

Russia and Switzerland: two technology giants, but with very different intellectual property strategies.

Russia, like Switzerland, has an abundance of good universities and excellent researchers. Russia is the greatest space power, builds super computers and excels in mathematics and physics. Although Switzerland is small, Switzerland is also an innovation giant; it comes out systematically at the top of rankings of the most innovative countries<sup>1</sup> and has more Nobel prizes per capita than any other State.

In spite of this importance attached to research, the two countries' economies are nevertheless very different. The Swiss domestic market is tiny and its economy depends largely on export. In contrast, Russian companies tend to concentrate on the huge Russian domestic market.

These differences are very clearly reflected in the intellectual property strategies. Every year Russians file 0.19 patent applications for 1,000 inhabitants, compared with 3.4 for the Swiss, who are much more exposed to international competition. Furthermore, the majority of Russian companies and universities merely protect their inventions in Russia, and rarely take advantage of international protection systems to extend this protection to overseas. In this way products and services developed in Russia end up under-protected and are too frequently copied. What is even more serious is that Russian companies and universities are excluded from technology transfers, with the result that major Russian inventions sometimes remain under-developed.

In comparison, Swiss companies need to think internationally right from the conception of a new product, and so they file more patent applications in Europe than in their own country; Switzerland is one of the founding countries of the European Patent Convention, it is the home to the headquarters of the World Intellectual Property Organization in Geneva, and has more patent agents per capita than any other country. So there is an exceptional level of expertise in terms of IP. Furthermore the judicial and legal system offers both a high degree of flexibility during prosecution and of efficiency in the case of litigation.

This outward-looking international perspective and level of expertise can be found at P&TS, one of the main patent consulting firms in Switzerland. We are based in Neuchâtel, the canton which files the most patent applications per capita in Switzerland. We bring together intellectual property specialists from all parts of the world in order to help innovative companies make a successful international transition and to protect their inventions on international markets. With this in mind we advise the most important Swiss brands in the fields of electronics, mechanics, computing, the luxury industry and chemistry, and we regularly protect their products and services in more than 65 countries. We assist them on a daily basis in the negotiation of technology transfer contracts or to set up international research projects.

We offer several possibilities for Russian companies who wish to take advantage of this expertise in order to successfully extend their activities internationally and to protect their inventions in Europe:

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<sup>1</sup> WEF's 2013-2014 "Global Competitiveness Report": Ranking. Swiss #1  
Global Innovation Index 2013 (by WIPO, etc.) Swiss #1  
IMD's World Competitiveness Yearbook 2013: Ranking about "Total Expenditure (in USD) of R&D per Capita". Swiss #1

#### 1- European Patent

Following an initial national or PCT patent application in Russia, Russian companies and universities can seek our assistance to file a patent application in Europe. Currently the European patent covers 36 States, including all the States of the European Union, Switzerland, Turkey etc. This is often the simplest and most cost-effective solution to protect an invention throughout Europe outside of Russia and Ukraine.

P&TS employs 8 European patent agents and works on a daily basis with this organization. We can also obtain unitary European patents if the agreement that is currently in the process of being ratified is adopted.

#### 2- National patents

When the European patent is too expensive or difficult to obtain for simple inventions, it is often better to opt for national patent applications which offer the advantage of a reduced price and a greater degree of flexibility. For example it is possible to simultaneously file a patent application in Switzerland, Germany, France and the United Kingdom for the cost of an average European patent. The advantage of the national option is to obtain patents which are much more difficult to attack and to allow the protection of inventions that would be excluded from the European patent system.

P&TS employs in-house patent agents with professional experience in each of these countries who can develop sophisticated protection strategies for negotiating with partners.

Furthermore P&TS has built up an exceptional network of correspondents in 65 countries in order to help SMEs, start-ups and large concerns to protect their inventions in the 5 continents. In this way we help some of the most dynamic and prosperous companies in the world with their intellectual property strategy in order to protect their innovations on a global level and to conclude technology transfer agreements.