

UNIT ONE

INTELLECTUAL PROPERTY

大学商务英语综合教程——教师用书 4

Brief on Intellectual Property

Intellectual property (IP) is originally called **intangible property**. In a broad sense, it refers to the creations of the mind. In a narrow sense, it is divided into two categories: **Industrial property**, which includes inventions (**patents**), **trademarks**, **industrial designs**, **trade secrets**, and geographic indications of source; and **Copyright**, which includes literary and artistic works such as drawings, paintings, photographs and sculptures, and architectural designs.

Modern usage of the term *Intellectual property* began with the 1967 establishment of the **World Intellectual Property Organization** (WIPO). It did not enter popular usage until passage of the Bayh-Dole Act¹ in 1980.

The **legal monopoly** granted by IP laws are credited with significant contributions toward economic growth. Economists estimate that two-thirds of the value of large businesses in the U. S. can be traced to intangible assets. Industries which rely on IP protections are estimated to produce 72 percent more value per added employee than non-IP industries. A joint research project of the WIPO and the United Nations University measuring the impact of IP systems on six Asian countries found “a positive correlation between the strengthening of the IP system and subsequent economic growth”.

Countries generally have laws to protect intellectual property for two main reasons. One is to give statutory expression to the moral and economic rights of creators in their creations and to the rights of the public in accessing those creations. The second is to promote creativity and the dissemination and application of its results, and to encourage fair trade, which would contribute to economic and social development.

The World Intellectual Property Organization is an international organization dedicated to ensuring that the right of creators and owners of intellectual property are protected worldwide and that inventors and authors are thus recognized and rewarded for their ingenuity.

¹ The Bayh-Dole Act or University and Small Business Patent Procedures Act is United States legislation dealing with intellectual property arising from federal government-funded research.

As a specialized agency of the United Nations, WIPO exists as a forum for its Member States to create and harmonize rules and practices to protect intellectual property rights. Most industrialized nations have protection systems that are centuries old. Many new and developing countries, however, are now building up their patent, trademark and copyright laws and systems. With the rapid globalization of trade during the last decade, WIPO plays a key role in helping these new systems evolve through negotiation, legal and technical assistance, and training in various forms, including in the area of enforcement of intellectual property right.

However, there are some critics of intellectual property, such as those in the free culture movement, who characterize it as **intellectual protectionism** or **intellectual monopoly** and argue that the public interest is harmed by protectionist legislation such as **copyright extension**, **software patents** and **business method patents**. Some libertarian critics of intellectual property have argued that allowing property rights in ideas and information creates artificial scarcity and infringes on the right to own tangible property. Several academics even argue that copyrights, patents, and trademarks should be called **intellectual monopoly privileges** because they are systems of government-granted monopolies.

Reading-related Information

- 1. Clorox Company**—It is a manufacturer of various food and chemical products based in Oakland, California, which is best known for its bleach product, Clorox. The product and the company date to May 3, 1913, when five entrepreneurs, Archibald Taft, a banker; Edward Hughes, a purveyor of wood and coal; Charles Husband, a bookkeeper; Rufus Myers, a lawyer; and William Hussey, a miner, invested \$100 apiece to set up the first commercial-scale liquid bleach factory in the United States, on the east side of San Francisco Bay.
- 2. Glad brand**—The Glad brand originated in the United States in 1963 when the owner and CEO of the company, David Darroch, launched “Glad Wrap”, a polyethylene film used as a food wrap. The brand originally belonged to Union Carbide, but was divested in 1985 to First Brands Corporation in the United States. In 1998, First Brands was acquired by Clorox. In 2002, Clorox allowed Procter & Gamble to buy a 10% share in Glad Products Company, thus making it a joint venture. Three years later, P&G exercised its option under the agreement to increase its ownership to 20%, the maximum allowed under the joint venture agreement.
- 3. General Electric**—The General Electric Company, or GE, is a multinational American technology and services conglomerate incorporated in the State of New York. It was founded in 1878 in Schenectady, New York. The early founders were Thomas Edison, Elihu Thomson and Edwin J. Houston. The headquarters is located in Fairfield, Connecticut. The conglomerate provides a wide variety of products and services, ranging from aviation, jet engines, electricity, entertainment, finance, gas turbines, generation,

industrial automation, lighting, medical imaging equipment, medical technology, health informatics, electric motors, locomotives to wind turbines. In 2009, Forbes ranked GE as the world's largest company. The company has 323,000 employees around the world.

4. **Commercial Strategy LLC** — It is a management and intellectual property consulting firm headquartered in Boston, MA. It is organized to support senior management at Fortune 500 companies. Its focus is on the use of intellectual property as a business asset to drive innovation and growth. Its consulting team has developed working solutions and results for many famous companies including: GE Energy, 3M Innovative Properties Company, Eastman Kodak Company, Honeywell International, GE Consumer Finance, The Procter & Gamble Company, GE Licensing & Trading, and so forth.
5. **Florida Power & Light** — Florida Power & Light Company, the principal subsidiary of FPL Group, Inc., commonly referred to by its initials, FPL, is a Juno Beach, Florida-based power utility which serves roughly 4.4 million customers in Florida. FPL Group holds power generation assets in more than 20 U.S. states. FPL was founded in 1925 by merging a number of smaller companies providing power and other services to local communities in Florida, and grew rapidly due to the rapid growth in population that state has experienced.

Language Interpretation

1. **It's the subtle little secret of the corporate revenue stream.** (L. 1) — It (intellectual property) is a part of the income for corporations but is not widely or deeply known.
2. **...that's the easy part...** (L. 9) — ...to get the company's revenue from patent and technology licensing is not difficult...
3. **...not be the business...** (L. 10) — ...most corporations do not see intellectual property as their primary business; it is a way for them to enhance their ability to do business and make profit...
4. **...virtually no models exist for assigning economic or competitive values to IP...** (L. 16) — ...practically there is no fixed pattern for making IP generate more profit or become the company's powerful competitive advantage...
5. **...during peak summer energy demand...** (L. 34) — in the period of summer when energy was badly needed...
6. **...potentially overlooked intellectual assets...** (L. 49) — ...intellectual property is a company's intangible asset which was unconsciously neglected...
7. **...mapping and assigning economic and competitive values to its technology and IP.** (L. 51) — ...cataloging the technology and intellectual property holdings of a company and identifying potential earnings from them.
8. **Against this map of high-value possibilities, GE overlaid the intellectual property holdings...** (L. 56) — GE looked at the income-generating possibilities in their field and

then identified where their IP holdings would fit into the picture...

9. ...Siemens was already well on the road to developing a technology of its own that would allow it to exploit GE's hardware. (L. 64) — ...Siemens had advanced well in terms of developing its own technology that would enable it to take advantage of GE's hardware.
10. ...it would nonetheless leave a lot of money on the table... (L. 68) — ...this practice would still miss the chance of making a lot of money...
11. ...to build a “predictive intelligence” platform for delivering service and supply chain improvements to the utilities. (L. 79) — ...to provide a program that intelligently predicts the need for services and supplies by the utilities.
12. ...the new agreement... (L. 85) — ...the contract signed between Florida Power & Light and GE according to the new business model...
13. But he won't be alone for long, as corporate IP strategy innovators, inspired by the GE example, blaze similar trails one company at a time. (L. 89) — However, GE's John Rice would not remain for a long time as an only pioneer who made the company stronger by taking advantage of IP, because other IP strategy innovators, one after another, will follow his example and do likewise.

Word Study

1. utility (L. 29)

n.

- 1) a company that performs a public service

Examples

- ◎ *The utility, though seemingly rebuffed, in fact got what it wanted.*
- ◎ *The utility had expended thousands of dollars on posters and comic books devoted to the subject.*

- 2) a service such as gas or electricity provided for people to use

Examples

- ◎ *As production increased, the utility cost could go up, too.*
- ◎ *Not so long ago utility bills didn't amount to much.*

- 3) the quality or condition of being useful

Examples

- ◎ *This information is of the highest utility for our marketing plan.*
- ◎ *Their research project has limited practical utility.*

- a.* that can be used for several different purposes

Examples

- ◎ *The magazine slogan on the plane advertised a sports utility vehicle (SUV) produced by a*

Chinese-American joint venture.

- ◎ *Joseph is not only an excellent entrepreneur, but also an all-round utility player who can spark his team to victory.*

utilize

v. put to use, especially to find a profitable or practical use for; make (good) use of

Examples

- ◎ *The company will utilize only one-fourth of its revenue to pay back its investors.*
 ◎ *The company chose to downsize and more fully utilize the remaining workers.*

2. output (L. 30)

n.

1) the energy, power, or work produced by a system

Examples

- ◎ *They improved their product substantially so as to increase effective output of distributing transformer and optimize the quality of power demand.*
 ◎ *After technological upgrading, part of the output of an amplifier can be fed back to get rid of sound distortion.*

2) the amount of sth. that a person, a machine or an organization produces

Examples

- ◎ *Our imports are expected to increase at a slower pace due to rising domestic supply and decline in the output growth.*
 ◎ *The car factory hopes to increase its output by 30% next year.*

v. (computing) supply or produce information, results, etc.

Examples

- ◎ *Computers can now output data much more quickly.*
 ◎ *They are working on a program which will output the useful information into a file.*

3. dispatch (L. 38)

v.

1) send sb./sth. off to a destination or for a special purpose

Examples

- ◎ *I hope that the goods can be dispatched promptly after you get my L/C.*
 ◎ *The maintenance supervisor would dispatch an experienced crew to repair the damage.*

2) complete, transact, or dispose of promptly

Examples

- ◎ *The chairman dispatched the meeting in 20 minutes.*
 ◎ *He dispatched the job in three days' time.*

n.

1) the act of sending off, as to a specific destination

Examples

- ◎ *We write to advise you of the dispatch of the goods on your order of yesterday's date.*
- ◎ *You should give the seller in time the necessary instructions for dispatch.*
- 2) a written message, particularly an official communication, sent with speed

Examples

- ◎ *This valedictory dispatch was written as he retired from the foreign service a few weeks ago.*
- ◎ *He couldn't quite believe the dispatch sent by his PR manager.*

4. chart (L. 53)

v.

- 1) record or follow the progress or development of sb./sth.

Examples

- ◎ *He was required to chart the progress of his business and directly report to the CEO periodically.*
- ◎ *The marketers have been charting the market fluctuations in order to formulate more appropriate strategy.*
- 2) plan a course of action

Examples

- ◎ *The two companies have made no serious effort in the past years to chart their larger common purposes.*
- ◎ *Each branch was responsible for making its own decisions and charting its own course.*

n. a table or diagram giving information

Examples

- ◎ *This sales chart showed the company's rapid growth in recent years.*
- ◎ *You will be receiving cuttings of our materials and a colour chart.*

5. enhancement (L. 67)

n. the act or the state of increasing (the good qualities of sb./sth.)

Examples

- ◎ *Economic development and the enhancement of overall national strength are the main strategic trends of all countries.*
- ◎ *The development of market economy inevitably leads to the enhancement of integration of industry with commerce, of agriculture with commerce, and of commerce itself.*

enhance

v. intensify or increase in quality, value, power, etc.; improve; augment

Examples

- ◎ *New economic preservation techniques would enhance the marketing of processed agricultural products.*
- ◎ *This is an opportunity to enhance the reputation of the company.*

6. staggering (L. 69)

a. astounding or overwhelming; shocking

Examples

- ⊙ *The tobacco industry is allowed to spend staggering sums on advertising.*
- ⊙ *Job applications from disabled workers poured in at a staggering rate.*

stagger

v.

1) move or stand unsteadily, as if under a great weight

Examples

- ⊙ *The company is staggering under the weight of a £ 10m debt.*
- ⊙ *We seem to stagger from one crisis to the next.*

2) begin to lose confidence or strength of purpose; overwhelm with emotion or astonishment

Examples

- ⊙ *The boss was staggered with bills after he tried to rebuild his company following the financial crisis.*
- ⊙ *It staggers me that the government is doing nothing about our investment plan.*

7. be/get wise to sth. (L. 6)

(*infrm.*) be/become aware of sth./of sb.'s qualities or behavior

Examples

- ⊙ *Dealers have already got wise to the trend and increased their prices accordingly.*
- ⊙ *He thought he could fool me in this business deal but I got wise to him.*

8. reside in / with sb./sth. (L. 14)

(of a power, a right, etc.) belong to sb./sth.

Examples

- ⊙ *The right to interpret these rules shall reside in the management of the company.*
- ⊙ *Creative power in company has to reside with the company's creative leadership.*

9. shut down (L. 32)

(of a factory, shop / store, etc. or a machine) stop opening for business; stop working

Examples

- ⊙ *The whole company shuts down for three weeks' summer holiday.*
- ⊙ *The company has threatened to shut down the mine if the strike is not resolved.*

10. do away with (L. 38)

discard or abolish

Examples

- ⊙ *Only by the joint efforts of the government and the common people can we do away with false advertisements.*
- ⊙ *The tobacco industry agreed to do away with some of its most famous advertising icons.*

11. bring in (L. 46)

1) yield (income, profit, or cash); earn

Examples

- ◎ *Some slight concession in price would bring in sufficient profit.*
- ◎ *They supply these things to the market and bring in little extra income.*

2) cause to come in; introduce

Examples

- ◎ *We hope to bring in several new fashions this spring.*
- ◎ *He hopes the sales talk with those foreign businessmen would bring in large orders.*

bring sb. in

ask sb. to do a particular job or to be involved in sth.

Examples

- ◎ *She had raised her voice to bring in the other two customers.*
- ◎ *Experts were brought in to advise the government on economic affairs.*

12. in turn (L. 62)

1) as a result of sth. in a series of events

Examples

- ◎ *Increased production will, in turn, lead to increased profits.*
- ◎ *The output declines stemmed mainly from drops in demand which were in turn responses to the price increases.*

2) one after the other in a particular order

Examples

- ◎ *Each of us in turn described how this corporate culture had influenced the way we work.*
- ◎ *Our CEO and the sales manager in turn shook hands with the consumer representatives.*

Key to the Exercises

Lead-in

1.

- 1) Documented or undocumented knowledge, creative ideas, or expressions of human mind that have commercial (monetary) value and are protectable under copyright, patent, servicemark, trademark, or trade secret laws from imitation, infringement, and dilution. Intellectual property includes brand names, discoveries, formulas, inventions, know-how, designs, software, and works of artistic, literary, or musical nature. It is one of the most readily tradable property in the internet (digital) marketplace.
- 2) **Industrial property** takes a range of forms. These include patents to protect inventions, and industrial designs, which are aesthetic creations determining the appearance of

industrial products. Industrial property also covers trademarks, service marks, layout-designs of integrated circuits, commercial names and designations, as well as geographical indications, and protection against unfair competition.

Copyright includes literary and artistic works such as novels, poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and those of broadcasters in their radio and television programs.

- 3) The World Intellectual Property Organization (WIPO) is one of the 17 specialized agencies of the United Nations. WIPO was created in 1974 “to encourage creative activity, to promote the protection of intellectual property throughout the world”. WIPO currently has 184 member states, administers 24 international treaties, and is headquartered in Geneva, Switzerland.

As a specialized agency of the United Nations, WIPO exists as a forum for its member states to create and harmonize rules and practices to protect intellectual property rights. Most industrialized nations have protection systems that are centuries old. Many new and developing countries, however, are now building up their patent, trademark and copyright laws and systems. With the rapid globalization of trade during the last decade, WIPO plays a key role in helping these new systems to evolve through treaty negotiation, legal and technical assistance, and training in various forms, including in the area of enforcement of intellectual property rights.

- 4) Open-ended.

2.

- 1) **Proponents** of online piracy hold that the financial impact of piracy is negligible, and that in some cases piracy may actually help sales of a product. They argue that the vast majority of people who pirate music, videos, and software are not people who would purchase the product in the first place. Some also argue that some people pirate music to see if they enjoy it, and once they do they begin buying actual CDs, or legal copies of the songs, or attending concerts and feeding money into the system in that way. They further point out that the majority of the price of a sale does not go to the artist, and that except in the cases of top performers, the artists can be helped by fans pirating their music and donating to them, or attending concerts, so that they see nearly all of the money.

Opponents of online piracy hold that it poses a serious threat to artistic and creative development in the world. They hold that piracy cuts into profits, reducing the amount of money an artist or programmer can expect to make, and therefore reducing the incentive for them to create new work. They further point out that most modern music is produced not only by artists, who may be compensated by attending concerts or donations, but by a large support staff, including engineers, publishers, and designers,

who may choose to no longer support the medium if they can't make a living at it.

The battle against online piracy, or at least electronic piracy, has been going on since before there was an Internet, with early software manufacturers attempting novel security features to stop people from making illegal copies of their software. A great deal of contemporary music and videos are protected by Digital Rights Management (DRM) packages, which attempt to limit the number of computers a media file can be used on. Opponents, however, point out that DRM often winds up crippling the media for legitimate buyers of the media, and that hackers can easily strip DRM if they really want to pirate it.

2) Open-ended.

Or: Intellectual property (IP) rights are valuable assets for your business — possibly among the most important it possesses. Your IP can:

- set your business apart from competitors;
- be sold or licensed, providing an important revenue stream;
- offer customers something new and different;
- form an essential part of your marketing or branding.

The exclusive intellectual property rights allow you to reap monopoly profits. These monopoly profits provide a financial incentive for the creation of intellectual property, and pay associated research and development costs.

The legal monopoly granted by IP laws are credited with significant contributions toward economic growth. Economists estimate that two-thirds of the value of large businesses in the U. S. can be traced to intangible assets. Industries which rely on IP protections are estimated to produce 72 percent more value added per employee than non-IP industries. A joint research project of the WIPO (World Intellectual Property Organization) and the United Nations University measuring the impact of IP systems on six Asian countries found “a positive correlation between the strengthening of the IP system and subsequent economic growth”.

Intellectual property protection is critical to fostering innovation. Without protection of ideas, businesses would not reap the full benefits of their inventions and would focus less on research and development. Similarly, artists would not be fully compensated for their creations and cultural vitality would suffer as a result.

Reading

Comprehension

1.

- 1) A company's legal counselor must be a person learned in the law to be able to correct wrongs, maintain stability, and deliver justice. Working as a legal counselor involves