



**MINISTÈRE  
DE L'ÉCONOMIE  
DES FINANCES  
ET DE LA RELANCE**

*Liberté  
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Fraternité*

# **INTELLECTUAL PROPERTY RIGHTS IN PUBLIC INNOVATION PROCUREMENT**

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# Main issues of IPR in public innovation procurement

## IPR are strategic for both buyer and provider

### PUBLIC BUYERS

- Satisfy their needs in terms of use and re-use
- Receive relevant offers at the right price
- Avoid vendor lock-in
- Stimulate innovation

### PROVIDERS

- Use innovation procurement's outcome for their activities
- Get valuable intangible assets (patents, trademarks, etc.)
- Preserve their background

## Deliverable of the public procurement

### Foreground

*Newly created materials within the public procurement*

(Ex : new software developments, studies, etc.)

New work made within the procurement (R&D...)

⇒ Made to fit the buyer's specific needs

⇒ Without the procurement funds they would not have existed

### Background

*Materials created outside the public procurement* (Ex : standard-license software, patented product etc.)

Pre-existing work belonging to the provider, the buyer or a third party

⇒ The legal status must take into account the business models

**IPR rights management offer a wide range of possibilities**
  
**Buyers must identify what they need and what they are willing to pay for**

**Primary use**

Use a software on their own hardware

Spread a prior study among the candidates of a public consultation for subsequent works

Implement the layout plans delivered for a specific project

**Autonomy**

Access the source code of a software

Add new functionalities to a software

Manufacture or have manufactured patent protected products

**Opening, distribution to third parties**

Share a specific training tool with other public entities

Distribute software under an open-source license

**Ownership**

Be the owner of industrial property titles (patents, trademarks ...)

Choose their strategy (protection, licensing, defense)

**Exclusivity**

Prohibit the provider from offering the work to other clients (ex. Security matters, logos)

# Examples of IPR strategies in public innovation procurement

## Innovative composting service

Existing product

### Buyer's needs :

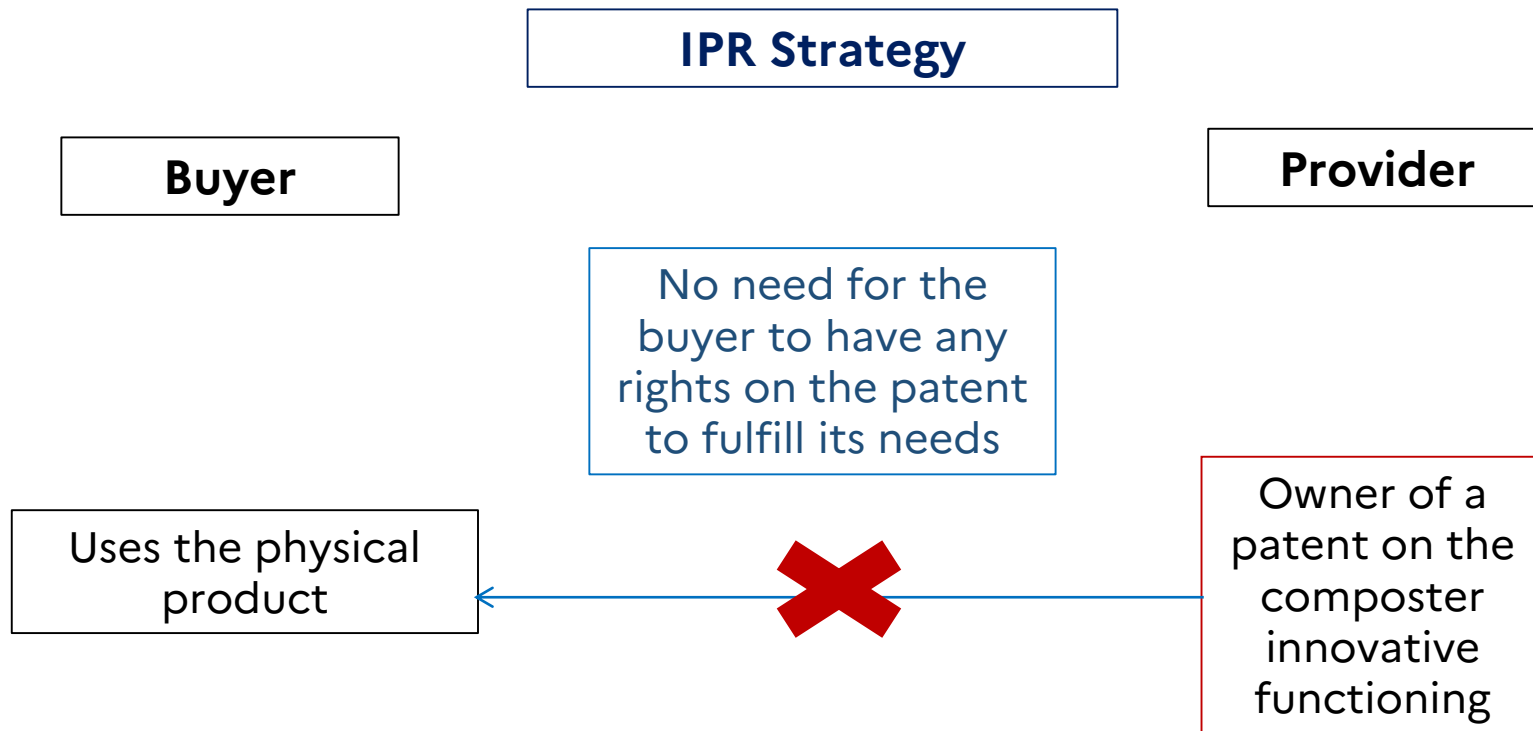
- Experiment an innovative solution for large quantities of waste disposal

### Insights from the sourcing :

- Existing innovative composters may fulfill the buyer's needs

### Expected deliverable :

- A physical composter (sold or rent)



\*The situation would be different if the public procurement purpose was a significant improvement of the product to meet specific needs



## IT solution specifically developed for a strategic buyer's need

### Specific developments

Separable  
Standard  
software

### Buyer's needs :

- Fulfill a very specific and strategic IT need
- Have immediate access to the source code and be free to reopen competition on the maintenance (including add functionalities to the solution)
- The software deals with security matters that are confidential

### Insights from the sourcing :

- No available solution is able to meet the needs
- A new solution must be developed

### Expected deliverable :

- New specific developments (source code and documentation)
- Some existing tools, though replaceable

## IPR Strategy

### Specific developments

Transfer of rights from provider to buyer with autonomy of use

Provider cannot offer the solution to its other clients (exclusivity of IPR to the buyer)

### Separable Standard software

Buyer has a limited user license but can technically replace this software to be more autonomous

# Open-source new solution for electronic archiving

**New solution to meet  
specific need for  
electronic archiving  
and meant to be open-  
source**

**Pre-existing  
tools under  
open-source  
license**

## Buyer's needs :

- A specific software to be shared within the public sphere and more widely
- Create a community of users

## Insights from the sourcing :

- Open-source developments are common in this field
- Already existing communities of users

## Expected deliverable :

- Fully open-source solution including pre-existing open-source tools

## IPR Strategy

**New solution to meet  
specific need for  
electronic archiving and  
meant to be open-source**



Transfer of rights from provider to buyer with possibility of distribution under an open-source license

Provider can use the solution, as any third party

**Pre-existing tools  
under open-  
source license**



Use of “proprietary licensed” tools is prohibited when incompatible with the open-source final licensing regime

# Improvement of a patented tool of the buyer

improvement/ fulfilment  
of  
the solution

Pre-existing solution  
owned by the buyer

## Buyer's needs :

- Buyer owns a patent on an in-house made tool
- Solution needs to be improved (ergonomics, materials) to be operational
- Buyer needs to buy the improved and manufactured products

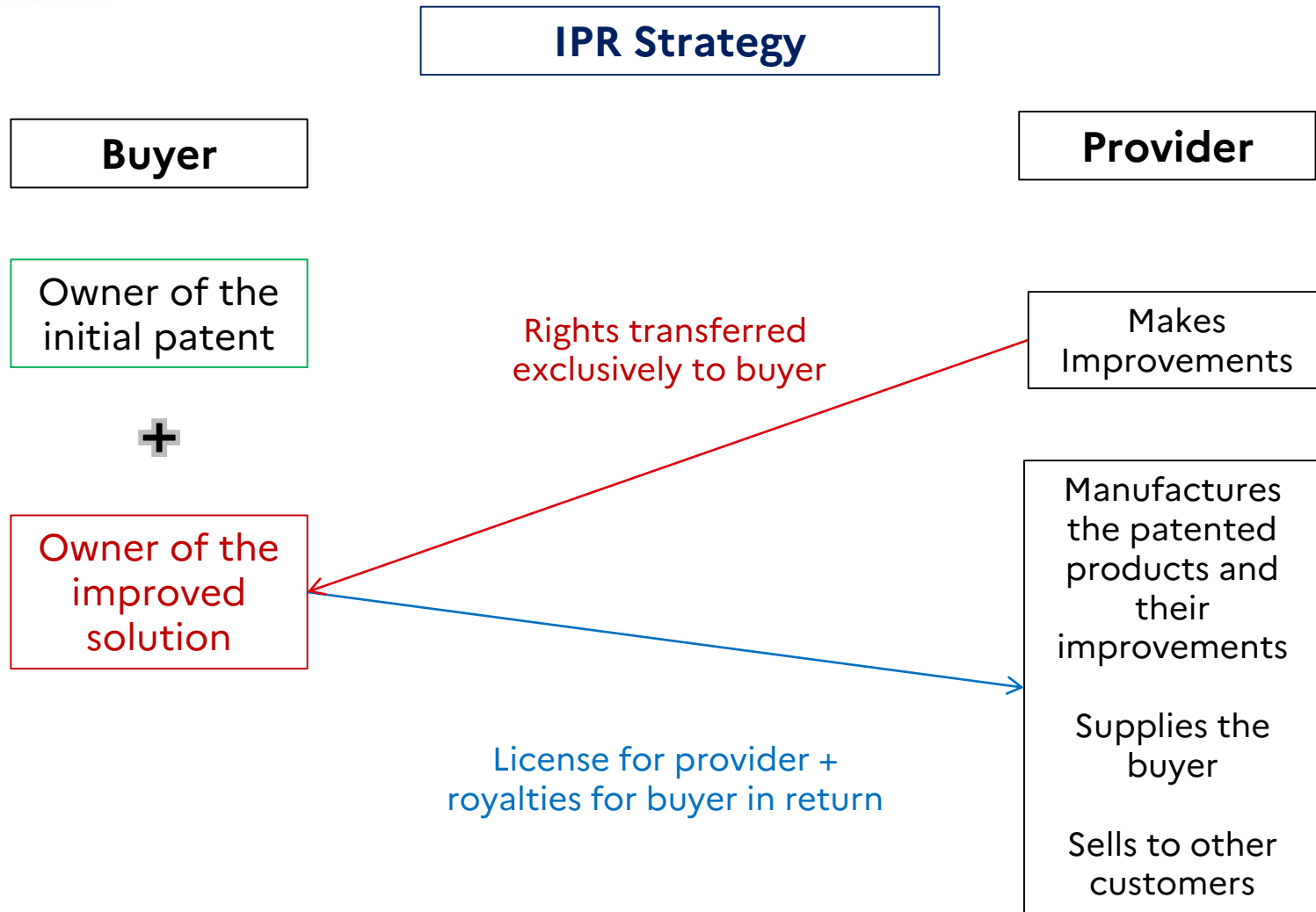
## Insights from the sourcing :

- Providers are able to improve and manufacture the solution
- They are interested in selling the improved solution to other customers

## Expected deliverable :

- Plans, prototypes, final products

# Improvement of a patented tool of the buyer



## Drone prototype

### Buyer's needs :

- Validate the hypothesis that drone used in a particular environment would solve a technical problem
- Test a prototype in a real situation
- Use the feedback to write the specifications for procurement of drones needed

### Insights from the sourcing :

- Various elements may be brought together to make a useful prototype

### Expected deliverable :

- Physical prototype
- Functional specifications (e.g. the weight of the drone expected to meet the needs)

## IPR strategy

### Drone prototype

Buyer may use the functional information needed for his specifications (non-protection of ideas)

It is expressly stated that the functional specifications may be published as part of the equipment purchase

If a technical innovation outcome is made during a R&D phase, rights on a patent are shared between buyer and provider

### Off-the-Shelf products (e.g. small camera)

No transfer of IP rights

Future applicants may use products of their choice provided they fulfill the functional performance requirements





## Paris bike-sharing service

Public service's  
trademark



VELIB'

Owner

Organization name  
VILLE DE PARIS

Applicant incorporation country code  
FR

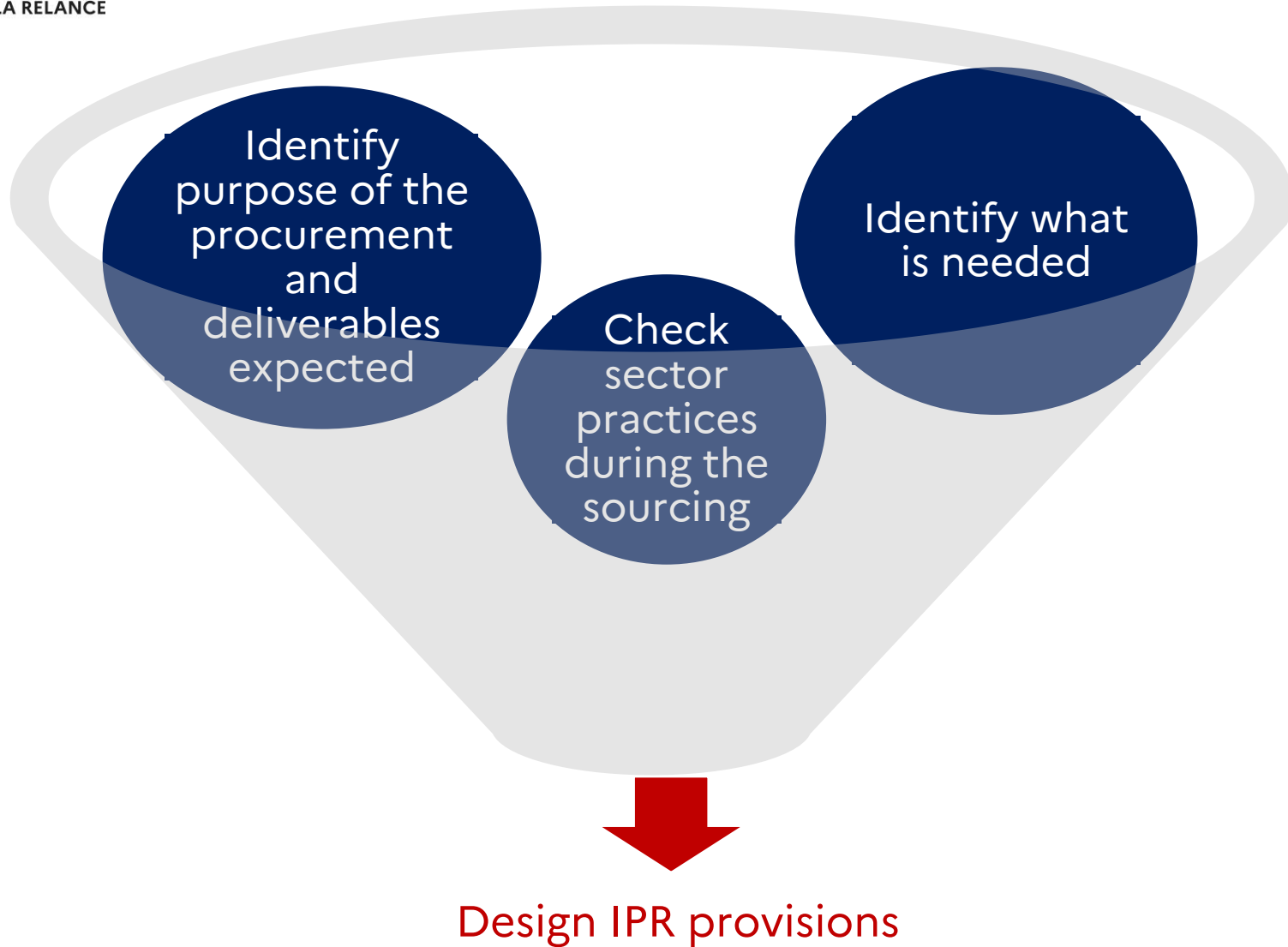
Operator's product  
or service trademark



SMOVENGO



# Lessons learnt



- In France, public buyers may use model contracts set out in a government regulation (the « CCAG »). A new set of these CCAG has been launched in 2021.
- Public buyers may derogate to these CCAG within the special specifications of their consultation.
- CCAG include a IPR clause that notably provides *by-default* :
  - For standard background/off-the-Shelf : providers' license applies, obligation to declare them
  - For foreground and incorporated background :
    - ❑ Right for buyers to use the works for the needs specified in technical provisions or arising from the purpose of the procurement
    - ❑ Autonomy (and for software foreground large rights including open source distribution)
    - ❑ Non-exclusivity (except for specific cases like logos and confidentiality)
    - ❑ Recommendation to set *ad hoc* provisions in R&D procurements, by default ownership of patents to provider and license to buyers for their own needs, and possibility to require royalties

**Merci pour votre  
attention :)**