

Workpackage number: WP 3.2		Start date or starting event: month 21					
Workpackage title: <i>An IPR regime in support of a knowledge based society</i>							
Participant id:	BC	NIFU-STEP	SPRU	IWH			
Person-months per participant:	6	3	3	8			

Objectives:

The overarching objective of this workpackage is to examine the form and function of relevant intellectual property rights regime (IPR regimes) in terms of their role to support the knowledge process (creation, dissemination, and use). This serves to consolidate and augment our current knowledge of the changing IPR systems and the implications for the knowledge-based society in light of the results of analysis from sections 1 and 2.

- 1 The first objective is to increase our understanding of how IPR regimes affect the knowledge process, differentiated into private and public good characteristics of knowledge.
- 2 The second objective is to determine the conditions for a good fit between form and function of IPR regimes in a dynamic environment of changes in the institutional and organizational conditions of the knowledge based society.
- 3 The third objective is to assess policy implications that take into account pervasive changes both, in the form and function of the IPR regimes, and in the underlying institutional and organisational arrangements for the knowledge process.

Description of work:

This WP examines the form and function of the IPR regimes and changes to those regimes in the relationship to the underlying institutional arrangements for the knowledge process. Focussing in particular on patents, the analysis includes both normative and empirical aspects. From the analysis of the institutional and policy framework of the patent-regime in the formative European environment, policy implications will be drawn.

- 1 For the first objective, the analysis first examines the normative dimensions of patent and other industrial rights regimes as an integral part of the overall set of institutional and organizational conditions in the knowledge based society. The examination draws out salient features of IPR regimes with special attention to how the regimes balance public and private good concerns in a productive manner for the economy and, not least, for society.

The research is conducted at three different levels to highlight the balance between public and private characteristics of knowledge. (i) In the first level, IPRs are assessed in the predominantly private-good environment. This pertains in particular to the role of the patent system in facilitating or hindering knowledge accumulation, its dissemination, and use, in the private sector. This analysis is conducted with reference to the results generated in the workpackages of section 1. (ii) Second, the role of IPRs in a predominantly public-good environment for the knowledge process are assessed with particular reference to the changing role of academic research. Here, reference is made to the results from section 2. (iii) The assessment of IPRs in mixed-good environments focuses on the increasing tension in the institutional framework between the IPR regimes and standardization activities. IPR regimes and formal modes of standardisation are two key institutions in the changing frame of the knowledge process: the first is traditionally associated with private goods and the second with public goods in the pursuit of technological change. Although their roles are inherently complementary, we know that the relationship between them has become increasingly tense, because the use (and the conditions of use) of each other has changed in the past two decades (e.g. two EU projects: INTEREST, Study on the Interaction between Standardisation and Intellectual Property Rights).

- 2 For the second objective, the analysis puts particular emphasis on the important fit between the form and function of the IPR regimes in the environment of changes to the underlying institutional arrangements for the knowledge process. The empirical analysis introduces current aspects of the changing institutional

and organizational conditions (e.g. harmonization of patent regimes, challenge of new technologies, etc). This will draw again on the results generated with respect to knowledge generation (WP 1.1), to knowledge transfer (WP 1.2), and to market structures in particularly knowledge-intensive product markets (WP 1.3). The analysis follows up on the role of, especially, the patent system to facilitate knowledge accumulation by considering changing patenting patterns of the private sector in different countries and sectors; i.e. how patenting reflects knowledge assets in the private sector. Another important focus is the influence of IPR governance on the quality of relationships among IPR system stakeholders and its contribution to the interrelated processes of profit and value (financial and non-financial) creation and distribution from IPRs. The analysis additionally makes use of country- and sector-specific data, e.g. on patenting, some of which are uniquely available to a project participant.

To this objective, additionally, contributes the analysis of the relationship of the patent regime with the changing role of public research. This will draw again on the results generated in the two workpackages on the public science - industry link (WP 2.1 and WP 2.2). In line with international policy trends (e.g. OECD, 2003), the commercialization of academic research is an important area of innovation policy in many European countries (e.g. Norway, Italia, Denmark, Germany, etc). Here, the analysis is able to explore the role of IPRs by augmenting existing analysis (e.g. from the Patvalue project).

- 3 For the third objective, the results and insights generated in the first two objectives are assessed in terms of their political and administrative implications, taking into account in particular pervasive changes to both, the form and function of the IPR regimes (especially patents), and to the underlying institutional and organisational arrangements for knowledge creation, dissemination, and use. Here, particular reference can additionally be made to the results of WP 2.3 on policy learning and knowledge policies.

Deliverables:

D24 *Report on IPR regimes in knowledge based societies*. Responsible: B. Andersen (BC) (month 32)

- BC: Summary on State-of-the-Art in Researching IPR regimes in knowledge based societies (month 32)
- NIFU-STEP, SPRU: Explorative analysis of the form and function of IPR regimes in normative and empirical terms (month 24)
- IWH, BC: Survey of the changing relationship between IPR regimes and the underlying institutional arrangements for knowledge creation and utilization: corporations, public research organizations, and standards development organizations (month 28)

D25 *Policy paper on the form and function of IPR regime in a knowledge based society*. Responsible: IWH and BC (month 32)

D26 *Workshop on the equitable harmonization of IPR regimes for the (European) knowledge-based society* (between month 28 month 32) This workshop is subject to additional funding by the EU or the Norwegian Research Council. Responsible: NIFU-STEP.

Milestones and expected result:

- 12 Form and function of IPR regimes in a dynamic environment of institutional and organizational changes and political and administrative implications