

Back to IPR's and Innovation

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Intellectual Property Rights (IPR) by definition do not protect ideas; instead they protect either the author's expression of an idea or the specific implementation of an idea (invention). The patent system was introduced to boost innovation by enabling a free flow of ideas, not to slow it down. It worked this way fairly well for a long time. A problem with the modern system of IPR's and patents is that most of the challenges are not about preventing someone from generating new ideas, but about slowing down the implementation of inventions due to fear of a possible IPR conflict. A good and thought-provoking article about said harm produced by the current US patent system is written by Greg Blonder in Business Week.

Generating new ideas requires free knowledge flow and idea exchange among different individuals and groups; without that it is hardly possible to think out of the box and come up with new breakthrough ideas. IPR's protect those who first made an invention, after the idea is disclosed by a patent it is usually available to everyone. Many organizations would not let the internal knowledge flows that might lead to a great idea go public since they want to be the first to obtain patents and capitalize on their inventions. So, at the moment we are missing a large body of knowledge. While the actual knowledge is known it remains hidden and is therefore unavailable for others to use in creating new ideas and inventions.

Speaking about ideas, it is not only IPR's that are responsible for an inefficient production of bright innovative ideas. There are many other ingredients which might be even more influential; an educational system which provides knowledge but not a capability for independent thinking, an ever narrowing scope of interests of engineers, a lack of culture that stimulates innovation, and so forth. Young talented people want an MBA, not an engineering degree. Professors at universities act more as company executives fighting over project budgets, than scientists. Academic research is afraid of risky projects and prefers playing it safe. IPR's are just a tip of the iceberg and, perhaps, not the most important one.

The real contradiction is not with Intellectual Property, but sits at a higher level; between invention and business. In the current environment, to be effective in generating new ideas we need a well-stimulated free and open idea exchange, but to create a successful business this exchange cannot be free, nor open. To solve this contradiction we need to create conditions by which free and open idea exchange stimulate and protect business. IPR's and patents are just one of these conditions, and its current implementation seems to be outdated.