

Recommendations of the participants of an enlarged visiting session of the Supervisory and Academic Council of the Republican Scientific Research Institute of Intellectual Property (RNIIS) in Magadan region

“On the priorities of innovation-based development through the market of intellectual property of the Siberian and the Far East regions”

The city of Magadan

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Participants of enlarged off-site meeting of Supervisory and Scientific council of RSRIIP in Magadan region "On priorities of innovation development through the market of intellectual property of Siberia and Far East regions", that had been held on the threshold of summit of APEC in Vladivostok (September 2012) in the city of Magadan, with the participation of governor and administration of Magadan region, heads and representatives of federal and regional bodies of state authority (including Ministry of economic development of Russia, FCS of Russia, Prosecutor General's Office of Russia), institutes of RAS, IHEs, enterprisers and organizations, mass media,

having discussed problems of innovation development with taking into consideration national and international experience of transfer to innovative economics through formation of civilized market of intellectual property, including the case of international cooperation, motivation of innovation behavior of citizens and joining of efforts of authority, science and business, taking into account declared priorities of innovation development of Siberia and Far East regions, and sharing the conclusion made by President of Russian Federation about priorities of technological modernization and necessity of formation and development of market of intellectual property as a key condition for formation of innovative economics and ensure its competitiveness in conditions of WTO, having pointed out that:

1. In conditions of globalization at world market, “the fourth basket” that stands next to goods, works and services, is rights on results of intellectual activity – intellectual property. The structure of market in conditions of transfer to new sixth technological setup and aggravation of competitive fight have steady tendency to change till the year 2015 in favor of growing of part of intellectual property. At the same time intellectual property, especially in scientific-technical sphere, plays an important role as a mechanism of making of added value (part of intellectual property is up to 10-15 % of price for realized product), as a mean of capitalization of assets of enterprisers and organizations (through intangible assets) and as investment resource (where credits, borrowings and bank guarantees are provided on collateral of intellectual property).

2. Leading positions in world trade of intellectual property are occupied by APEC-countries: USA, Japan and Chinese.

Russia is still at the leading position in the world in number of scientists (every year 30 thousand of scientist receive diplomas of doctors and candidates of sciences). The last 10 years internal national expenses for science increased in 10 times (from 46 up to 486 milliards of rubles) - 8 position in the world.

There is an auspicious tendency in implementation of modernization and innovation decisions in spheres of economics of Far East regions. Thus, Magadan region occupies the second position in Far Eastern federal district in number of innovation organizations (38) and in number of innovative things (works, services) - 2,4 milliards of rubles. Innovation activity level in 2011 reached 34 %. Normative base was founded and innovation infrastructure was increased, including North-Eastern centre of intellectual property.

At the same time Russia has only 0,3% part of sales of science intensive production in world trade, while up to 90% of means assigned for modernization of domestic industry are spent abroad on purchase of import technologies, equipment and production. Number of deliveries of import technologies and equipments has reached critical level in all basic branches

of industry in conditions of undemanding of Russian scientific developments in interests of modernization of domestic manufacture.

Number of questions, connected with formation and development of market of intellectual property, is still not solved in Russia:

- accounting of intellectual activity results is held only for 3-5 types of 20 (4 State Registers of RIA), where up to 30% are protectable, and up to 7% are protected;

- in relation to absolute majority of RIA, rights on them are not consolidated neither by opened way - through patenting (20% of market) nor by closed way - through know-how in conditions of commercial secret (70%), this means that RIA are information that, in accordance with art. 128 of CC RF from January 01, 2008, was excluded from objects of civil turnover;

- external innovation activity of scientific organizations and IHEs is appraised according to number of publications, dissertations, monographs, seminars (which are objects of copyright), while internal accounting is held mostly for objects of patent right, that are subjects to state registration, but without evaluation of commercialization of rights on them;

- last years in Russia were issued less patents than determined among earlier issued patents, thus in 2011 in Russia were issued 29999 patents on inventions, while determined 43345 patents; correspondingly on useful models – 11079/19051 patents, on industrial standards – 3489/5140.

- having the dole of budget financing on expenses of SREDW of more than 70%, Rospatent gives more than 40% of patents on inventions for physical persons – citizens of Russia, while among foreigners this indicator is less in 10 times (4%, and more than 95% - legal persons), that is predetermined by high risks and expenses on market exploration and following commercialization of such intellectual property;

- in whole, the part of commercialization of intellectual property, protected by the patents, in Russia is still extremely small and equals 2%. Market of intellectual property in RF is still at the basic stage of formation. And its structure is exaggerated to commercialization of intellectual rights on means of individualization (in 2011 more than 75% of all deals on disposal of exclusive right in relation to registered objects of intellectual property), that indicates the activation of market relations in sector of buying and selling of foreign goods, but no innovation activity of possessors of exclusive rights in its manufacture.

This situation prejudices suitability, in case of use of previous approaches, of further use of expensive and long-term procedures of patenting of protected results of intellectual property, which do not give any evident privileges and profits to its ownerships, except 3 milliard rubles gathered yearly by Rospatent as a patent fees (where ½ is spent on salaries).

Long-term cooperation of APEC-countries in innovation sphere should favor formation of interstate market of intellectual property as a main precondition for modernization of national economics mainly on the base of domestic technologies and changing of life quality of citizens in countries of region.

3. The formation of market relations in frames of “the fourth basket” of world trade is not favored by system of indicators of appraising of innovation development in sphere of scientific-technical workings, where declared such *factors of innovation development* as: number of persons defended candidate’s and doctor’s dissertations; number of publications, containing results of intellectual activity, obtained in frames of execution of projects of searching studies according to the results of execution of complex projects; number of scientific publications being part of 10% of the most cited in the world in total number of scientific publications of country; number of foreign aspirants and doctoral candidates in total number of aspirants and doctoral candidates; number of held international conferences and seminars on priority areas of scientific-technical and innovative cooperation; inner expanses on researches and investigations in state sector and sector of higher education. Realization of aims of innovation development in accordance with these indicators consolidates the course on improvement of import dependence in all basic branches of economics, imitation of activity according to the number of applications for receiving of patents and patents without taking into account the level of commercialization of exclusive rights on these technical decisions in innovative process.

4. Main reasons of existing situation are:

substitution of strategy, politics and indicators of innovative economics by politics and indicators of so-called “economics of knowledge”;

legal and economic ignorance with the absence of personnel in sphere of economics, law and management of intellectual property (graduates of RSAIP – main organization of Russia and CIS for personnel training in sphere of intellectual property - annually up to 200 people, that is not enough even for internal need of Rospatent, when Russia needs about 50 thousand of such specialists);

high level of corruption in the sphere of SREDW (both in distribution of budget funds and in external deals when bringing state investments into modernization of domestic manufacturer, where up to half of budget funds are wasted on kickback), that predetermines officials’ unwillingness to change something cardinaly;

grow of active internal and external opposition to entry of Russia to the arena of new market of international division of labor in sphere of intellectual property as sellers;

These are threatening factors and strategic risk for innovation future in considering spheres, to overcome which is possible only with essential correction of state politics in this sphere in all its dimensions: lawmaking, law-enforcement and juridical awareness.

When technological market is distributed, Russia, the same as other countries of CIS, in best case, got the function of setup of products in accordance with foreign technologies, often of yesterday, that does their production uncompetitive at global market. In order to change this situation, to be the sellers, not the buyers, we should be ready to fight for own national interests and should form, firstly, own segment of market of intellectual property – on Eurasian axis (in frames of Customs Union – EurAsEC - CIS).

In order to improve level of coordination and cooperation of all interested sides and creation of conditions of transfer to innovative economics through formation of civilized market of intellectual property, decisions of these problems, including in frames of international cooperation, and increasing of innovation activity speed, with taking into consideration the abovementioned discussion, participants of this discussion accepted **following recommendations:**

1. In sphere of development of rulemaking:

1.1. To accept measures intended for improvement of order of assigning of budget funds for SREDW with participation of real sector of economics and decreasing of the level of corruption in this sphere. To consider being important to have section devoted to opposition to corruption in annual state reports.

1.2. To recommend in order to harmonization of law basis, consolidation of common with international practice norms and measures of innovation development, to develop mechanisms of decision of juridical problems in sphere of legal regulation of struggle with counterfeit, customs protection, of possessor of exclusive rights of APEC-countries. It is necessary to extend the list of objects of intellectual property in customs register according to counterfeit and to disaffirm cash deposit of its providing from the side of possessor of rights.

1.3. To support initiative of Russia in development and acceptance of first national standards in sphere of intellectual property “Intellectual property. Terms and definitions”, “Intellectual property. Scientific discoveries” and “Intellectual property. Scientific works”.

In conditions of numerous legal collisions in sphere of use and protection of intellectual property to use more active standardization for its solution, both at national and international levels, including standardization intended on management of intellectual property in SEZ and regional clusters. To support the initiative of Administration of Magadan region in conclusion of state contract for development of project of national standard intended on management of intellectual property in activity of Special Economic Zone. Ministry of economic development of Russia should involve other SEZ to co-financing of development of project of this national standard in year 2012.

1.4 To consider to be urgent the formation of international committee for standardization in sphere of intellectual property (with jurisdiction for countries of EurAzEC and Customs Union,

further - APEC), using the experience of activity of national technical committee for standardization “Intellectual property” (TC-481).

2. In sphere of improvement of law-enforcement:

2.1. At the meeting of State Council, with the participation of President of Russia and Security Council of Russian Federation, to consider the problems, connected with formation and development of market of intellectual property, and proper reasons of existing situation.

2.2 In order to improve global competitiveness of Russian economics in APEC, its transformation into innovative economics through the market of intellectual property, realization of economic development priorities on the basis of effective cooperation of national innovation systems in integrable innovation area, to provide for Strategy of development of intellectual property and special program of formation and development of market of intellectual property as a constituent part of world market of intellectual property in conditions of entry into WTO and necessary basic condition for technological modernization of domestic manufacture. For what, as also for preparation and realization of the program of development of national and regional markets of intellectual property, to consider being reasonable the use of the following indicative indicators:

- part of protected results of intellectual property in relation to the total number of SREDW;
- use of intellectual property in economic activity of organizations/enterprisers;
- number of concluded licensed contracts and contracts of concession/disposal at inner market;
- number of licenses that are sold abroad; number of licenses that are bought abroad;
- part of contracts of commercial use of intellectual property in relation to its total number;
- part of intangible assets of all assets of enterprisers and organizations of innovation sector;
- part of intellectual property in structure of innovation product price;
- part of counterfeit production realized at the inner market, including abroad;
- providing with qualified personnel in sphere of intellectual property (for 1000 researchers).

It is important to use in this situation a rule that can be relatively called “**The rule of 10**”, that includes following conditions of success in development of market of intellectual property:

- Not less than 10 % of funds expended for SREDW – are for consolidation of rights for copyrightable results of intellectual property;
- Not less than 10 % - part of intellectual property in structure of innovation production price;
- Not less than 10 % of number of researches – part of specialists – negotiators between sellers and buyers at the market of intellectual property;
- Not less than 10 % - part of intellectual property as a base of intangible assets in assets of enterprisers;
- Not less than 10 % - part of intellectual property in GIP.

2.3. Take into account successful experience of state management of processes of decreasing of administrative barriers in sphere of intellectual property when at the beginning of 21 century in all countries of CIS (except Russia) functions of state management in sphere of copyright and patent right were jointed in one body of executive authority for questions of intellectual property. In Russian Federation after reorganization of Rospatent and transfer of Federal service for intellectual property in subordination of Ministry of Economics of Russia in 2012, with consolidation of part of functions of Ministry of Education and Science and Ministry of Justice of Russia for it, questions of intellectual property are still distributed between more than 20 federal bodies of executive authority that provides additional administrative barriers at the development of market relations in this sphere. It is needed unified federal body of state administrating and coordination in sphere of intellectual property with appointment of special

subdivisions on questions of intellectual property in all federal and regional offices, including in Ministry of RF for development of Far East.

2.4. To use more active the resources of previously formed SEZ, forming regional clusters, regional and sectoral centres of intellectual property, including centres of Corporation of intellectual property, during formation of innovation infrastructure of development of international, national and regional markets of intellectual property.

Ministry of economic development of Russia (department of SEZ and project financing) should generalize the practice of activity of SEZ, including use and management of intellectual property in SEZ, and form work group with the participation of Administration of Magadan region, representatives of science and business on preparation of program of transfer from trade type of SEZ into complex model of SEZ (with mainly use of elements of technical-implementation and industrial-manufacturing type of SEZ).

2.5 FED RAS should provide in planning of scientific researches and SREDW in 2013 for development of innovation technologies for making and manufacture of power-consuming, science intensive, but competitive production of low capacity in Magadan region with the use of natural resources of the region, potential of sectoral and IHEs science and abilities of SEZ for its realization at the market of APR.

3. In sphere of development of juridical awareness:

3.1. To provide in mass media regular coverage of problems of innovation development, aimed at improvement of investment appeal of long-term high-technological sectors of economics, support of qualified personnel inflow into these sectors, stimulation of innovative conduct of enterprisers, taking into consideration their possibilities in sphere of international cooperation.

3.2. To consider being actual the gathering and analysis of information needed for the following restructuring of educational system aimed at development of scientific-research sector of institutions of higher education, expansion of following cooperation of IHEs with advanced companies of real sector of economics, international integration of national IHEs in sphere of innovative educational programs in specialists training in sphere of economics, law and management of intellectual property, using successful experience of leading universities. Far Eastern federal university in realization of 8 goals of development program of university should use more active the potential of Far East region, including of Magadan region.

3.3. To speed up the process of making decisions by Ministry of Education of Russia on approval of federal educational standards for bachelors and masters training in spheres of economics, law and management of intellectual property.

3.4 To consider being reasonable the opening of Centres for retraining and improvement of professional skills of personnel in spheres of economics, law and management of intellectual property in all federal and national research universities, and also in leading universities of each region in year 2012, and also the formation of Eurasian research integrated university of intellectual property.

3.5 To continue creation of mechanisms of public control for formation and distribution of budget funds assigned for SREDW in order to overcome legal nihilism, decreasing the level of corruption in national offices and improvement of effectiveness of innovation motivation of all participants of civil society.