

ISO Central Secretariat

1, ch. de la Voie-Creuse
Case postale 56
CH - 1211 Genève 20
Switzerland

Telephone + 41 22 749 01 11
Fax + 41 22 733 34 30
E-mail central@iso.org
Web www.iso.org

Organisation internationale de normalisation
International Organization for Standardization
Международная Организация по Стандартизации



Our ref. TMB / NWIP

TO THE ISO MEMBER BODIES

Date 2007-12-19

New work item proposal – Patent valuation

Dear Sir or Madam,

Please find attached a new work item proposal submitted by DIN (Germany) on patent valuation. It should be noted that, if the NWIP is approved, the work will be carried out in a Project Committee.

You are kindly invited to complete the ballot form (Form 05) which could be downloaded at www.iso.org/forms and send it, preferably in Word format, to the Secretariat of the ISO Technical Management Board at tmb@iso.org before **20 March 2008**.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'MAS', with a long horizontal line extending to the right.

Michael A. Smith
Secretary to the Technical Management Board

Encl: NWIP (Form 04)



NEW WORK ITEM PROPOSAL	
Date of presentation 2007-12	Reference number (to be given by the Secretariat)
Proposer DIN	ISO/TC / SC N (ISO/PC to be established)
Secretariat DIN	

A proposal for a new work item within the scope of an existing committee shall be submitted to the secretariat of that committee with a copy to the Central Secretariat and, in the case of a subcommittee, a copy to the secretariat of the parent technical committee. Proposals not within the scope of an existing committee shall be submitted to the secretariat of the ISO Technical Management Board.

The proposer of a new work item may be a member body of ISO, the secretariat itself, another technical committee or subcommittee, or organization in liaison, the Technical Management Board or one of the advisory groups, or the Secretary-General.

The proposal will be circulated to the P-members of the technical committee or subcommittee for voting, and to the O-members for information.

See overleaf for guidance on when to use this form.

IMPORTANT NOTE: Proposals without adequate justification risk rejection or referral to originator.

Guidelines for proposing and justifying a new work item are given overleaf.

Proposal (to be completed by the proposer)

Title of proposal (in the case of an amendment, revision or a new part of an existing document, show the reference number and current title) English title Patent valuation French title (if available)
Scope of proposed project Specification of basic requirements relating to methods of <u>monetary patent valuation</u>
Concerns known patented items (see ISO/IEC Directives Part 1 for important guidance) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", provide full information as annex
Envisaged publication type (indicate one of the following, if possible) <input checked="" type="checkbox"/> International Standard <input type="checkbox"/> Technical Specification <input type="checkbox"/> Publicly Available Specification <input type="checkbox"/> Technical Report

<p>Purpose and justification (attach a separate page as annex, if necessary)</p> <p>Within the context of global competition, economic efficiency is shifting towards knowledge-intensive technological goods and services. In this situation, innovations are the driving force for effectively ensuring sustainability. While the physical manufacturing of goods in its economic meaning is becoming less relevant for some business locations, intangible resources such as know-how and technology are turning into the decisive production and input factors for companies. Instruments of industrial property rights protection, and in particular patents, play an important role in securing the profits from technology-based innovations.</p> <p>Patents are a part of the intangible resources of companies and allow the appropriation of returns on innovation. Defensive protection is, however, just one necessary condition for industrial competitiveness. Rather, it is necessary to use and exploit the protected know-how in an integrated manner in order to obtain sufficient profits and returns in view of the shifts within the production of goods. An important problem in this context arises from the intangibility of these economic factors and lack of transparency of the value characteristics.</p> <p>Up until now, in science and in practice, no uniform concept of value and valuation standard for intangible assets such as patents could be agreed on. A substantial area of problems is the interdisciplinary and complex nature of intangible assets and the protection of technical industrial property rights. The relevant scientific disciplines of jurisprudence, economy, and natural science as recipients of value information apply their own definitions of value and thus their own valuation conceptions. Relevant fields such as the finance and insurance industries, which are necessary for an integrated exploitation of intangible assets, sometimes are slow to develop their own concepts of value. An integrated exploitation of intangible assets for the support of innovations can, however, only be achieved by a confidence-building standardisation of the basic value determination and value information for the different stakeholders. This represents the foundation of an economy which is primarily based on intangible assets and helps to make use of undeveloped overall economic potentials.</p> <p>The intended standard specifies basic requirements for a proper patent valuation process. For an appropriate value determination of patents, the basic components of value constitution as well as the essential determinants and, in addition, relevant valuation purposes (e.g. mergers and acquisitions, transfer, licensing, reporting, taxation) are pointed out.</p>	
<p>Target date for availability (date by which publication is considered to be necessary) 2011-06</p>	
<p>Proposed development track <input type="checkbox"/> 1 (24 months) <input checked="" type="checkbox"/> 2 (36 months - default) <input type="checkbox"/> 3 (48 months)</p>	
<p>Relevant documents to be considered</p>	
<p>Relationship of project to activities of other international bodies</p>	
<p>Liaison organizations</p>	<p>Need for coordination with: <input type="checkbox"/> IEC <input type="checkbox"/> CEN <input type="checkbox"/> Other (please specify)</p>
<p>Preparatory work (at a minimum an outline should be included with the proposal)</p> <p><input type="checkbox"/> A draft is attached <input checked="" type="checkbox"/> An outline is attached. It is possible to supply a draft at the start-up of the project.</p> <p>The proposer or the proposer's organization is prepared to undertake the preparatory work required <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>Proposed Project Leader (name and address)</p> <p>Prof. Dr. Alexander J. Wurzer Steinbeis-Transfer-Institute Intellectual Property Management Kistlerhofstr. 168 81379 München GERMANY</p>	<p>Name and signature of the Proposer (include contact information)</p> <p>Dr. Holger Muehlbauer DIN German Institute for Standardization holger.muehlbauer@din.de</p>

Comments of the TC or SC Secretariat

Supplementary information relating to the proposal

This proposal relates to a new ISO document;

This proposal relates to the amendment/revision of an existing ISO document;

This proposal relates to the adoption as an active project of an item currently registered as a Preliminary Work Item;

This proposal relates to the re-establishment of a cancelled project as an active project.

Other:

Voting information

The ballot associated with this proposal comprises a vote on:

Adoption of the proposal as a new project

Adoption of the associated draft as a committee draft (CD) (see ISO Form 5, question 2.3.1)

Adoption of the associated draft for submission for the enquiry vote (DIS or equivalent) (see ISO Form 5, question 2.3.2)

Other:

Annex(es) are included with this proposal (give details)

Date of circulation	Closing date for voting	Signature of the TC or SC Secretary
2007-12-19	2008-03-20	

Use this form to propose:

- a) a new ISO document (including a new part to an existing document), or the amendment/revision of an existing ISO document;
 - b) the establishment as an active project of a preliminary work item, or the re-establishment of a cancelled project;
 - c) the change in the type of an existing document, e.g. conversion of a Technical Specification into an International Standard.
- This form is not intended for use to propose an action following a systematic review - use ISO Form 21 for that purpose.
 Proposals for correction (i.e. proposals for a Technical Corrigendum) should be submitted in writing directly to the secretariat concerned.

Guidelines on the completion of a proposal for a new work item

(see also the ISO/IEC Directives Part 1)

- a) **Title:** Indicate the subject of the proposed new work item.
- b) **Scope:** Give a clear indication of the coverage of the proposed new work item. Indicate, for example, if this is a proposal for a new document, or a proposed change (amendment/revision). It is often helpful to indicate what is not covered (exclusions).
- c) **Envisaged publication type:** Details of the types of ISO deliverable available are given in the ISO/IEC Directives, Part 1 and/or the associated ISO Supplement.
- d) **Purpose and justification:** Give details based on a critical study of the following elements wherever practicable. *Wherever possible reference should be made to information contained in the related TC Business Plan.*
 - 1) The specific aims and reason for the standardization activity, with particular emphasis on the aspects of standardization to be covered, the problems it is expected to solve or the difficulties it is intended to overcome.
 - 2) The main interests that might benefit from or be affected by the activity, such as industry, consumers, trade, governments, distributors.
 - 3) Feasibility of the activity: Are there factors that could hinder the successful establishment or global application of the standard?
 - 4) Timeliness of the standard to be produced: Is the technology reasonably stabilized? If not, how much time is likely to be available before advances in technology may render the proposed standard outdated? Is the proposed standard required as a basis for the future development of the technology in question?
 - 5) Urgency of the activity, considering the needs of other fields or organizations. Indicate target date and, when a series of standards is proposed, suggest priorities.
 - 6) The benefits to be gained by the implementation of the proposed standard; alternatively, the loss or disadvantage(s) if no standard is established within a reasonable time. Data such as product volume or value of trade should be included and quantified.
 - 7) If the standardization activity is, or is likely to be, the subject of regulations or to require the harmonization of existing regulations, this should be indicated.

If a series of new work items is proposed having a common purpose and justification, a common proposal may be drafted including all elements to be clarified and enumerating the titles and scopes of each individual item.

e) Relevant documents and their effects on global relevancy : List any known relevant documents (such as standards and regulations), regardless of their source. When the proposer considers that an existing well-established document may be acceptable as a standard (with or without amendment), indicate this with appropriate justification and attach a copy to the proposal.

f) Cooperation and liaison: List relevant organizations or bodies with which cooperation and liaison should exist.

Proposal for draft structure

Title:

Basic requirements for monetary patent valuation

Foreword

1 Scope

2 Normative references

3 Terms and definitions

4 Requirements

- Specification of the valuation object
- Future orientation of monetary patent valuation
- Relevance of the valuation purpose
- Relevance of the exploitation scenario
- Valuation date principle
- Risk consideration (legal, technical, commercial)
- Monetary value potential (legal, technical, commercial) as determinants for the monetary patent value
- Valuation approaches

Annex A (informative) Supplementary notes

- Degree of objectivity
- Valuation relevant value constructs for patents
- Generation of patent related income
- Economic characteristics of patents as intangibles
- Legal characteristics of patents
- Availability of complementary goods for commercial exploitation
- Valuation occasions

Annex B (informative) Glossary