

Committed to Europe

Orange's position on the Guiding Principles for Knowledge Valorisation

Orange welcomes the European Commission's initiative to develop Guiding Principles for knowledge valorisation and a Code of Practice for the smart use of intellectual property (IP).

As a major contributor to European R&D, Orange's research teams develop ground-breaking technologies, new uses and innovative business models as well as deploy future networks and services. As part of a co-creation and open innovation approach, we interact closely with academic, institutional and industrial ecosystems and external stakeholders to develop a wide range of innovative solutions. The ability to learn new skills, engage in dynamic ecosystems, develop high-quality IP and test new technological systems remains a highly valuable asset for Orange past, present and future.

Clearly, valorisation of research brings benefits well beyond the cut-and-dry economic profit of businesses and the monetary value of patents. It enables the industry to bring new technologies to market and fosters long-term collaboration of researchers and social partners, for the benefit of all.

R&D also ultimately benefits European citizens. Orange R&D, for example, contributes to creating innovative and responsible uses for new digital technologies and providing easy and seamless access to services.

It should be noted, however, that generating income for the organisation producing the research remains an important and legitimate objective. **Research and innovation are interlinked through a virtuous cycle, which, through generated and reinjected income, ultimately finances the research and co-creation** needed to ensure that the EU remains at the forefront of innovation.



The open standardisation process showcases this valuable life cycle: contributing the development of standards is a lengthy and cost-intensive endeavour. Royalties obtained by patent-holders through the licensing of their standards-essential patents reward them for their investments in R&D. In turn, protection of intellectual property gives them incentives for continuous and sustainable investments in R&D.

The development of open standards based on robust research results enhance compatibility and interoperability, and enable the development of innovative products which benefit consumers. It also relates to even broader considerations of competitiveness and strategic autonomy: the independent development of key technologies is a matter of strategic importance for the EU and a critical aspect of its digital sovereignty.

Research and development also play a crucial role in this virtuous cycle, but little benefits are gained when high-value publications and discoveries do not pass beyond the doors of universities and research centres. **The European continent produces considerable high-quality and relevant research, but this knowledge does not sufficiently transfer into the private sector:** there is a clear and urgent need to promote the valorisation and deployment of research and development in Europe and to support technological research that bridges the gap between academic research and industrial R&D.

For instance, increased knowledge valorisation could lead to more technology transfers and additional inputs for the development of standards, leading to higher quality standards and more successful transfer of research results into final products, translating into more competitive and innovative products, thereby contributing to EU digital sovereignty.

Therefore, we support the European Commission's efforts to increase the valorisation of knowledge: Orange is open to any means or tools to achieve this laudable aim, and **supports the adoption a code of practice for the smart use of intellectual property, as long as such "smart" use entails the effective and sustainable protection of IP rights.**

The cycle of innovation described above relies on a strong EU framework for intellectual property rights and patent licensing: when intellectual property is wrongfully exploited and patent holders incur losses, they can be discouraged from further participation into research standards development. The many benefits described throughout this written contribution (source of income for research, innovative products, digital sovereignty concerns) would certainly be jeopardized by a weakening of IP rights protection.

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