

## OECD Conference on Knowledge Networks and Markets

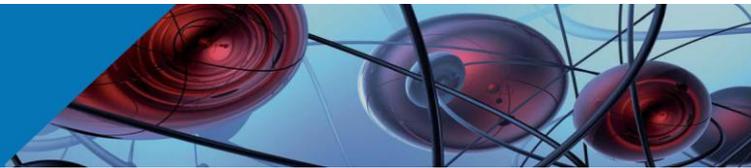
Paris, OECD Conference Centre, 26-27 November 2012

Information and registration details: [www.oecd.org/sti/knowledge](http://www.oecd.org/sti/knowledge)

Following the OECD Innovation Strategy, the OECD Directorate for Science, Technology and Industry (DSTI) embarked on a project to examine the role of Knowledge Networks and Markets (KNMs) in fostering innovation. KNMs are different mechanisms used by individuals and organisations to access, transfer and disseminate knowledge as well as co-create it. They include IP marketplaces, IP funds, open access platforms and a variety of public-private partnerships. The project seeks not only to review the diversity of such mechanisms and their potential impact on knowledge creation, but also to examine the framework conditions in which they operate and how they can be influenced by different policy instruments. This OECD project is partly funded under Seventh Framework Programme of the European Commission. The conference will draw together researchers, policy makers and practitioners from business and public sector organisations to examine the functioning of KNMs in different environments and contexts, in particular:

- The economic and institutional drivers of open access vs. proprietary models of innovation. What is the role of policy in designing, employing and regulating KNMs that operate under these different models?
- The IP system and its impact on knowledge markets. To what extent do IP rights hinder or contribute to knowledge sharing and exchange? What policy instruments should be designed to improve the efficiency of the system create the right balance between the benefits and costs of the IP system?
- The role of KNMs in reducing the risks and increasing the returns associated with R&D and innovation. Which mechanisms are suitable for addressing market failures associated with high transaction costs, barriers to participation in markets, asymmetric information and the public-good nature of knowledge?

On the first day of the conference, speakers will present and discuss different ways in which KNMs can help bring innovations to the market. The initial session will address the advantages and limitations of distributed innovation systems that allow organisations to tap into previously under-exploited sources of innovation and permit agents to collaborate in delivering solutions to a range of problems. The second session will assess the importance of other mechanisms and practices, in particular: improved ways of valuing knowledge, sharing risk and raising funds, for assisting SMEs and other agents to participate in technology markets. The second day of the conference will kick off with two sessions that highlight recent trends in markets for technology, including standardisation, IP fragmentation and aggregation, and will address the complex interaction between IP, competition and innovation. The third session of the day will assess how KNMs can be harnessed to tackle global challenges, in particular health. Based on the evidence and discussion that will take place during the conference, the concluding panel will suggest future avenues for KNM-focused research and policy-making.



## Day 1: Monday November 26th

13:00 – 14:00      *Networking lunch*

14:00 – 14:30      Opening session

### 14:30 – 16:00      **Session I: Knowledge creation and sourcing - the role of ICT-enabled networks and platforms**

*ICT-enabled and distributed models of innovation, such as open source communities and crowd-sourcing platforms, play a key role in enabling the joint knowledge production activities of dispersed groups of individuals. By facilitating the interaction between partners in different countries and technological domains, they help the development of global knowledge networks that tackle innovation challenges. How do these distributed modes of innovation operate, and in which contexts? Do industry specificities emerge? Which incentives lead participants to engage in such platforms, share and co-create new knowledge? Who benefits the most from participating in such platforms and when is value appropriated? Which limitations characterise such mechanisms? Can their functioning or design be improved?*

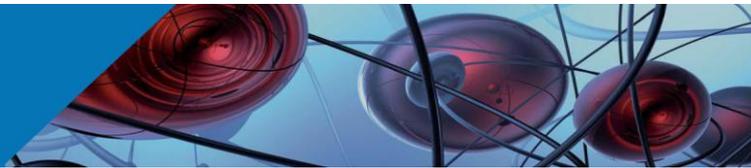
**Moderator:**            **Gail Edmonson**, Science Business

**Key note address:**    **Karim R. Lakhani**, Harvard Business School (via video conference)

- Panel:**
- **Andrew Torrance**, Kansas University School of Law
  - **Simon Schneider**, Grand Challenges Business Unit, Innocentive
  - **Francesco Lissoni**, Bordeaux University and KITES, Bocconi University

16:00 – 16:30      *Coffee break*





Day 2: Tuesday November 27th

8:30 – 9:00 *Networking breakfast*

9:00 – 9:30 Introduction to the second day of the conference

**9:30 – 11:00 Session III: IP rights, standards and markets for complex technological products - striking the balance between appropriability and competition**

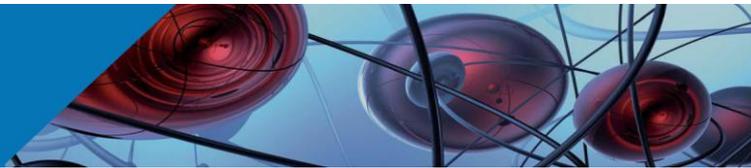
*IP rights and standards play a pivotal role in markets for complex technological products. In sectors and technologies characterised by cumulative processes of innovation or where inter-operability is a prerequisite for participation in the market – e.g. ICTs and synthetic biology - , the assignment of “rights to exclude” can create barriers to market entry, hinder innovation and impact on job creation and firm growth. How does the strategic use of IP affect industry dynamics? What is the role of governments, IP-granting institutions and judicial systems in striking a balance between granting a temporary monopoly to IPR-holders and enhancing the welfare of consumers by means of fostering competition?*

**Moderator:** **Nikolaus Thumm**, European Patent Office

**Key note address:** **Anne Layne-Farrar**, Antitrust & Competition Economics Practice, Charles River Associates

- Panel:**
- **Knut Blind**, TU Berlin, Fraunhofer FOKUS, Rotterdam School of Management
  - **Claudia Tapia Garcia**, Research in Motion (RIM)
  - **Donncadh Woods**, DG Competition, European Commission

11:00 – 11:30 *Coffee break*



**11:30 – 13:00      Session IV: The role of intermediaries in KNMs – the case of IP aggregators**

*Recent decades have seen a rise in the number of patents and an increase in the fragmentation of IPR ownership. At times, this fragmentation simply reflects the division of labour in the innovative process, which may be facilitated by the provision of IP protection for technology components created by different agents. In other cases, IPR fragmentation may exacerbate the transaction and bargaining costs that need to be incurred by market participants in order to establish freedom to operate, influence market entry and ultimately stifle innovation. Although the aggregation of patents in patent commons, pools or funds may reduce such costs and increase market efficiency, it nevertheless confers significant market power to the aggregator, who can then pursue strategies aiming to exclude competitors or other participants from the market. This session will present different models of patent aggregation and discuss their potential impact on the financing of innovation, the monetisation of IP rights, knowledge-sharing, and on the barriers to market entry.*

**Moderator:**            **Dominique Guellec**, OECD

**Key note address:**   **Bronwyn Hall**, UC Berkeley & UNU-MERIT

- Panel:**
- **Keith Bergelt**, Open Invention Network
  - **Thomas Blailock**, Strategic Advisory Services Practice, Ocean Tomo
  - **Giustino de Sanctis**, Sisvel

*13:00 – 14:30      Lunch*

