to better assist member societies in fulfilling their educational tasks in a user-friendly way.

The first of these tools is the Speakers Database, in which all contributions of LES conference speakers, whether "independent" or from LES, over the last years have been compiled. It gives a fully searchable list of speakers, with subjects they have talked about, biographical details, etc., which can be used by member societies for putting together conferences, seminars and the like. All member societies of LESI are cordially invited to let the Chair of the Education Committee know details of conference and seminar activities conducted

on a national or regional basis, so that these contributions can be used to make the Speakers Database even more complete. The selection of speakers from the database as well as arrangements for specific events member societies and members might like to use them for, however, will be subject to direct arrangements between the respective organizing authority and the individual speakers. I would like to appeal to all speakers from LES societies that it has been a long-standing habit of providing speeches and contributions at LES events at no cost to the organizing member society, though different arrangements, in certain individual cases, are not "prohibited," of course.

The second powerful tool that has been created is a curriculum-based Licensing Course, which will be made available to member societies of LESI under the direct regime of the Board of Directors, at least for the time being. The Board of Directors feels responsible to LES USA & Canada, who are making this Licensing Course, which they developed, available to our societies worldwide. At least in the initial stage, the "licensing out" of the course should be strictly controlled in order to maintain a uniform quality standard in the manner in which it is used. Accordingly, member societies wishing to use the materials should contact the Vice President of LESI, Inc., our new Board of Directors being responsible for such tasks, liaising, of course, with the Education Committee continuously, namely Peter Chrocziel.

I believe that the aforementioned two instruments will help all member societies in fulfilling their permanent task of education, not only for members but also for neighboring countries in which the ideas and concepts of international licensing may not be so developed yet. This is in favor of the constant aim of improving the worldwide uniform understanding of the principles of licensing. It has been a pleasure for me, during my visits and participation at various international licensing events, to see the international intellectual property community's growing understanding that intellectual property rights, if used for technology transfer and commercialization, are not an instrument to prohibit something (e. g., to countries entering WTO), but rather to create the necessary conditions for a well-guided stream of technology to all member countries.

In connection with the cooperation between LESI, Inc., (now, with roughly 10,000 members worldwide, the largest association in the field of intellectual property) and other associations, I have been satisfied to achieve a seat for LESI, Inc., in the IPC, the protection, use and licensing of domain names, as the whole Internet world

becomes more and more important for licensing. Elisabeth Logeais, chair of the IT and E-commerce Committee of LESI in the year of my presidency, who will continue her service in the forthcoming year, should be specifically mentioned for her outstanding efforts and services on behalf of LESI, Inc., in achieving this goal.

Furthermore, during my presidency, for the first time summit talks between three associations of comparable weight and level, namely AIPPI, FICPI and LESI, have taken place in order to explore fields of general interest. These talks had the particular aim of exploring how much, with regard to certain critical questions of legislation and regulation policy worldwide, the expression and promotion of a common viewpoint of the associations may be useful. These summit talks will continue in the future and may even be widened to include other associations, particularly focusing on associations active in the commerce and business of licensing and technology transfer in general. I would specifically like to thank AIPPI for the active role it took complementary to the tasks of LESI, focusing on obtaining, securing and enforcing intellectual property rights for commercialization (the latter being the major focus of our activities at LESI), with regard to both achieving the seat for LESI in the Intellectual Property Constituency Group of ICANN and bringing together the summit talks.

The creation of two new ad-hoc committees of LESI, one for University and Research and one for Automotives, which were actively promoted by our new president and me and realized in Toronto, will open new fields of activity for LESI in which licensing plays a tremendous and steadily increasing role.

Last but not least, as far as "achievements" are concerned, I would like to mention the creation of a publicity coordinator position for LESI. This position has been filled by Saskia van Dijk-Struyk in its initial stage, which will help in disseminating ideas and concepts to LESI, with a particular view to making the profile of our society clearly recognizable through instruments commonly used in terms of creating and improving corporate identity and other association-specific aspects.

At the end of my retrospective, I would like to cordially thank all of our member societies and members worldwide, particularly my colleagues and friends in my former Executive Committee, for the support I have received during my year as president. It has been great to work with all of you, and I am looking forward to an even more prosperous and successful future for LESI International, Inc., under its new leadership.

BOOK REVIEW

The Economics and Management of Intellectual Property: Towards Intellectual Capitalism

by Ove Granstrand, 1999, Edward Elgar Publishing Limited,
480pp (order@marston.co.uk)

REVIEWED BY JOHN T. RAMSAY

Granstrand has written a text on the subject of intellectual capital and what he sees as the global transition into intellectual capitalism. This is an ambitious work with an impressive breadth of topics and is a valuable contribution to our technology transfer literature.

This is not to be considered a substitution for "missionary" books on what intellectual capital is and how it will influence value in the new economy, such as the classic book by Thomas Stewart, *Intellectual Capital: The New Wealth of Organizations* or Patrick Sullivan's recent book *Value-Driven Intellectual Capital — How to Convert Intangible Corporate Assets into Market Value*. This is not a text on the law; it provides legal material only for the purpose of putting the law into context for the economics and management of that intellectual property.

This is a much more comprehensive study than contained in other books that are focused on one or only a few aspects of intellectual property and deal with them more intensively (such as legal IP texts or licensing texts). Granstrand's text gives us more "interdisciplinary breadth" rather than "disciplinary depth." Granstrand is a Swedish professor of industrial management and economics and brings a European manner of presentation of his vast knowledge and his Japanese and Western, mainly American, experience. His book is intended for "practitioners in industry and government, scholars in academia, and students of engineering, management, law and economics." He states correctly that the book's various components will have "varying appeal" to the different classes of readers.

The book's chapters move to build a framework of the management and economics of intellectual capital. The first two set out an introduc-

tion for the student (from intellectual property to intellectual capitalism; philosophy and history of intellectual property), and then move on to topics that have more practical application to the licensing executive (Patents and Intellectual Property: A General Framework; the Technology-based Firm: A General Framework; Japanese Patenting — An Overview; Intellectual Property Policies and Strategies; Intellectual Property Organization and Management; Analysis of Patent Information; and Intellectual Capital and Beyond).

Fortunately, each chapter can be read independently; the book does not have to be read sequentially. Thus, the LES practitioner can skip over some of the more philosophical discussions and get down to the practical tools that are abundant, such as technology and commercialization strategies in general (chapter 6), patent strategies (chapters 3 and 6) and patent mapping (chapter 9). The macro-economist will go to Section 3.6 for the "Economic Theory of IP and Patents;" the business student will read Section 3.3.3 "How to Value a Patent," and then will move on to Chapter 6, "Technology and Commercialization Strategies." For more depth on valuation, the business student will want to read Razgaitis on "Early-Stage Technologies: Valuation and Pricing;" here Granstrand merely piques the interest.

Rather than writing in general terms only (which by itself would have been acceptable), Grandstrand draws from his experience in Japan and his studies and surveys of intellectual property management in Japan and the United States. We are given extensive tables and charts of the results of his surveys to illustrate and validate his points on the management and economics of intellectual property.

Chapter 7, "Intellectual Property Policies and Strategies" serves as a good example of what you can expect from this book. It tells the reader what it is going to say, says it, and then tells the reader what it said. When the author has so much to say, it might be a better use of the reader's time to say it just once, although it does help for the chapters to be stand-alone. It would be better not to insert new information in the conclusion portion of each chapter; better yet, not to have one. But after the introduction, Granstrand starts providing core information that will be of interest to all LES practitioners. We get "Advantages of Patenting," "IP Policies," "Patent Strategies" (ad hoc blocking and "inventing around," "strategic patent searching," "blanketing and flooding," "fencing," and "surrounding"). Then we get a discussion on strategic patents and response strategies when confronting a blocking or strategic patent. The chapter finishes up with secrecy and trademark strategies. What a meal full! And that was just one chapter!

This is not light reading; it reads more like an academic text to be read and studied. It is not intended for a general audience, as are the books by Stewart or Sullivan. But it is worth the study. Perhaps a fault is its attempt to be so comprehensive that in a few (fortunately few) instances it leaves the reader with a plea for more detail (for example the discussions on knowledge management).

This book is a valuable addition to our literature. As licensing executives, we will want to read and reread this book and keep it on our shelves, well underlined, highlighting the many intellectual capital returns on our reading investment.

CALL FOR PAPERS

Suitable papers for publication in future issues of *les Nouvelles* are being sought. Members and non-members who have presented papers at conferences of LES societies or elsewhere or who have created original papers are invited to submit their work for consideration.

It is preferred that papers be submitted in electronic form, either via e-mail or disk (MS Word or text only format).

Please forward papers to:
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Speech of Emmett Murtha (Past President, USA/Canada) at 2000 Annual Meeting USA/Canada in Toronto

I am very pleased to have been president of LES USA/Canada since the last annual meeting because much has been accomplished for the benefit of the society and its members. We have formed new local chapters in Oklahoma and the Silicon Valley and have revitalized chapters in Los Angeles, New York and Chicago, as well as in Canada. Much work remains to be done, but we have good people in place who are working hard to make these venues available to members, many of whom are unable to attend national meetings.

Likewise, several exciting new committees have been formed to address member interest in the implications of intellectual property in financial markets, standards licensing issues, Internet licensing and structuring and managing licensing organizations. Our traditionally strong interest groups, particularly in health care, have grown even stronger and more active, while participation by members in electronics and computer-related businesses continues to grow.

We have a new editor, long-time member Tom Ryder, a new production house and a new editorial board for *les Nouvelles*, which will continue to be the preeminent journal in the licensing and technology transfer field. Also, we have added an executive director, Ken Schoppmann, to the LES USA/Canada office to assure it continues to be supportive and even more responsive to the needs of LES and its members.

Let me summarize by saying that there are two elements responsible for the continued success of the society: the strong contributions of the many volunteers who make all of these opportunities available to you, and your active and enthusiastic participation and involvement.

This meeting certainly illustrates that LES is truly a "field of dreams": We have built it and you have come!

We owe our thanks to the hundreds of your fellow members who have organized and run these meetings, LES committees and workshops, and professional development classes

and technology transfer courses, and to ourselves for filling the seats and insisting on making the society meet our needs.

In closing, I want to note the passing of one of our founding members, Dudley Smith, who was also president of both LES USA/Canada and also of LES International. Dudley was tireless in his work for LES and in his insistence that we keep getting better. We will miss him, but we will not forget him. Plans are underway to keep his memory alive in either scholarship support for persons studying in our field, or to endow a lecture series in his name, or perhaps both.

It has been a wonderful year for me and a good year for the society, not because of me, but because of you. I ask you to get involved, stay involved, and to give John Woodley your continued support in the coming year.

Best of luck to all of you, and especially to John!

John Gay 1922-2000 BY K. DEUTSCH

Members will be saddened by news of the death of John Gay on August 1, 2000.

John Gay's contributions to the life and development of LES B & I and LESI were truly seminal. He was a founder member of LES B & I and its president in 1972-73. He was deeply involved in the setting up of LESI and was elected its first president for 1973-74. In 1976 he was awarded the LESI gold medal. 1976-80 saw him in charge of the LESI Activities Committee.

John Anderson Gay was born on September 25, 1922. He served during World War II as an officer in the Royal Electrical & Mechanical Engineers. He then read Special Physics at University College, London, and graduated with honors in 1949. During 1949-56 he held various technical appointments with Standard Telephones, O.W. Roskill and

Isotopes Developments Limited. He joined the United Kingdom Atomic Energy Authority in 1956 and held the positions of overseas sales manager, licensing officer and finally, engineering development and exploitation director. He left the UKAEA in 1980 to set up Anderson Broome Limited, a technology transfer consultancy, which handled many TT negotiations and licences worldwide.

John managed these commissions with consummate skill. In negotiations he sought to reach fair and reasonable "win-win" agreements, making due allowance for the personal needs and ambitions of the negotiators. He was careful always to leave space for maneuver and compromise. His immaculate style and personal charm masked a steely core that ensured that the key facets of the transaction were never compromised.

I was fortunate to be able to retain John's services as TT adviser during my work at the University of Warwick in the 1980s. Often, acting as lead negotiator, I was totally reliant on his wise counsel and full support in closing the deal. Working with John was always a pleasure. His clear brain and his gift for lateral thinking were great assets and his wealth of "know-who" in the international licensing fraternity helped to avoid tedious and difficult confrontations.

John Gay was truly a "man for all seasons." His colossal contributions to the development of LES B & I and LESI and his services to the profession cannot be overestimated.

John is survived by his wife Pat, three daughters and one son.

Deaths in the Family

For many of us, LES has become a second family. Through attendance at LES conferences, working on committees and net working, we have made many business contacts who have grown to be business-friends and even close personal friends.

While many of these friends and associates may be out of sight between LES meetings, they are not out of mind. In recent issues of *les Nouvelles* we have had memorials for recently deceased members of outstanding note. Recognizing that all of us may not be past presidents of LESI or founders of national societies, whose passing will be noted by the entire organization, *les Nouvelles* would like to perform the service of noting the passing of "members of the family." Accordingly, if anyone knows of the passing of a member or a member's spouse, please inform the editor of *les Nouvelles* so that the other members of the family might be advised through a notice in *les Nouvelles*.

Joint LES Czech Republic and LES France Conference

BY ELIZABETH THOURET LEMAITRE AND VLADIMIRA HUSAKOVA

LES Czech Republic and LES France co-organized a conference in Prague on October 2, 2000. The topic was "Electronic Commerce and Intellectual Property Rights, Protection of Domain Names, Software and Databases." The conference was a great success, with attendance close to 100 participants. The speakers were from France, Germany and the Czech Republic.

Topic	Speaker	
Information about LESI	Thierry Sueur	L'Air Liquide, Paris, France
E-Commerce and Legal Relationships on the Internet under the Czech Law	Vladimir Smejkal	Authorized Court Expert, Praha, Czech Republic
Fiscal Aspects of Transaction on the Net	Jean Marc M. Tirard	Lawyer, Cabinet Tirard Naudin, Paris, France
E-Commerce and the Pharmaceutical Industry	Olivier Guery	Directeur, Projets Coop. Scientifique, Neuilly Sur Seine, France
Domain Names in the Czech Republic and in Other Countries	Radka Pelikanova	Law and Patent Office Cermak, Horejs, Vrba, Praha, Czech Republic
Domain Names — View of the Administrator of the Domain .cz	Richard Koza	Luko Czech-Net, s.r.o. Praha, Czech Republic
Cybersquatting in the Form of an Unauthorized Attack on a Municipality Name through a Domain Title	Ivo Telec	Lawyer, Brno, Czech Republic
Protection of Software and Databases	Martin Bohacek	University of Economics, Praha, Czech Republic
Patent Protection of Software and Business Methods	Eva Liesegang	Boehmert & Boehmert, Munich, Germany

The discussion was lively and all the participants benefited from the up-to-date information provided by the speakers about current developments in this dynamic area. This topic is likely to be explored again in future meetings. The idea of joint conferences co-organized by two or more LESI chapters was well received by members. Such joint events help networking and create ties between the chapters.

LESI Expanded Board of Directors Meeting Seminar Co-Sponsored by LES USA/Canada

JANUARY 26, 2001
DELRAY BEACH MARRIOTT (FLORIDA)

PROGRAM

MORNING SESSION — 8:30 a.m.

Opening Remarks — Ed Shalloway — LESI President
John Woodley — LES USA/Canada President

Moderator: David Braunstein

8:45 a.m. — Current Trends in Venture Capital for E-Business — Mark Coticchia (Red Leaf Group)

9:30 a.m. — Patenting Business Methods: An Incentive for E-Commerce Licensing — Jim LaBarre (Burns, Doane, Swecker & Matthis LLP)

10:15 a.m.–10:30 a.m. — Coffee Break

10:30 a.m. — Commercializing Intellectual Capital Through Venture Funding — James Malackowski (VIGIC)

11:15 a.m. — Emerging Challenges in Licensing Databases in Cyberspace — Elisabeth Logeais (Cabinet U.G.G.C. & Associates)

Lunch — Noon–1 p.m. — Lunch Speaker — Mr. Nir Kossovsky, Chairman & CEO, The Patent & Licensing Exchange — Financial Market Strategies for Accelerating Technology Transfer

AFTERNOON SESSION

Moderator: Greg Nelson

1 p.m. — New Issues for Information Technology in E-Commerce — Dwight Olson (DSI Technology Escrow Services)

1:45 p.m. — Domain Names and Trademarks: Licensing Opportunities in E-Commerce — Ruprecht Hermans (Nauta Dutilh)

2:30 p.m.–2:45 p.m. — Coffee Break

2:45 p.m. — How to Obtain and Maintain "Internet Patents" — Barry Quest (Wilson, Gunn & M'Caw)

3:30 p.m. — Licensing and E-Commerce in Latin America — Eduardo Kleinberg D. (Basham, Ringe Correa, S.C.)

4:15 p.m.–5:15 p.m.

Moderator: Elisabeth Logeais

General Panel Discussion with Speakers and Audience

6:30 p.m. — General Reception for all seminar participants and members of the LESI expanded Board of Directors meeting

Welcome to the LES International Conference in Cape Town

BY EDWIN A. SHALLOWAY

As President of LES International for the Year 2001, it is with great pleasure that I invite all LES members and other individuals interested in the field of licensing to the first LES International Conference taking place in Cape Town, South Africa. The conference will be held from Sunday, April 29 through Tuesday, May 2. The venue of the conference is the Table Bay Hotel, which is at the heart of Cape Town's waterfront with outstanding upscale shopping malls, markets dedicated to arts and crafts, theaters, and nearby outstanding world-class ocean aquariums as well as other activities that would make the participants' stays very pleasurable. The organizers of the conference have put together an outstanding program, which supports LES International's theme that licensing and technology transfer is the key factor in successfully exploiting new ideas, new advances and science and technology. In this global world of licensing, innovators are increasingly looking to LES members to help them fully exploit their inventions while protecting their intellectual property rights in this fast-moving global market. The theme of the meeting in Cape Town, "The Universality of Licensing," will provide the attendees with an exceptional group of speakers that will help all of us in dealing effectively in today's global high-tech competitive environment. I look forward to seeing you at the meeting, which, for many of the attendees, may be the first time they have the opportunity of traveling the Cape of Good Hope and to be able to enjoy not only the outstanding program but also the wonderful sights surrounding Cape Town.



Message of Welcome by Johan du Preez — President LES South Africa

On behalf of LES South Africa, we extend a warm and hearty welcome to the LES International 2001 Conference.

As a first for Africa, it is fitting that we host this annual event in the Mother City, Cape Town acknowledged by many as the heart of one of the world's loveliest spots, the Cape Peninsula.

The Conference Secretariat under the leadership of Alan Lewis has spent much time and energy in ensuring the overall success of the Conference Program including extramural activities. Here we hope that you as delegates (many of whom have crossed a time zone or two!) and your partners will avail yourselves of the opportunities to return with wonderful memories of South Africa and its hospitality.

Have fun as you expand your knowledge base over the next few days with sound and stimulating networking, delightful opportunities to socialize and with the formal program of excellent speakers and workshops.

Recent Developments In The Law Relating To Licensing

BY BRIAN G. BRUNSVOLD AND JOHN C. PAUL

Specifying State Forum for Litigation Under a License Agreement Precludes Action at the ITC

In *Texas Instruments Incorporated v. Tessera, Incorporated*, No.001381 (November 7, 2000), the court concluded that a provision in a license agreement specifying that any litigation relating to the agreement would take place in California prevented the parties from participating in ITC proceedings.

The license agreement between Texas Instrument and Tessera provided the agreement would be construed under California law and that "any litigation relating to this agreement shall take place in California."

In response to Tessera's termination of the license agreement, Texas Instruments filed suit in California seeking a declaratory judgment of non-infringement and invalidity. Tessera subsequently filed a complaint with the ITC under Section 337 of the Tariff Act of 1930. Texas Instruments then asked the California court to enjoin Tessera from pursuing its ITC action because the license agreement provided that all litigation would take place in California. The ITC intervened, and the California district denied Texas Instruments' motion, concluding that term "litigation" did not include an ITC action.

On appeal, the Federal Circuit reversed. Looking at the intent of the parties entering into the agreement, the court attributed to the parties adequate knowledge of the basic patent law actions and remedies available to litigants, including the available forums and venues. The court concluded that in the field of patent law, Section 337 actions have been treated and referred to as litigation and that the license agreement, therefore, encompassed ITC actions. The court also noted that it was not interfering with the ITC's statutory mandate to investigate complaints brought under Section 337. It was only enjoining Tessera's participation in the investigation with respect to Texas Instruments and not the investigation itself.

Licensees Having Only a License to License Rights Lack Standing to Sue in Their Own Name

In *Prima Tek II, L.L.C. v. A-Roo Co.*, No. 99-1581 (August 17, 2000), the Federal Circuit held that plaintiff licensees lacked standing to sue in their own name, without joinder of the patent owner, because the licensees were not granted all substantial rights under the patent. The Federal Circuit cited the general rule that a patentee should be joined in any infringement suit brought by an exclusive licensee unless "all substantial rights" rights have been transferred to the licensee. In this case, the patent owner, Southpac, was not named as a plaintiff. Southpac had exclusively licensed its patents to Prima Tek I, but only to the extent necessary to grant a license to Prima Tek II to make, use, and sell the patented products and processes.

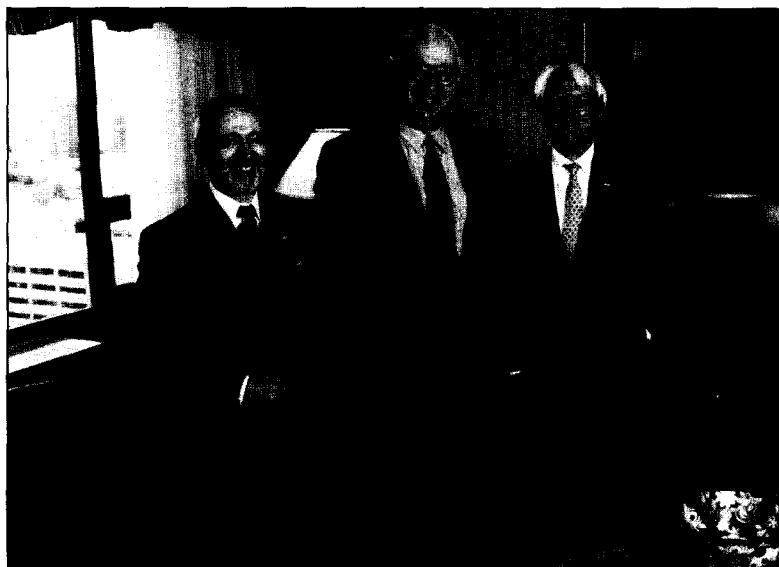
The Federal Circuit determined that this was not a transfer of all substantial rights. Instead, Prima Tek I received, at most, "a license to license," which fell short of all substantial rights. The court noted that Prima Tek I could not, for example, exclude others with regard to the patents because it would have fallen outside of the scope of the license from Southpac. Because the limitations on Prima Tek I's rights under the license were more than a minor derogation from the grant of rights, Prima Tek I did not have standing to sue in its own name. Because a licensee cannot convey more than it has, the remaining appellees, who all derived their ownership interests in the patents from Prima Tek I, also lacked standing to sue. The Federal Circuit also noted in this case that a clause allowing termination of the exclusive license prior to the expiration of the patent merely vested the patent owner with a reversionary interest and did not preclude the licensee from having standing to sue in its own name.

Antitrust Claim Under Price Umbrella Theory for Merger and Cross-License Agreement Rejected as Too Speculative

In *Antoine Garabet, M.D., Inc. v. Autonomous Technologies Corporation*, No. CV9904692ABC-SHX (C.D. Cal. Sept. 18, 2000), the court dismissed federal antitrust claims based on allegations that a merger and cross-license agreement caused the plaintiffs to pay higher prices from other suppliers because the alleged injury was too speculative.

The plaintiffs, challenged a merger and cross-license agreement between Autonomous Technologies Corp. and Summit Technology, relating to laser eye surgery. The plaintiffs alleged that this merger and agreement had a negative impact on the market, causing them to pay more for laser surgery equipment purchased from another supplier. The plaintiffs asserted an "umbrella theory," alleging that the defendants' conduct created a "price umbrella" under which other suppliers prices were artificially pulled higher. The court rejected the "umbrella theory," noting that damages were too speculative. Because the plaintiffs sued sellers from whom they never made any purchases, any injury they suffered was indirect and not clearly caused by the conduct of the defendants. The court stated that the Ninth Circuit explicitly rejected the umbrella theory in the context of a multi-level distribution system in *In re Coordinated Pretrial Proceedings in Petroleum Products, Antitrust Litigation*, as creating too great a risk of speculative and/or complex damages. The court noted that the same rationale applied in this case involving a single-level distribution system.

LES International
President 2000-2001
left-right:
Thierry Sueur (president-elect),
Edwin Shalloway (president) and
Heinz Goddar (past-president).



LES Benelux After the LES International Conference

BY EMMA E. VAN OOSTEROM, PRESIDENT, LES BENELUX 1999-2000.

The year 2000 has been a very special and busy year for our society. The organization of the LES International Conference in Amsterdam was really the crown on the work of LES Benelux in the last ten years. However, life has to go on, and LES Benelux has made its plans for the upcoming year 2001. At the AGM held on November 15, 2000, which was combined with a very well-attended, full-day topic meeting on University-Industry Liaisons, the members elected the following board:

President: Nigel Wagstaff (NL)
President-elect: Bruno Vandermeulen (BE)
Vice President: Emma van Oosterom (NL)
Secretary: Gregor Vos (NL)
Treasurer: Frans van Voorst (NL)
Membership Secretary: Dennys Watson (BE),
Program Committee: Ariane Bird (BE), Anne De Roo (BE), Dirk Groenewegen (NL).

We also said goodbye to three board members after they served our society long and extremely well: Ruprecht Hermans, past president LES

Benelux, Wil van der Voorde, membership secretary for 10 years and Thomas Vinje who was one of the driving forces in our Program Committee. Although they have "officially left," we asked all three to stay on as advisors to the new board and we expect they will remain as active as they were before.

The proposed topics and meeting dates for the year 2001 include a full-day meeting with members of the European Commission in Brussels and a full-day meeting on biotechnology:

Wednesday February 14, 2001 — The Hague: Legal and Licensing Issues for Business Method Patents

Wednesday June 6, 2001 — Antwerp: Recent Developments in Biotechnology

Friday October 5, 2001— Brussels: European Issues with Members of the European Commission

LES Benelux also plans to organize a repetition of its successful Licensing Course during the year 2001.

Although the LES Benelux financial situation was already very healthy, the Amsterdam Conference has supplied us with some extra funds. These funds will be spend on an increase of quality and quantity of educational and stimulus efforts to students, such as grants and awards for written work and studies on IPR and licensing, reduced fees for membership and meetings and contributions to libraries. We will also spend money on improving quality and services to our members by re-styling our newsletter, updating the LES Benelux brochures and extending the LES Benelux Web site by adding more facilities for members, such as a searchable LES Benelux member database. We will also establish a special fund for organizing future international conferences.

It was a pleasant but also very busy time as president of LES Benelux. Needless to say, I have tremendously enjoyed it. I would like to say "thank you" to those I met, spoke and worked with. I wish Nigel the same enjoyable period as I had, and I am sure that we will meet each other somewhere again.

LES Australia and New Zealand Annual Conference

Mark your calendar; this is one not to miss. The annual conference of LES (Australia and New Zealand) will be held April 5-7, 2001, at the beautiful Hyatt Regency Coolum resort in sunny Queensland, Australia.

The Hyatt Coolum is a beachside resort just 90 minutes' drive north of Brisbane. It has a local airport with daily services from Sydney, Melbourne and Brisbane. The resort has a large range of recreational facilities including swimming, golf and tennis.

The theme of the conference is "2001: A Licensing Odyssey." The program includes a mix of local and overseas speakers with a focus on issues facing the licensing executive in the new millennium. Topics include "How to Attract Venture Capital" with a keynote speaker and a series of local case studies. There are also parallel sessions on issues in licensing in information technology, biotechnology and trademarks.

A second thread for the conference is to address issues in the glob-

alization of licensing. This will be developed by a keynote speaker and a series of parallel workshops addressing aspects of royalty streams, IP management and public sector issues.

The third thread is to address alternate dispute resolution options. There is a pre-conference workshop dedicated to this topic as well as a plenary session.

The LESANZ 2001 Annual Conference follows the AIPPI meeting March 23-30 in Melbourne. If you are attending that meeting, why not fly to Queensland to enjoy the sunshine and exchange expertise with other licensing professionals?

Please e-mail or fax the conference organizers for further information and registration on mail@fak.com.au or +61 7 3221 0597, with attention marked to "LES Conference — Dr. Mark Horsburgh."

E-Commerce Licensing Seminar

LESI and LES USA/Canada are pleased to announce that they will co-sponsor a seminar dealing with "Bringing Licensing and Technology Transfer to the Forefront of E-Commerce."

This seminar will be held on January 26, 2001, at the Delray Beach Marriott in Florida, and will feature American, Mexican and European practitioners who are skilled in the most current issues of valuation and licensing for this emerging area. In addition to the presentations, there will also be time allotted for a panel discussion with audience participation and networking. See the program, hotel registration and seminar registration information elsewhere in these Blue Pages.



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Heinz Goddar (president),
Edwin Shalloway (president-elect)
sitting left-right:
Valery Medvedev (vice-president),
Saskia van Dijk-Struyk (vice-president) and
Platon Mandros (past-president)

Societies Gain New Members

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LES SWITZERLAND

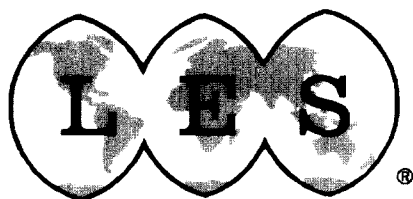
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LES INTERNATIONAL 2001 CONFERENCE



Cape Town, South Africa

29 April – 2 May 2001



***The Universality of
Licensing***

Welcome to the LES International Conference in Cape Town

On behalf of LES South Africa, we extend a warm and hearty welcome to the LES International 2001 Conference.

As a first for Africa, it is fitting that we host this annual event in the Mother City, Cape Town acknowledged by many as the heart of one of the world's loveliest spots, the Cape Peninsula.

The Conference Secretariat under the leadership of Alan Lewis has spent much time and energy in ensuring the overall success of the Conference Programme including extramural activities. Here we hope that you as delegates (many of whom have crossed a time zone or two!) and your partners will avail yourselves of the opportunities to return with wonderful memories of South Africa and its hospitality.

Have fun as you expand your knowledge base over the next few days with sound and stimulating networking, delightful opportunities to socialise and with the formal programme of excellent speakers and workshops.

Johan du Preez
President
LES South Africa

Message from the International President

As President of LES International for the Year 2001, it is with great pleasure that I invite all LES members and other individuals interested in the field of licensing to the first LES International Conference taking place in Cape Town, South Africa. The Conference will be held from Sunday, April 29 through Tuesday, May 2. The venue of the Conference is the Table Bay Hotel, which is at the heart of Cape Town's waterfront with outstanding upscale shopping malls, markets dedicated to arts and crafts, theaters, with nearby outstanding world-class ocean aquariums as well as other activities that would make the participants stay very pleasurable. The organizers of the Conference have put together an outstanding program, which supports LES International's theme that licensing and technology transfer is the key factor in successfully exploiting new ideas, new advances and science and technology. In this global world of licensing, innovators are increasingly looking to LES members to help them fully exploit their inventions while protecting their intellectual property rights in this fast-moving global market. The theme of the meeting in Cape Town "The Universality of Licensing" will provide the attendees with an exceptional outstanding group of speakers that will help all of us in dealing effectively in today's global high-tech competitive environment. I look forward to seeing you at the meeting, which for many of the attendees, may be the first time they have the opportunity of traveling the Cape of Good Hope and to be able to enjoy not only the outstanding program but the wonderful sights surrounding Cape Town.

Edwin A. Shalloway
President
LES International

PLEASE COMPLETE, PRINT AND FAX THIS FORM TO THE SECRETARIAT: +27 21 883 8177

LES INTERNATIONAL 2001 CONFERENCE
REGISTRATION FORM (INTERNATIONAL)

A. Delegate

Title : Prof. Dr. Ms. Mr.

First name : _____

Family name : _____

Institution or company : _____

Department : _____

Address : _____

City _____

Zip / Postal code _____

Tel : _____

Fax : _____

E-mail : _____

B. Accompanying person

Title : _____

First name : _____

Family name : _____

C. Registration Fees			
Registration fees	Early fee (before 1 Mar 2001)	Late fee (from Mar 1 2001)	Your amount
Members	900 US\$	1 000 US\$	<input type="checkbox"/>
Non-members	1 000 US\$	1 100 US\$	<input type="checkbox"/>
SUBTOTAL 1			<input type="checkbox"/>

D. Add-on Seminar Fees					
SEMINAR FEES	ADD-ON SEMINAR (choose only one please)	I WILL ATTE ND	EARLY FEE (before 1 March 2001)	LATE FEE (from 1 March 2001)	YOUR AMOUNT
Members	Commercialization of tertiary innovation	<input type="checkbox"/>	80 US\$	90 US\$	<input type="checkbox"/>
	Advance licensing	<input type="checkbox"/>			
	Biotech Commercialization	<input type="checkbox"/>			
Non-members	Commercialization of tertiary innovation	<input type="checkbox"/>	90 US\$	100 US\$	<input type="checkbox"/>
	Advance licensing	<input type="checkbox"/>			
	Biotech Commercialization	<input type="checkbox"/>			
SUBTOTAL 2					<input type="checkbox"/>

E. Workshops – Please indicate which workshop you intend attending in each session

Session Workshop number	A <input type="checkbox"/>	B <input type="checkbox"/>	C <input type="checkbox"/>	D <input type="checkbox"/>	E <input type="checkbox"/>
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F. Official social events

Function	Date	No. of persons attending
Welcome Reception at Table Bay Hotel	Sun, 29 Apr 2001	<input type="checkbox"/>
Dinner at Groot Constantia Wine Estate	Mon, 30 Apr 2001	<input type="checkbox"/>
Gala Dinner & dance at the Cape Sun InterContinental Hotel	Wed, 2 May 2001	<input type="checkbox"/>

The social events listed above are included in the registration fees for one delegate plus one accompanying person.

G. Excursion and Tours					
Date	Excursion and Tours	Dept. times	Cost per person	No. of persons attending	Please indicate correct amount
Mon, 30 April	TOUR A : Cape Town / Table Mountain / Diamonds	08:45 (returns 13:15)	40 US\$	<input type="checkbox"/>	<input type="checkbox"/>
	TOUR B: Cape Town / Table Mountain / Shopping	13:15 (returns 17:15)	40 US\$	<input type="checkbox"/>	<input type="checkbox"/>
Tue, 1 May	TOUR C: Cape Peninsula Tour	09:00 (returns 17:30)	53 US\$	<input type="checkbox"/>	<input type="checkbox"/>
	TOUR D: West Coast tour to Langebaan & Evita's	09:00 (returns 17:30)	48 US\$	<input type="checkbox"/>	<input type="checkbox"/>
Wed, 2 May	TOUR E: Winelands - Stellenbosch and estates	08:45 (returns 14:30)	46 US\$	<input type="checkbox"/>	<input type="checkbox"/>
	TOUR F: Robben Island cruise and visit	08:30 (returns 14:30)	52 US\$	<input type="checkbox"/>	<input type="checkbox"/>
	Subtotal 3				<input type="checkbox"/>
Please note, these tours are not included in any of the registration fee categories. A lunch stop has been included in these tours but the cost of lunch is extra and not included in the tour fees. Pre-booking/payment essential.					

H. Total Cost

TOTAL AMOUNT DUE (Subtotal 1 + 2 + 3) US\$

I. Registration Payments

Credit Card Payment
I hereby authorise the Secretariat to debit my Credit Card with the following amount:

VISA	<input type="checkbox"/>	MASTERCARD	<input type="checkbox"/>	EXPIRY DATE	<input type="text"/>
CREDIT CARD NUMBER	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Last three digits at the back of credit card	<input type="text"/>	<input type="text"/>	<input type="text"/>		
AMOUNT	<input type="text"/>	SIGNATURE	<input type="text"/>		

DELRAY BEACH MARRIOTT
10 North Ocean Boulevard
Delray Beach, FL 33483
Telephone: (561) 274-3200
Fax: (561) 274-3201

RESERVATION FORM

Organization: *Licensing Executives Society International*

Name of Event: *Licensing Executives Society International*

Event Date: *January 24-28, 2001*

Room Rate: *\$225.00 + tax per night — single/double occupancy*

Name: _____

Street Address: _____ Unit/Apt. #: _____

City, State, Zip Code: _____

Phone Number: _____

Fax Number: _____

Arrival Date: _____ Departure Date: _____

Room Type: King Two Double Beds

Special Request: _____

RESERVATION GUARANTEE

Credit Card Type:

Visa MasterCard

Discover American Express

Other: _____

Card Number: _____ Expiration Date: _____

**RESERVATION FORM MUST BE RECEIVED BY FAX OR MAIL PRIOR TO
DECEMBER 15, 2000**

Licensing Executives Society International
Expanded Board of Directors Meeting
Co-Sponsored by LES (U.S.A and Canada), Inc.
Bringing Licensing and Technology Transfer
to the Forefront of E-Commerce

January 26, 2001
Delray Beach, Florida

Registration Form

1. Registration Information

Name: _____ Name for badge: _____

Title: _____

Company: _____

Address: _____

City/State/Prov: _____ Zip/Postal Code: _____ Country: _____

Phone: _____ Fax: _____

E-Mail: _____

2. Registration Fee

Before December 15, 2000 \$100.00 _____

After December 15, 2000 \$125.00 _____

3. Payment Information

Check # _____ American Express MasterCard/Visa Diners

Amount \$ _____ Name (on card) _____

Card # _____ Exp. Date: _____

Signature _____ Date Paid: _____

Please complete and return Registration Form to:

Licensing Executives Society (U.S.A and Canada), Inc.

Dept. 721

Alexandria, VA 22334-0721

fax (703) 836-3107

OVERVIEW OF EVENTS

International Delegates and Committee Meeting

Friday 27 April	19:00 - 21:00	Welcome reception for delegates and accompanying persons
Saturday 28 April	09:00 - 17:00	International Delegates and Committee Meetings
	19:00 - 23:00	Dinner for delegates and accompanying persons
Sunday 29 April	09:00 - 17:00	International Delegates and Committee Meetings

LES International Annual Conference

Sunday 29 April	12:00 - 18:00	Registration
	08:30 - 16:15	Add-on Seminars
	18:00 - 19:30	Welcome reception - (Own dinner arrangements)
Monday 30 April	09:00 - 09:30	Opening and welcome
	09:30 - 12:30	Plenary Session 1
	12:30 - 14:00	Lunch - The Table Bay Hotel
	14:00 - 17:00	Workshops - Sessions A and B
	19:00 - 22:00	Dinner - Groot Constantia
Tuesday 1 May	09:00 - 11:00	Plenary Session 2
	11:00 - 12:30	Workshops - Session C
	12:30 - 14:00	Lunch - The Table Bay Hotel
	14:00 - 17:30	Workshops - Sessions D and E
	17:30 - 18:00	Industry sector meetings
	Evening	Own dinner arrangements
Wednesday 2 May	09:00 - 12:15	Plenary Session 3
	12:30 onwards	Sports and tours
	19:00 onwards	Gala Dinner - Cape Sun Hotel

This programme is subject to alteration without notice.

DAILY PROGRAMME

Sunday 29 April 2001

12:00 – 18:00 **Registration of participants at the Table Bay Hotel**
08:30 – 17:00 **Add-on Seminar. Topics A, B and C are available**

Add on Seminars Topics and Schedule

INTRODUCTION TO INTELLECTUAL PROPERTY

All seminar participants

Dr Derrick Hurlin, Consultant, New Technology Management

08:30 – 10:00

1. TECHNOLOGY:

What is technology?
What is "new" technology? / What to do with new technology?

2. INTELLECTUAL PROPERTY

What is IP?
Patents / Trademarks / Copyright / Registered Design / Plant Breeders' Rights
Secret information, know-how
Protection from unlawful competition
Protecting your IP.
Who owns the I.P.?

10:00 – 10:30

Discussion

10:30 – 11:00

Refreshment break

11:00 – 12:30

3. THE IMPORTANCE OF WRITTEN CONTRACTS

Staff service conditions
Disclosure + Evaluation + Option
Licence
Joint Research / Joint Venture

12:00 – 12:30

Discussion

12:30 – 13:30

Lunch

A) HOW TO COMMERCIALISE TECHNOLOGY

13:30 – 14:15

How we do it at Stanford

Luis Mejia, Senior Licensing Associate, Stanford University, U.S.A.

14:15 – 15:00

How we do it at the University of Cape Town

Rosemary A. Wolson, Intellectual Property Manager, Office of Industry Liaison, Dept of Research Development, University of Cape Town

15:00 – 15:30

Refreshment break

15:30 – 16:15

How we do it at Stellenbosch University

Prof. H.C. Viljoen Director: Office for Intellectual Property, University of Stellenbosch

16:15 – 17:00

Discussion

17:00

Closure

B) ADVANCED LICENSING PROGRAMME

13:30 – 14:15	Legal and commercial matters concerning licensing in the European Union	Jeremy Brown
14:15 – 15:00	Legal and commercial matters concerning licensing in Russia and the Pacific Rim	Heinz Goddard
15:00 – 15:30	Refreshment break	
15:30 – 16:15	The impact of the Internet on licensing in the USA and worldwide	Michael Lechter
16:15 – 17:00	Licensing strategies in today's market in respect of state-of-the-art technologies	Bob Goldscheider
17:00	Closure	

C) BIOTECH – SUCCESSFUL LICENSING PROJECTS

13:30 – 14:15	Yeast in the wine industry	
14:15 – 15:00	Fruit in the wine industry	
15:00 – 15:30	Refreshment break	
15:30 – 16:15	Propagation of indigenous plants	
16:15 – 17:00	Animal health products	
17:00	Closure	
<u>18:00 – 19:30</u>	<u>Welcome Reception – (Own dinner arrangements)</u>	

Monday 30 April 2001

09:00 – 09:15	Welcome by President of LES South Africa, Johan du Preez
09:15 – 09:30	Welcome by President of LES International, Ed Shalloway

PLENARY SESSION 1

Chairman: *Johan du Preez*

09:30 – 10:30	Keynote Address	Mr Paul Kruger - Chairman and CEO Sasol Ltd
10:30 – 11:00	Refreshment break	
11:00 – 11:45	International Licensing Opportunities for Exports	Mr Jan Scannell - CEO Distillers Corp
11:45 – 12:30	Sporting Personalities and Licensing Deals	Dr Ali Bacher
12:30 - 12:40	Presentation – LESI 2002 Conference - Osaka	
12:30 – 14:00	Lunch – Table Bay Hotel	Mr Clem Sunter – Anglo American Plc
14:00 – 15:15	Workshops	Session A
15:15 – 15:45	Refreshment break	
15:45 – 17:00	Workshops	Session B

Tuesday 1 May 2001

PLENARY SESSION 2

Chairman: D.L. MacRobert

09:00 - 09:40	Intellectual Property Transfer into emerging markets	Dr Nthato Motlana Chairman NAIL
09:40 - 10:30	Importance of Licensing and the acquisition of know-how in the IT industry	Mr Tony Cunningham - President of Ability
10:30 - 11:00	Refreshment break	
11:00 - 12:30	Workshops	Session C
12:30 - 14:00	Lunch	Mr Anthony Fridjohn
14:00 - 15:30	Workshops	Session D
15:30 - 16:00	Refreshment break	
16:00 - 17:30	Workshops	Session E
17:30 - 18:00	Industry sector meetings	

Wednesday 2 May 2001

PLENARY SESSION 3

Chairman: *H. Nachenius*

09:00 - 09:45	Electricity supply and the technological rollout into Africa	Mr Jan de Beer - Exec Director ESKOM
09:45 - 10:30	Licensing of Technology in the Telecommunications Industry	Mr Myron Zlotnick - Dir of Regulatory Affairs MWeb Group
10:30 - 11:00	Refreshment break	
11:00 - 12:15	The importance of finance and structured financing in relation to technology transfer	Mr Hugh Hermann - Chairman Investec Group Ltd
12:15 - 17:00	Sports and Leisure, arranged tours	
19:00 - 23:00	GALA DINNER - Cape Sun Hotel	

LES 2001 CONFERENCE WORKSHOP SCHEDULE

Date	Sessions	
Mon, 30 Apr	Session A 14:00 to 15:30	A1 Protecting know-how
		A2 Creating, launching and maintaining brands
		A3 E-commerce & copyright hypothetical case study
		A4 Rationale for IP valuation
		A5 Bio technology
	Session B 16:00 TO 17:30	B1 Current developments in the EU
		B2 The community trademarks & Madrid protocol
		B3 Securitisation & collateralisation of IP assets in the digital environment
		B4 Basic IP valuation methodologies
		B5 Management of intellectual capital
	Session C 11:00 to 12:30	C1 Hypothetical on competition law issues
		C2 Licensing of sports events
		C3 Internet new business models and protection of IP
		C4 Advanced IP valuation methodologies
		C5 Due diligence exercises
	Session D 14:00 to 15:30	D1 Chemicals processing
		D2 Character & sports merchandising
		D3 Database protection
		D4 Taxation issues
		D5 Alternative dispute resolution
	Session E 16:00 to 17:30	E1 Generics & patented pharmaceuticals
		E2 Trademark enforcement techniques
		E3 Commercial transactions on the internet
		E4 Determination of royalty rates
		E5 American Jury System

General Information

Venue

The gracious Table Bay Hotel – at the heart of Cape Town's bustling Victoria & Alfred Waterfront – combines Victorian elegance with contemporary charm. All rooms and suites enjoy views across the harbour to Robben Island or the majestic Table Mountain. The hotel boasts an international business centre offering language translation, courier services, bureau de change and travel agency.

The workshop sessions will be held at the BMW Centre and at the Victoria & Alfred Hotel, which are within walking distance of the Table Bay Hotel.

Electricity

220 Volts. International plugs are standard in all the Table Bay Hotel rooms. Socket adaptors are readily available at airport duty free shops.

Climate and Weather

Early May marks the middle of Autumn in Cape Town. The daytime temperatures should be warm to mild and night-time temperatures mild to cool. As Cape Town is on the Atlantic coast, it is advisable to have warm clothing for the evenings.

Currency

The unit of currency in South Africa is the South African Rand (ZAR). The exchange rate to the US\$ is approximately US\$1=R7,00.

Dress

Generally, dress is informal and smart casual wear is acceptable for the conference sessions. For the evening indoor functions it is recommended that gentlemen wear a lounge suit and ladies wear smart business or dinner dress. The Gala Dinner Dance dress is Black Tie / Dinner Dress or Dark Lounge Suit.

Shopping and Banking Hours

In Cape Town, most shops are open on from 09:00 to 17:00 on weekdays and from 09:00 to 13:00 on weekends and public holidays.

Banking hours are 09:00 to 15:30 on weekdays and 09:00 to 11:00 on weekends. ATMs are available 24 hours a day and are located in all the main shopping areas. All the major credit cards are accepted in hotels, shops and restaurants.

NOTE: Tuesday 1 May 2001 is a public holiday in South Africa.

Insurance

The organisers do not accept responsibility for individual medical, travel or personal insurance and participants are strongly advised to arrange personal insurance policies.

Conference Language

English is the official language of the conference. Unfortunately, no translation facilities will be provided.

Special Requirements

Participants who have special requirements in respect of diet or other matters are asked to inform the Conference Secretariat in writing before 1 April 2001.

Membership of LES

For membership information, please visit the web site of LES International at <http://www.lesi.org>

Visas

Delegates from most overseas countries do not require a visa. Participants are advised to check with their travel agent for up-to-date information.

Directions to the Hotel

The hotel is only 20 minutes by road from Cape Town International Airport. A chauffeur service is available on request. Metered taxis are available at the airport and all major car hire firms have on-site offices adjacent to the terminal building.

Hotel Accommodation

A block booking has been made at The Table Bay Hotel, which is the conference hotel. Preliminary bookings have also been made at near-by hotels. The deadline for guaranteed bookings is 1 March 2001. Please bear in mind that April and May are very popular months in the Cape and hotels are very strict in adhering to their deadlines and no hotel booking can be guaranteed after 1 March 2001.

Hotel Reservation Guarantee

In order to ensure that the hotel booking is guaranteed, your credit card number and expiry date must be included on the hotel booking form.

Table Bay Hotel

The hotel has reserved 61 rooms for delegates arriving on 27 April 2001 and a further 89 rooms for delegates arriving on 29 April 2001.

Rates quoted are on a bed only basis and are as follows:

Twin room	R1,028.00
Luxury / Family rooms	R1,279.00
Junior suite	R1,732.00
Executive suite	R2,439.00

Victoria and Alfred Waterfront Hotel

This hotel has reserved 20 rooms for delegates arriving on or after 26 April 2001.

Rates quoted are on a bed and breakfast basis and are as follows:

Piazza facing double room	R1,107.00
Piazza facing single room	R 702.00
Mountain facing double room	R1,359.00
Mountain facing single room	R 828.00

Portswood Hotel

Additional accommodation has been reserved at the Portswood Hotel which is situated on the outskirts of the Waterfront overlooking the harbour, opposite the BMW Conference Centre.

Confirmation of Hotel Reservation

All bookings are confirmed in writing, and information on how to reach the hotel will be included with the confirmation

HOW TO REGISTER

If you wish to participate in the LES 2001 International Conference, please fill out the enclosed registration form, and fax it to the Conference Secretariat at your earliest convenience, preferably before 1 March 2001.

Registration Fees (includes one accompanying person)	Early Fee*	Late Fee*
Annual Conference		
Member	900 US \$	1000 US \$
Non-member	1000 US \$	1100 US \$
Add-on Seminar		
Member	80 US \$	90 US \$
Non-member	90 US \$	100 US \$

* *The early registration fee is applicable if registration and payment are received before 1 March 2001.*

Included in the Foreign Registration Fee

- ⌚ Name Badge (for delegates and accompanying person)
- ⌚ Conference Material
- ⌚ Access to International Annual Conference sessions (29 April - 2 May 2001)
- ⌚ Coffees and teas
- ⌚ Lunches on 30 April and 2 May
- ⌚ Welcoming reception on Sunday 29 April 2001 (including accompanying person)
- ⌚ Dinner on Monday 30 April (including accompanying person)
- ⌚ Gala Dinner and dance on Wednesday 2 May (including accompanying person)

Note: A separate registration fee is required for the add-on seminar

Deadline of Pre-registration

The deadline for early registration is March 1st 2001. After this date the late fee is payable. Following this date, conference registration forms will be accepted and processed until Friday 27 April 2001. Thereafter no registration forms will be processed, but participants are welcome to come directly to the conference venue for registration onsite.

Payment

All payments may be made by credit card. If you wish to pay in some other way please contact the secretariat for bank details

Confirmation of registration

Upon receipt of the registration form, and full payment, a letter of confirmation will be sent.

Cancellation Policy

Conference registration fees, less a 15% administrative charge, will be refunded, if a written cancellation advice is received by the Conference Secretariat before 1 April 2001. After this date no refunds will be made. Refunds will be settled after the conference.

Excursions and Tours

All tours depart from, and return to, The Table Bay Hotel. All excursions are operated exclusively for the LES International 2001 Conference delegates. The tour organisers reserve the right to cancel any tour when a minimum number of participants is not met.

MONDAY

A Cape Town/Table Mountain/Diamonds

Cape Town city tour and ascend Table Mountain, with a visit to suitable diamond establishment before or after Table Mountain.

The diamond visit would be part-educational (rough diamond to finished diamond to setting) but with the opportunity to buy at favourable rates for those who wish to do so.

B Cape Town/Table Mountain/Shopping

Similar to A but instead of the diamonds visit, a sophisticated shopping experience at Cavendish Square in the Cape Town suburbs, which is a European-style mall of high international standard. Guide would inform guests of location of particularly interesting shops (stores).

TUESDAY

A Winelands – lunch/estates/Stellenbosch

To the winelands, starting with a light lunch at an attractive vineyard, such as Vergelegen Estate, followed by winetastings at leading estates, and a leisurely visit to historical Stellenbosch to stroll in the quaint streets shaded by oak trees.

B Robben Island cruise and visit

A cruise to and tour of historic Robben Island, home to many political prisoners during the apartheid era.

WEDNESDAY

A Cape Peninsula tour

The classic scenic tour of the spectacular coastal scenery and Cape Point, including lunch at Cape Point and a cruise to Seal Island.

B West Coast tour to Langebaan and Evita's Restaurant

Scenic touring to beauty spots of the West coast – classic views of Table Mountain over the Bay, and visit to Langebaan lagoon. Visit to Darling and the (converted railway station) restaurant of "Evita Bezuidenhout" – South Africa's ever-fashionable cross-dressing mistress of political satire!

Contact Details

**LES 2001 Conference Secretariat
Ms Deidre Cloete**

Fax # +27 21 883 8177

E-Mail deidre@iafrica.co.za

Mr Alan Lewis

Adams & Adams

P.O. Box 10155

Johannesburg

South Africa

2000

Phone # +27 11 642 5057

Fax # +27 11 642 1914

E-Mail alewis@adamsadams.co.za

J. Accommodation

HOTEL	CATEGORY	ROOM RATE	BREAKFAST
Table Bay Hotel	Twin Room	R 1 028.00	Not included
	Luxury / Family Room	R 1 279.00	Not included
	Junior Suite	R 1 732.00	Not included
	Executive Suite	R 2 439.00	Not included
Victoria and Alfred Hotel	Piazza facing Double Room	R 1 107.00	Included
	Piazza facing Single Room	R 702.00	Included
	Mountain facing Double Room	R 1 359.00	Included
	Mountain facing Single Room	R 828.00	Included

Please consult the web-site, www.licensing.co.za for information on the accommodation listed above as well as their cancellation policy. The physical address (location of the hotel), telephone and fax numbers will be included on your confirmation form sent to you by the Secretariat.

Please note rates quoted are room rates for single or double occupancy. Full English Breakfast at the Table Bay Hotel is R80 per person and the Continental Breakfast is R60 per person. (subject to change)

- ⌚ The Table Bay Hotel rates are room rates for single or double occupancy.
- ⌚ Rates exclude 1% bed levy which is calculated on the total accommodation account of the delegate.

ACCOMMODATION RESERVATION

ACCOMMODATION	SINGLE / DOUBLE	ARR / DEPT DATES	TOTAL NO. OF NIGHTS
1st choice			
2nd choice			

The Secretariat reserves the right to confirm the second option should the first option selected be fully booked.

K. Accommodation Payment

VISA MASTERCARD Diners Amex EXPIRY DATE

CREDIT CARD NUMBER

Last three digits at the back of credit card

AMOUNT

AUTHORISATION TO DEBIT THE CREDIT CARD FOR THE ACCOMMODATION

I hereby authorise the hotel to debit my credit card for one night's accommodation per person to serve as guarantee of my reservation. I also accept the cancellation policy of the accommodation establishment.

SIGNATURE:

DATE:

L. PRE AND POST CONFERENCE TOURS

Please indicate whether you require information on possible pre/ post conference tours in Southern Africa. Please provide the following information: Region or country you wish to visit, duration of the tour requested, dates (pre or post conference), specific interests and any other information which will assist us in providing you with a suitable itinerary.

M. SPECIAL REQUESTS

Dietary requirements (Kosher/Halaal/ Vegetarian)

Disabilities (wheelchair facilities)

Smoking / Non Smoking

Specific Accommodation request eg king size bed

LES INTERNATIONAL 2001 CONFERENCE
SPORTS DAY REGISTRATION FORM (INTERNATIONAL)
 Both the delegate and the accompanying person must complete a separate sports day registration form.

A. Participants details

Title : Prof. Dr. Ms. Mr.

First name :

Family name :

Institution or company :

Tel :

Fax :

E-mail :

B. Sport			
WEDNESDAY, 2 MAY 2001	I WANT TO PARTICIPATE	FEE	AMOUNT PAYABLE
GOLF	<input type="checkbox"/>	70 US\$	<input type="text"/>
TENNIS	<input type="checkbox"/>	25 US\$	<input type="text"/>
TABLE MOUNTAIN ON FOOT	<input type="checkbox"/>	40 US\$	<input type="text"/>

C. Payment for Sports Day

Credit Card Payment

I hereby authorise the Secretariat to debit my Credit Card with the following amount:

VISA MASTERCARD EXPIRY DATE

CREDIT CARD NUMBER

Last three digits at the back of credit card

AMOUNT SIGNATURE

Important

Please contact the Conference Secretariat if you wish to hire golf clubs or have any questions with regards to the Sport's Day.

- ⌚ Walking shoes and light weight rain jacket/jersey essential for the Table Mountain walk.
- ⌚ Tennis players must please provide own racquet and tennis balls.
- ⌚ Transport to the various events will be arranged for all sport's day participants.

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can grant a license, including an license implied from the sale of the unique paint. Without contract restrictions, BAC would have no way to prevent such a sale and no way to prevent the paint purchaser from using the patented system.

Several solutions exist. First, as mentioned above, LCC could grant BAC an exclusive license under the jointly-owned patent in the automobile field. With such a license in place, LCC would have no right to grant licenses, express or implied, to its customers in the automobile field.

Relying on such legalities is not always wise. A purchaser of the unique paint could assert an implied license because he received no notice of the restriction. A U.S. court may allow for such a license in order to be fair to the otherwise innocent purchaser.

In addition to the exclusive license or in lieu of such a license, the joint development agreement could contractually require LCC to notify each of its customers for the unique paint that purchase of the paint does not convey a license under the jointly-owned system patent, or does not convey a license to use the paint or the system in the automobile field. The notice also could offer a license from BAC. Assuming the paint and system are within the scope of the patent claims, such a written restriction, if imposed at the time of sale, is enforceable. Using this approach, the purchaser receives actual notice of a restriction which precludes any implied license.

What provisions should be included regarding obtaining patent protection on inventions made during the course of the R&D?

If a party is the sole owner of an invention made during the R&D, that party can have full control of all decisions regarding obtaining patent protection and have full responsibility for all associated costs.

Where an invention and any resulting patent are exclusively licensed to the other party in a field of use, the other party may have an interest in what countries patents

are obtained and in the scope of such patents. Where the invention and patent are jointly owned, each party has an interest in the scope of patent protection.

While parties can jointly control decisions regarding patent protection, it is preferable to have one party in control and give the other party the opportunity for input. For example, if LCC is required to obtain patent protection for all jointly-owned inventions, the joint development agreement should provide for BAC input into which countries patents will be sought, the scope of patents to be obtained, and any decision to abandon a patent application or patent.

Employing a common practice, LCC would have the first right to select countries for patent filing and then BAC would have the right to add to the list. Some agreements provide that the parties will share all costs while others will provide for sharing only as to countries in which both parties elect to obtain patent protection.

Because BAC is interested in exclusive rights in the automobile field, BAC will want patent claims that specifically address applications in that field. LCC does not have that same interest. The agreement, therefore, has to provide BAC with the opportunity to review all patent application decisions and to cause changes. The changes would be limited to aspects that will have an impact on BAC's exclusive field.

If LCC has control over the process, LCC should have the right to decide to abandon an application. Indeed, to protect LCC from unreasonable obligations, the agreement could provide a limit on how much effort it must expend to obtain a patent. For example, the agreement could provide that LCC does not have to appeal an adverse decision of the Patent Office. With such freedom, the agreement must provide BAC with the option to take over a patent application or patent that LCC elects to abandon.

What provisions, if any, are necessary to permit one or both parties to enforce jointly-owned or exclusively licensed patents?

United States courts will not permit a patent infringement suit to be brought unless all parties having an ownership interest in the patent are named in the suit. The courts take this position in order to preclude the possibility of multiple suits for the same infringement.

If a patent is jointly owned by LCC and BAC, both of them must be named as parties in a suit for infringement or a U.S. court will dismiss the action. Under U.S. law, a joint owner cannot be compelled to join in an infringement action brought by the other joint owner. Thus, if BAC refused to cooperate, LCC could not enforce a jointly-owned patent. The joint development agreement, therefore, should include a provision that requires each joint owner to cooperate with the other joint owner in any infringement suit. Such cooperation may be limited to permitting use of the joint owner's name so that all joint owners are named parties to the suit. The provision should also provide that all costs associated with such cooperation will be borne by the joint owner who brought the suit.

Such an agreement to cooperate in an infringement suit does not prevent the joint owner from granting a license to the infringer. Since the license would result in dismissal of the suit, except for past damages, the joint development agreement could restrict a joint owner's ability to grant licenses to a third party. To the extent the parties to the agreement are or could become competitors, a provision that requires agreement between them before granting further license may present antitrust problems. It is probably safe to include a provision that restricts a joint owner's ability to grant license to a third party who was sued for infringement by the other joint owner.

Under U.S. law, an exclusive licensee is treated differently. Thus, if BAC is granted an exclusive field of use license under LCC's interest in jointly owned patents, BAC as the exclusive licensee may compel LCC to join in an action for infringement in the field of use.

Thus, if the joint development agreement provides for exclusive field of use cross licenses, each party could compel cooperation in enforcement.

Even where a party can compel cooperation in enforcement, it is good practice to include provisions in the agreement that address each

party's rights and responsibilities. For example, if LCC instituted suit for infringement of a jointly-owned patent and included BAC as a party, who bears the cost of the suit? If LCC recovers damages from the infringer, will LCC have the share with BAC? Can LCC settle the infringement action by

granting a license to the infringer? Can LCC concede in court that the patent is invalid or agree to a construction of patent claims that significantly changes the scope of the patent? All of these questions should be answered in the agreement with respect to jointly-owned patents.