

# Sorely missed: a national IP strategy

For local innovation to succeed in a global context individuals and governments must understand and acknowledge the importance of securing intellectual property (IP) rights.

Our regional neighbors in China have long been the subject of criticism when it comes to the recognition of and respect for IP. Yet, despite there being no cultural precedent in its society for valuing IP and the benefits which may arise from its commercialisation, or perhaps because of it, China is developing a strategic approach to realising these benefits which in some regards now leads the Australian experience.

China is considered a young country in the world of IP, with only 30 years of experience in the field. However, regardless of its inexperience,

Australia does not have a national, strategic approach to the role of IP, particularly in securing the benefits of innovation and ultimately improving our international competitiveness.

China is increasingly recognising the value of IP rights in encouraging domestic creation and the dissemination of knowledge, as well as access to innovation.

On a recent visit to Australia, Dr Zhang Qin, Vice President of the Chinese Intellectual Property Research Board, addressed a group of local IP and licensing professionals in Sydney. His address outlined the China's commitment to developing and implementing a national strategy developed specifically for the purpose of improving the country's capacity to create, utilise, protect and exploit IP, in order to drive China's global competitiveness in the innovation marketplace.

The most interesting aspect of this discussion and the strategy itself is the express recognition of the role IP has to play in achieving the market outcomes which are being sought. These outcomes include encouraging domestic innovation and creation; attracting technology from abroad and encouraging knowledge dissemination.

Is there a contrast between this explicit recognition by the Chinese government of the importance of IP as a basis for these desirable benefits and the approach and experience we have here in Australia?

Australia does not have a national, strategic approach to the role of IP, particularly in securing the benefits of innovation and ultimately improving our international competitiveness. Whilst individual pockets or stakeholders in our community recognise and promote the importance of IP as an essential basis for achieving these things, as a nation our understanding and development of this important area is ad hoc.

Instead, too often we prefer to focus on knowledge creation and innovation alone without also considering what is necessary to translate these outcomes of our creative effort into an economic benefit for our nation. Some commentators argue our current global competitiveness in the patent landscape already tells this tale.

Of the 72 recommendations in Dr Terry Cutler's review of the National Innovation System, *Venturous Australia*, only three directly addressed IP, and the review failed to take this opportunity to identify the positive role IP has to play in innovation.

Likewise, the announcement of an \$8.58 billion Budget package

for science and innovation and the release of the Government's innovation white paper, *Powering Ideas: An innovation agenda for the 21st century*, did little to address directly the need for and role of IP in securing the benefits of our investment in innovation.

We must come to terms with the fact that much of our innovation effort will struggle to deliver the expected benefits in a global context, if it is not based upon sound IP rights. Part of the drive for China's strategy is recognition by domestic innovators that they need themselves to have IP rights and protection in a global marketplace. We need to be keeping pace with this view, not departing from it.

Whilst the Australian government has just last year implemented guiding IP principles for its own agencies' activities, there is still little impetus for a national strategy to encourage the understanding and use of appropriate IP protection as an essential part of sustainable investment in innovation.

A national IP strategy such as that issued by the Chinese government would significantly raise the profile and understanding of IP and provide a springboard for its more effective use, improve Australia's position in the global IP landscape and ultimately encourage the international competitiveness of our innovation.

We must come to terms with the fact that much of our innovation effort will struggle to deliver the expected benefits in a global context, if it is not based upon sound IP rights.

Australian innovation is at risk of declining in the current economic downturn. With employers encouraged to retain jobs in tighter economic conditions, investment in innovation often becomes highly discretionary. In an environment where appropriate IP protection for such innovation is not secured, the benefits from this local innovation pipeline, such as it is, is at risk.

A national IP strategy would serve to stimulate knowledge of how best to secure and exploit our innovations and help cement our position in the global market-place as not only an innovative country, but as one that recognises that IP lies at the heart of innovation.

\*<http://lesanz.org.au/realmevents/annualconf.html>

