

Konsileo – Protecting
Your Business. Properly.

**Why
bother
With
Insurance?**





SCHOOLASTIC

CHILD



alamy stock photo



COMPULSORY INSURANCE – UK REQUIREMENT

1. Compliance with the Riding Establishments Act 1964:
 - I. Horses on loan/hire.

2. Employers' Liability (Compulsory Insurance) Act 1969 (Updated 1988)
 - I. Injury or Disease caused to Employees
 - II. Min £5 Million LOI (Std Insurance offering £10 Million LOI)

3. Part VI of the Road Traffic Act 1988
 - I. Third Party Injury – Unlimited
 - II. Third Party Property Damage - £1 Million Min.

4. Section 19 of the Nuclear Installations Act 1965.
 - I. Liability to Third Parties

COMMON COMMERCIAL INSURANCE RISK TRANSFER POLICIES:

- ❖ Material Damage / Business Interruption
- ❖ Public Liability / Products Liability
- ❖ Directors & Officers Liability
- ❖ Professional Indemnity
- ❖ Trade Credit
 - Invoice Protection
 - Annual or ad-hoc
- ❖ Cyber &/or Cyber Crime
- ❖ PA/Sickness &/or Business Travel
- ❖ Marine
- ❖ Kidnap & Ransom

What is IP?

What is IP?



Vs



Intellectual Property refers to creations of the mind

Types of IP

Types of IP

Trade marks

- A trade mark is sign that distinguishes the goods or services of one trader from those of another
- Term of protection is long: currently, for most countries, 10 years from filing, renewable indefinitely
- No problem if you have already used the mark before registering



Types of IP

Copyright

- Provides authors, artists and other creators protection for their literary and artistic creations
- Works covered by copyright include: novels, poems, plays, reference works, newspapers, **advertisements**, **computer programs**, **databases**, **films**, musical compositions, choreography, paintings, drawings, **photographs**, sculpture, architecture, maps and **technical drawings**
- Creators of work usually enjoy protection of not less than 50 years after the creator's death



Types of IP

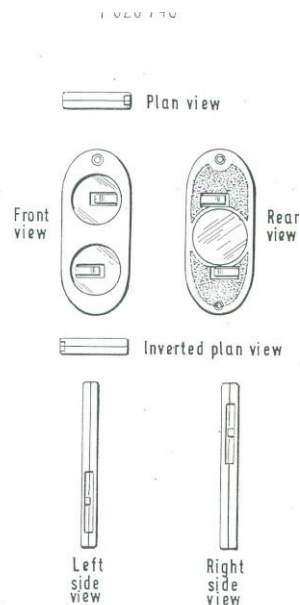
Designs

- A design protects the appearance of the whole or a part of a product
- E.g. lines, contours, colours, shape, texture and/or materials
- A registered design in Europe lasts for up to 25 years
- One year grace period

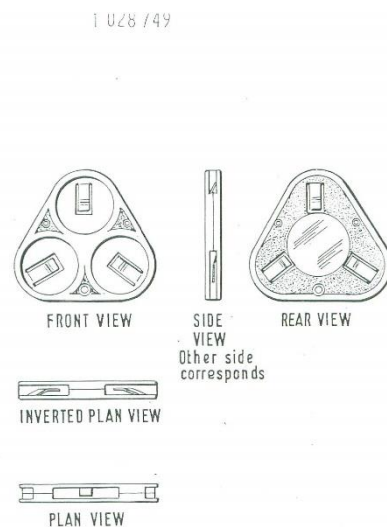


Types of IP

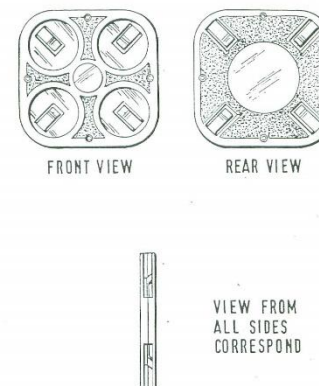
Designs - example



The novelty resides in the shape, configuration and pattern of the article shown by the above representations.



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Types of IP

Patents

- A right protecting an invention (“how something works”)
- A deal - in return for telling the public about your invention, you get the right to stop anyone else from using it
- Generally lasts 20 years from filing
- What is patentable? - Products, Methods and Processes
- There are three main requirements: It must be “novel”, “inventive” and not be excluded from patentability
- Software is patentable

Types of IP

Patents



(12) UK Patent (19) GB (11) 2 159 999 B

(54) Title of invention
Portable coin holder and dispenser

(51) INT. CL. G07D 9/06

(21) Application No
8311551

(22) Date of filing
28 Apr 1983

(43) Application published
11 Dec 1985

(45) Patent published
18 Jun 1986

(52) Domestic classification
(Edition H)
G4X 1

(56) Documents cited
GB 1293281
GB 1285121
GB 0668129
GB 0457867
GB 0359909

(58) Field of search
G4X

(73) Proprietors
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(72) Inventor
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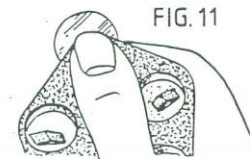
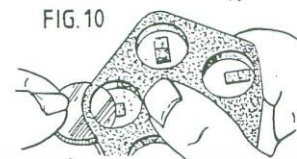
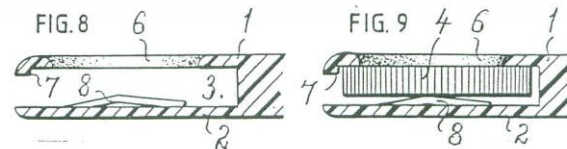
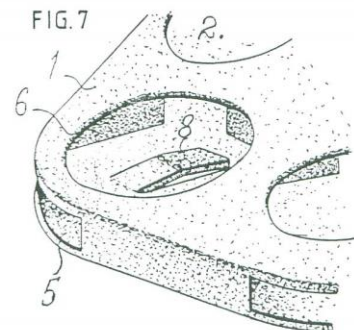
(74) Agent and/or
Address for Service
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7 Staple Inn,
Holborn,
London WC1V 7QF

LONDON THE PATENT OFFICE

GB 2 159 999 B

2159999

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A practical (ish!) example

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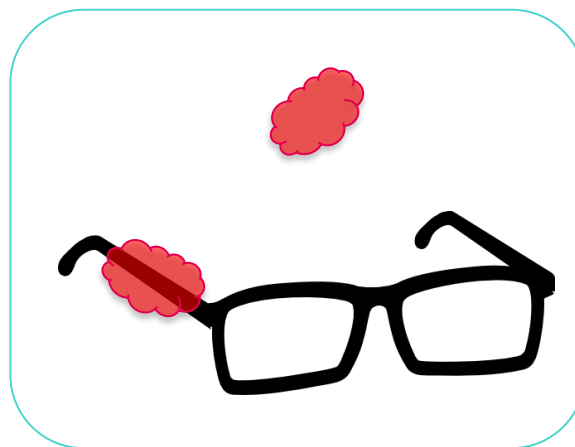


A practical (ish!) example

Trademark



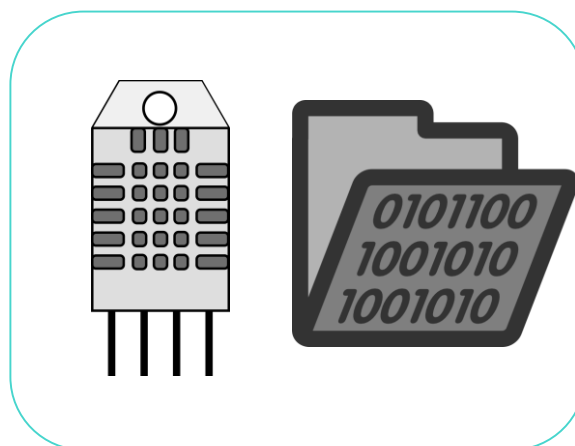
Designs



Copyright



Patents



Why would I want IP?

Why would I want IP?

Relatively cost-free reasons

- Licensing Opportunity - earn income from a patent by granting others the right to use your invention for a royalty
- A Bargaining Tool - if you have a dispute with a competitor, do you have rights that they need or want– Deal? Cross-licensing?
- Can be used as an indication as to the effectiveness of research within the company over a certain time period
- An identifiable asset – will add worth to your company
 - may be important to investor for investment or to buyer at buy out
 - may be important to funding body for awarding funding
- Tax incentive – Patent Box

Why would I want IP?

Reasons that cost money

- Competitive Defence - prevent the competition from producing a similar competing product to your own
- Offensive Strategy - predict the developments of your competitors and protect these developments to obstruct them

Also, possible risks

- A competitor can challenge the validity of your IP
- A competitor can apply for a declaration of non-infringement

How do you minimise the possible effects of these costs and risks on your business?

WHAT IS INTELLECTUAL PROPERTY INSURANCE?

INTELLECTUAL PROPERTY INSURANCE

- Coverage against unintentional infringement
- Coverage for Infringement Assertion.
- Assertion & Defence Costs including :-
 - Purchase of IP outright
 - Purchase of Certificate
- Contractual Indemnity
 - Specified Customers

IGNORANCE IS NO DEFENCE - Risk Management and extensive Research is Key to obtaining good coverage and rates.

INTELLECTUAL PROPERTY INSURANCE

- Standard Historic Premiums:
 - £1 Million Limit of Indemnity
 - Average c£15,000 plus Insurance Premium Tax

- Specific Offering via Konsileo:
 - Limit of Indemnity from £250,000 to £1,000,000
 - Coverage is subject to Excess and co-insurance aspects
 - Premiums from £2,500 to £5,000 plus Insurance Premium Tax
 - Limitations in respect of US / China Exposures

The Benefits of Intellectual Property Insurance:

- Allows decisive legal action to be taken when necessary
- Increases value of rights –Investors, lenders and licensees know that funds will be available to fight litigation/invalidity challenges
- Allows accurate budgeting and company cash to be used more productively
- Acts a deterrent/encourages settlement