Issue 48 www.wrti.org.uk

Inventique

The newsletter of Wessex Round Table of Inventors November 2004

News in brief

SOUTHAMPTON COMPANY Symetrica Limited is developing a unique 'drive-through' scanner capable of screening vehicles and cargo for radioactive material at speed, to improve security at ports and airports – thanks to a £99,000 investment from NESTA, the National Endowment for Science, Technology and the Arts.

"Current technology does not distinguish between a dirty bomb and a cancer patient, a truck load of ceramic tiles or a crate of bananas – all of which are radioactive to some extent," says Symetrica's Dr Brian Lever. "That's not good enough in the post-9/11 world, when security services need to accurately identify radioactive threat materials."

Gamma rays – the shortest wavelength electromagnetic radiation – are naturally emitted by many substances, from nuclear materials to granite, coffee and fertiliser.

Symetrica's gamma ray detectors evolved from technologies originally developed for space science. The innovation was masterminded by Dr David Ramsden, then at the University of Southampton's Department of Physics and Astronomy, where he gained an international reputation for his work in radiation imaging.

NESTA's support was channelled through its *Invention and Innovation* programme, which has directed almost £15m into 234 projects since December 1999.

- **www.nesta.org.uk**
- **www.symetrica.com**

WRTI gains BIS awards

TOP SPOT FOR CLUB'S AUTOCONE INVENTOR

WRTI MEMBER Brian Flynn gained a prestigious honour at the *British Invention Show 2004 Grand Final* awards ceremony last month, being voted joint overall winner of the show with his Autocone™ machine.

Other WRTI success stories included Shamal Barzanji's Gravity Pump™– which gained an International Bronze medal and certificate and is now being manufactured under licence – and an Industrial Gold Medal to Eddie Czerniak for his Czerniak Ducted Craft™ (which improves the fuel efficiency and manoeuvrability of marine craft by almost completely eradicating bow wave and wake, and has been tank-tested at the British Maritime Technology Centre, and at Nottingham and Southampton Universities).

In addition, Brian Stickley's Talking Products™ for the visually impaired gained much media attention from BBC Television and GMTV, while chairman David Nicholas took part in a light-hearted interview about invention which went out on BBC Radio 5 Live.

David Robson's Burnside Desktop Mobile (above) gained third place in a BBC News 'Eureka Moments' poll at:

http://newsvote.bbc.co.uk/2/hi/uk_news/magazine/3759422.stm?dynamic_vote=ON

Brian's Autocone features in a Guardian newspaper article at:

http://www.guardian.co.uk/uk_news/story/0,3604,1335270,00.html ■

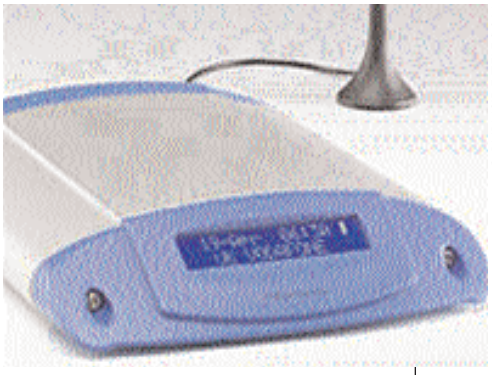
- **www.britishinventionshow.com**

Next WRTI meeting

WEDNESDAY 10 NOVEMBER

Guest speaker Barry Holton from Plasma Quest will give an illustrated lecture on thin film deposition (as used on CDs) in room HC 017, Herbert Collins Building, Southampton Institute, commencing at 6.30pm.

Map: http://www.solent.ac.uk/location.stm. www.plasmaquest.co.uk



© BURNSIDE TELECOM

WRTI member David Robson's Burnside Desktop Mobile (above) links standard telephones to mobile phone networks, allowing them to send and receive text messages. If attached to an alarm it can send a text message alert, and will access the internet when connected to a computer.

- ***www.burnsidetelecom.com***

Wessex Round Table of Inventors meet at 6.30pm on the second Wednesday of each month at Southampton Institute, East Park Terrace SO14 0RP

VIEW FROM THE CHAIR

DUE TO CLASHING diary dates, Brian Russell, curator of the Hovercraft Society, couldn't turn up to talk at October's club meeting. Fortunately for me (WRTI members might have thought otherwise!) it was a subject I knew something about, so I was able to blather on for about an hour recounting the fun times I had during my sixteen years working in the Hovercraft industry. During this period I had the tremendous honour of working alongside the legendary inventor of the Hovercraft, Sir Christopher Cockerell, a memory that will stay with me forever.

But there are some serious lessons to be learnt from such projects – not least that a revolutionary product has to be designed as part of a managed process if it is ever to be accepted.

That was as much a truism for the Hovercraft as it was for Thomas Alva Edison. The famous inventor's 1879 announcement of his electric light bulb was preceded by other people's creations, so why is he often credited with inventing it? Because Edison and his Menlo Park engineers spent subsequent years creating the entire electricity system, from light sockets and safety fuses to generating facilities and the wiring grid (at one stage calculating that there was not enough copper in the world to connect up New York's lights); Edison's electric light become the innovation that literally lit the world only after this process was completed.

The lesson, of course, is that an invention on its own is about as much use as a chocolate teapot.

Sincerely,

David

PROFESSOR DAVID NICHOLAS MBE, Chairman

INVENTORATOR Linda Oakley

Invention to business

TURNING IDEAS INTO PRODUCTS OR PROCESSES

IT ALL SOUNDS so simple, so straightforward, so effortless... a flash of inspiration and a great idea becomes a household name and makes millions.

But the reality is rarely so simple. Ideas might be relatively easy to come by, but first-time inventors too often confuse an 'idea' with an invention – the technical application of an idea to provide a new product or process. Turning an invention into a profitable business is an altogether different matter.

Thousands of inventors and innovators file for patents each year, but it is estimated that only 1-in-100 will cover costs and only 1-in-1,400 becomes a world-beater. And once a patent *has* been filed, the clock starts to tick away – leaving only twelve months to decide if protection is to be applied for in countries outside the UK.

Remember that it takes effort, knowledge, money and time to refine an idea into a workable invention, even on paper. Turning it into a new product accepted by the marketplace is even harder.

The Market

Obtaining a patent for an invention will not generate any income if it is for a product that no one will want or can afford to buy. Identifying the market for your invention is crucial for success; a business can fail if unrealistic market research has been undertaken or if the findings have been interpreted too optimistically.

The Competition

Is anything similar on the market? What advantages would the new invention have? There may simply not be enough demand for a new or modified feature to an existing product, for instance, so it would be pointless to proceed with it.

Finding out as much as possible about the competition will also give an understanding of that industry – if it is in decline, for instance, or whether growth conditions indicate that a different approach be taken.

Just because a product is new does not always mean the market will welcome it. People are reluctant to change and established companies have spent years and hundreds of thousands of pounds ensuring that their products remain on the shelves.

The Right Price

However much people might like an idea, the price must be right, affordable to the consumer and make a commercial return for the business. An invention aimed at a low volume, low profit market could mean expenditure is too high for a business to be sustainable, but a high volume, low profit margin market could bring success.

American entrepreneur John Osher tapped into a market with his SpinBrush, the first low-cost, mass-marketed mechanical toothbrush. At around $80 each an electric toothbrush was too expensive for many buyers – but at less than $5 it became affordable to a bigger market and a product that people bought again and again (Osher reportedly sold the SpinBrush to Procter & Gamble for $475m).

"Our advantage was that we were trying to design up from 80 cents, while everybody else was trying to design down from $79," he said. ■

Continued next month...

● *Linda Oakley is co-founder of* ideas21. **linda@ideas21.co.uk**
www.ideas21.co.uk

This is an edited extract from an article which first appeared in A Handbook of Intellectual Property Management, *published by Kogan Page (for details, see page 4).*

NEGOTIATING A LICENCING AGREEMENT-1

THE MAIN CONTRACTUAL TERMS OF A COMMERCIAL AGREEMENT

ROSANNA COOPER CLARIFIES THE LEGAL POSITION FOR INVENTORS AND ENTREPRENEURS

NEGOTIATIONS WITH third parties regarding the exploitation of an invention should be conducted under an obligation of confidentiality wherever possible, *writes Dr Rosanna Cooper.* The main legal and commercial terms of these negotiations can then be included in a formal document called a Heads of Agreement or Memorandum of Understanding (MOU), which should be signed by both parties.

An MOU is not a binding contract (either party may withdraw at any time) but simply shows the intention of the parties. The terms on which the parties agree will form the basis of the main, contractual, agreement – the licencing agreement.

(RT Coopers offer special legal 'Packages' for inventors – in one of which we undertake to provide a confidentiality agreement, conduct negotiations, and draft both an MOU and a licencing agreement.)

In order to use a realistic model, this article focuses on contractual terms that would typically be included in a software licencing agreement.

Confidentiality

It is crucial not to divulge any information regarding your invention without having entered into a binding confidentiality or non-disclosure agreement. The terms and scope of this agreement take on more significance where the potential commercial value of the invention or product is high.

Confidentiality is an important factor in any commercial agreement and must be considered before the outset of negotiations – especially for inventors who have not protected their inventions by filing a patent application, but may be seeking a distributor, manufacturer or investor to exploit their idea.

In order to reach agreement with such third parties, certain aspects of an inventor's product or invention would have to be disclosed. Should negotiations subsequently break down, it is essential that the information that had been disclosed does not become publicly available, used by the receiving party or fall into the hands of competitors. To avoid this situation occurring, confidentiality agreements must be signed before negotiations commence and crucial information disclosed.

Intellectual Property Rights

The intellectual property rights, or IPR, that may be afforded are copyright and patent rights. The software may be packaged and the name of the product registered as a trade mark. However, patenting of software is a highly complex area. (At RT Coopers, we would take you through the process and assist you in the protection of your idea.)

Particular consideration should be given to confidentiality in respect of your intellectual property rights. This is important, as certain IPR, such as patent rights, are not capable of protection once the information has been disclosed to the public. The licencing agreement must therefore ensure adequate protection of your IPR, including any improvements to existing products, ownership of existing rights and the ownership of any future rights created. Ownership of the IPR is also crucial: you must own rights before you can licence them.

The licencing agreement may provide for the party to make applications for new rights, and attend to the payment of any fees or registration required. The agreement may also provide for the parties to conduct legal proceedings against a third party should a right be infringed, plus payment for the legal action. (Again, RT Coopers advise and assist inventors with IPR as part of a Package.) ■

Continued next month...

● *Dr Rosanna Cooper is a partner at RT Coopers, a commercial law firm focusing on inventors and business start-ups.*

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HUMORESQUE **Most people can read every word of this, if they don't concentrate on the letters:**

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"Forget the answer. First, find the right question" – Christopher Cockerell

www.wrti.org.uk

THE INVENTORS WEBSITE

CENTRE OF EXCELLENCE A Handbook of Intellectual Property Management

The real deal...

THE ULTIMATE 'HOW-TO' GUIDE TO PROTECTING, DEVELOPING AND EXPLOITING YOUR IP ASSETS

PUBLISHED IN association with The Patent Office, this new book is a practical reference source for creators and users of intellectual property (IP), directing readers to the best current thinking and practice for building and developing a cost-effective portfolio of rights.

Faster and yet faster

Over 30,000 patent applications and 34,000 trade mark applications are received by the Patent Office each year. The potential for creating value from ideas, brands, designs and processes has never been greater – but neither has the speed at which innovation and creativity can be replicated around the world: organisations need to find ways of keeping ahead of their rivals.

To this end, the process of defining and protecting IP is becoming a mainstream activity, with as much future impact for innovators, entrepreneurs and companies as finance or marketing. IP protection can be equally important in securing the distinctive know-how and identity upon which a company trades.

A Handbook of Intellectual Property Management is packed with practical advice and contributions from leading innovators and top patent and trade mark attorneys on a wide range of topics, including:

- **The value of IP.**
- **Acquisitions, flotations and liquidation.**
- **Brand identities.**
- **Building an IP team.**
- **Buying and selling rights.**
- **Competitors, counterfeiting, piracy.**
- **Consumer goods and financial services.**
- **Copyright, design rights, patents and trade marks.**
- **Creative and manufacturing industries.**
- **EU versus USA.**
- **Start-ups and spin-outs.** ■

● A Handbook of Intellectual Property Management: Protecting, Developing and Exploiting your IP Assets *(Consultants: Adam Jolly and Jeremy Philpott) is published by Kogan Page.*

239 pages ISBN 0749442239 £29.95

Online price: £26.95 (save 10%). Go to: www.kogan-page.co.uk

WEBSITE OF THE MONTH

www.archive.org

An internet archive; use it to find defunct websites and pages.

Website supplied by Mike Overy.

BOOK OF THE MONTH

The Book of Inventions

by Ian Harrison

Cassell Illustrated 200 pages

ISBN 1844031845 £20

'Christmas is coming: here is a harbinger: 200 pages of photographs, facts and fun about inventions, including a foreword from Art Fry, who invented the Post-it note.'

– Tim Radford, The Guardian

MEMBER SERVICES

Entries in this column are free to WRTI Members, who should mail their details to the Editor (see panel at foot of page).

CONCEPT TO MANUFACTURE. Help with presentation, prototyping, technical & manufacturing issues. Contact: Innovate Product Design, 01722 410 295

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franklandamore@hotmail.com

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