

“Intellectual Property – rising to the challenge”

- Good afternoon everyone.
- I'm delighted to speak to you today at this pivotal conference. Pivotal because the global challenges we're talking about, will affect everyone in this room.
- But it's easy to forget those missing from this debate. The farmer in the developing world. The teenage music lover in Europe. The Brazilian factory worker. People into whose lives the words “intellectual property” seldom intrude.
- Intellectual property rights were first established in the 19th century, because they brought wider benefits to society. From the discovery of penicillin, which has saved millions of lives. To the publication of the Harry Potter books, which have enchanted millions of children. IP rights exist because they give people an incentive to invest, create and share.
- ***IP rights were not set up only for companies to profit from their ideas, but to deliver benefits to us all.***
- Today, as we enter the 21st century, and despite all of our technological advances, there are critical issues facing all societies – disease, ageing populations, waste, climate change, energy security, poverty and crime. The solutions to many of these challenges will require innovation. Innovation leading to new ideas and technologies that needs to be supported by a functioning IP system.
- ***I want us to work together to build trust and confidence in a global IP system that works for the many, not the few. The challenge for all our governments is to create a system that meets the needs of all us in the 21st century.***
- Over the years, we've seen technologies come and go.
- In transport, we have moved from horses to canal boats, to rail and to air travel.
- In communications, we have moved from letters sealed with wax to telephones, to faxes, to twitter.
- In both cases, the rate of change has greatly accelerated. This can be both scary and confusing for anyone.
- The two examples I mentioned – transport and communications – have helped make the world a smaller place. They have enabled us to assemble in Geneva today. We can now share information and ideas more easily than ever before. Our challenge, is to make sure that the global IP system is still relevant, and works to the wider benefit of us all.
- There are a number of common issues facing us, whether you live in Sweden, Surinam or Senegal.
- Firstly, disease. We meet at a time when pandemic swine flu has infected over 90,000 people around the world, and sadly claimed over 400 lives. This is a stark reminder that no country can isolate itself. And that disease respects no borders. Combating swine flu is preoccupying scientists all over the world – from those at the WHO here, to the research being done at Imperial College in my own city. We are lucky to have drugs that can treat this flu, developed via scientific research and brought to market via the IP system.
- ***We need to put in place the right incentives, so that the IP system can deliver better public health for everyone, rich and poor.***
- That means having a flexible system that can deliver medicines to those who need them. Currently the IP system incentivises the development of new drugs where the financial return is greatest. But it does not work so well for diseases affecting developing countries. Malaria, bilharzia and cholera, which still kill millions worldwide, because the financial incentive is much less. We can and must, help tackle these diseases. How?
- By pooling resources and working collaboratively, governments and business can help.
- That's why the UK is working with the World Health Organisation on its Global Strategy. And it's why I welcome GlaxoSmithKline's announcement earlier this year that it will promote patent pools to help develop new drugs to treat neglected diseases. These pools will help share information and technology. It's a move in the right direction, but we need to do more. Philanthropy can also play its part. Like the work of the Gates Foundation, where the profits derived from one form of IP - software - are then used to support another part of the IP system - access to medicine.

- Our medical advances of recent years should be celebrated. Vaccines mean that diseases which once claimed millions of lives have been all but eradicated in developed countries. In our modern world people live longer, healthier lives than ever before. But an ageing population brings its own set of challenges: how can we make sure that the elderly live their lives in dignity, when the working population is increasingly mobile?
- The IP system can - and must - make a difference. We need to encourage technologies that can bring people together. The internet can help do that.
- In Japan, community currencies - called Fureai Kippu - underpin an entire system of care for the elderly. What makes this system so powerful is that the basic unit of currency is the hour, not the yen. By helping elderly people in their own community, volunteers earn credits that they can transfer to their own elderly parents, hundreds of miles away. The system thrives not only because it enables people to exchange useful services - but because of the personal, human connection between those who give and receive.
- ***The internet can be more than just a faceless part of an IP system; it can turn on-line communities into real ones.***
- There are more people living in our world than ever before. Living longer lives and consuming more. But the current global recession teaches us that cheap credit, financial speculation and endless consumption are not sustainable. If the whole world wished to consume as we do in developed countries, then we would need two planets. Consumption in the future must be different. More sustainable. Better managed. Less wasteful.
- In the UK, a teenager gets a new phone every 11 months, an adult every 18 months. A total of 15 million phones are replaced each year. And the poorest countries receive the greatest share of electronic-waste. The port of Lagos in Nigeria receives over 4 million PCs each year, which are dumped or burned.
- The IP system can make a difference.
- IP underpins the development of new technologies which will be needed to tackle the growing problem of waste. Technologies that will help us recycle and consume more efficiently. IP also underpins innovative ideas like Ebay, which help recycle goods that would otherwise end up as waste.
- A further, unintended, consequence of our consumption, is our reliance on energy, particularly carbon. Climate change and security of energy supply are also issues that respect no borders. The IP system, which supports the development of new technologies, will be critical in delivering a global solution. A solution where technology and knowledge are shared.
- ***The transfer of technology must play a key part in tackling climate change.*** Firstly, by allowing poorer countries access to existing technologies, like solar power and fuel cells. And secondly, by encouraging further innovation, so that existing technologies can be developed and improved.
- Technology transfer will be a key element to a global climate change deal, which I hope will be agreed as part of the UN Framework Convention on Climate Change in Copenhagen this December.
- I want to see the developed countries working together to deliver change amongst the poorest. But it's not just a question of getting hold of green technology, from, for example, increased licensing. We also need to build capacity so that poorer countries can develop their own knowledge and skills base.
- I want the UK to take a lead in promoting these ideas and we have already started to think about what types of incentives might be used. With China, we will develop model agreements for collaboration on R&D projects, to make sure that the benefits of cross-border collaboration are shared, as well as protected.
- We also favour pooling patents, to help companies from developed and developing countries build on the benefits of each others' technologies. We'd like more countries to introduce a 'licence of right' system, which will reduce fees for patent holders if they make their technology available to anyone requesting a license. These are the sorts of ideas that the UK wants to discuss with other countries in the run up to Copenhagen.
- But in the meantime, the UK has also begun to take some immediate and practical steps. We know that there is a large global patents backlog. Prioritising and processing those patents which could have the biggest impact in tackling climate change, must be a sensible way forward.
- That's why I announced in March, that patents for green technologies would be fast-

tracked in the UK, helping to reduce the amount of time it takes to get ideas to the marketplace. And I am very pleased to hear that other countries are considering implementing similar schemes.

- ***On climate change, the global IP system must be part of the solution, not the problem.***
- Sadly the effects of climate change are felt most acutely in those countries least able to manage them. Small island states have the most to fear from rising sea levels, but have scarce financial resources. That is why it is the responsibility of us all to tackle the root causes of climate change.
- We must make sure that the very poorest in our societies are able to benefit from new ideas and technology. We also need an IP framework that meets the needs of the rural poor as well as the urban elite and which gives marginalised groups - like the homeless – a stake in new ideas and technology.
- ***A global IP system needs to work for everyone, rich and poor.***
- I believe IP can help economic growth and development.
- How? Take the telephone. Changes in technology have substantially reduced the cost of making a phone call. The mobile phone has done more to connect rural and poor communities, than any other invention since the wheel. The internet also offers unrivalled opportunities for access to education, a key element in lifting communities out of poverty.
- Tackling poverty and promoting economic development, helps give communities a stake in their own future. And legitimises the role of government. When communities break down, crime and addiction can take over. And problems of criminality, addiction and enforcement do not respect global boundaries. This is particularly true of IP crime, where we need ever more sophisticated ways to solve the problem.
- ***Building capacity in poorer countries to combat IP crime, is not just in the interests of the richer nations. Ultimately, it's in the interests of us all.***
- And building capacity in developing countries is more than just technology and gadgets. It's about ideas and brands. That's why the UK launched a Commission on IP and Development in 2002 that looked at areas like health, trade, agriculture and traditional knowledge.
- And that's why the UK has supported projects to help producers in sub-Saharan Africa brand and market their products, to get a greater return for their goods.
- In partnership with the Ethiopian Intellectual Property Office, one project looked at helping Ethiopian growers and coffee workers capture a greater share of the retail price that their coffee earns in foreign markets. This project helped growers secure trade marks for their coffee in over 30 countries, which got them a better economic return for their coffee.
- Despite these examples, at times, it seems that the IP framework exists only to benefit the wealthy. I want to change that.
- ***We need to fix the global IP system. Doing nothing is not an option. I want an IP system that works for all countries, rich and poor.***
- ***But fixing the IP system alone is not enough, we need a global package on trade and development that works.*** The UK wants a global trade framework that fosters open and fair markets. Open, so that countries have the same access to technology, finance and know-how, as others. Fair, in terms of a trading system that lifts people out of poverty. That's why the commitments made at the G20 London Summit need to be followed through with action. And that's why, concluding the Doha Development Round remains the UK's top priority on trade.
- If IP is going to tackle these wider challenges, the system needs to work. Yet ***many people seem to think that the current status quo is good enough. I don't agree.***
- On copyright, people genuinely don't understand the rules. Too often we talk about IP in the context of telling someone not to do things they'd like to. IP, so we are told, stops them listening to music, or performing it. It stops them enjoying films, or watching TV shows.
- Up to a point, they are right. If you want to stay within the law, IP can be seen as a means of stopping you doing things. One of the reasons is that the system is seen as complicated and frustrating to use. That needs addressing. A teenager shouldn't have to be an IP expert to know whether they are operating within or outside of the law. IP needs to be easier to understand and relevant. That's why I launched a copyright review in the UK.
- And the global patents system is also cracking under the strain. When I talk to people

outside the IP world, and tell them about the worldwide backlog of several million patent applications waiting to be processed, they are horrified. They can't conceive of waiting 7 years for their passport or drivers licence. That's why I've pushed for greater work-sharing by patent examiners in different national patent offices, to tackle the global backlog.

- And the IP system also needs to respond to specific needs. That's why I support the initiatives that WIPO is doing in this area, like increasing access to copyright material for visually impaired people.
- I want to see greater public understanding and trust in the IP system. I want to show the person in the street that the system actually works in their interests. It keeps them employed, healthy and able to communicate.
- That is the spirit of this conference – looking at the wider challenges we face and seeing how IP can help solve them.
- ***Fixing the IP system cannot just be left to the lawyers and IP experts. It's too important. The system must adapt to the ever-increasing change that has so far characterised the 21st century.***
- We need a global framework that can facilitate this change, rather than block or delay it. That's why I firmly support the work of Francis Gurry and his team to strategically realign WIPO. There is a lot for us to do.
- So I call on policy makers and officials from all countries to be open-minded and flexible. To learn from experience and look at ways of how they can be part of the solution. We need to build trust with each other, as well as within the system. We cannot afford to fail.
- I'd like to leave you with one final thought. I have talked much today about the role for government in fixing the system and making sure that IP can help solve global challenges, like climate change and development. But whereas the major problems of the last century were tackled by big government or big business, the challenges of this century will require the mobilisation of millions of people to change their behaviour, shape their own environments and help one another. Getting the global IP system right, so that it can help deliver this change in behaviour, is the greatest challenge we face in our discussions over the next two days.
- I hope you enjoy the rest of the conference.