

PatentSight Summit Presentation:

Transformation of the inhouse role towards an IP business partnership"

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Head of Group Patents –
Team Germany, Electrolux

Who we are



Electrolux shapes living for the better by reinventing taste, care and wellbeing experiences, making life more enjoyable and sustainable for millions of people. Founded in Sweden in 1919, we're a global leader in appliances for households and professionals. Our main strategic drivers are to act sustainably, create better experiences and always improve!

124

billion SEK in sales

150

markets reached

60

million products
sold annually

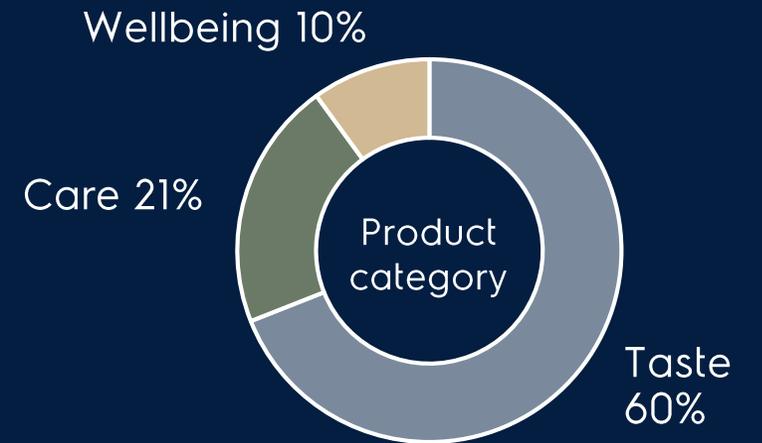
55,000

employees

Geographical presence and sales



Sales by region



An offering for outstanding consumer experiences



Taste

The offering includes cookers, hobs, ovens, hoods, microwave ovens, refrigerators, freezers, dishwashers and small appliances.



Care

The offering includes washing machines, tumble dryers and other small appliances for fabric care, such as irons.



Wellbeing

The offering includes vacuum cleaners, air conditioning equipment, water heaters and heat pumps.

Electrolux is the only appliance company with a complete offering for consumers as well as for professional food, beverage and laundry service customers.

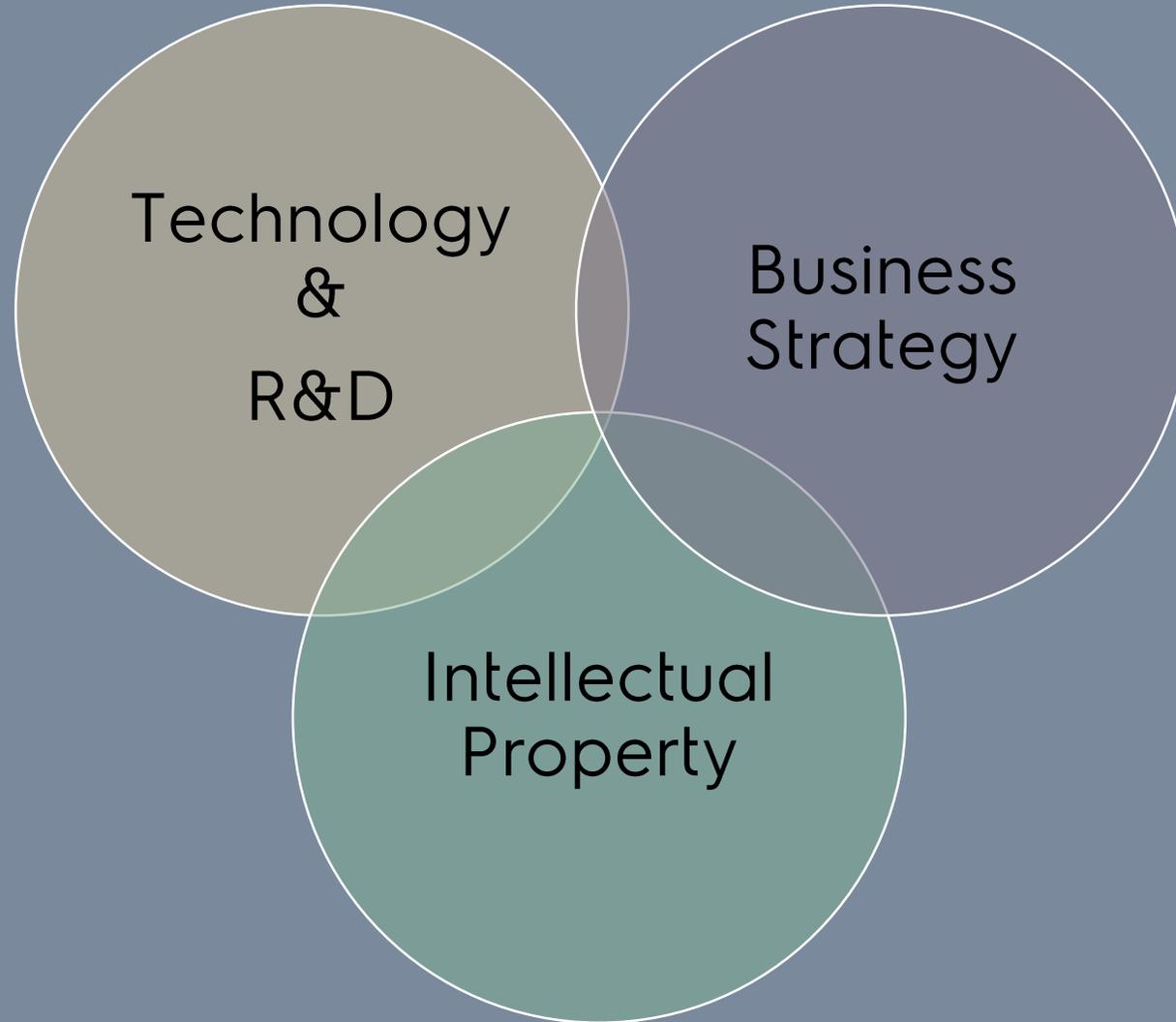


Electrolux

AEG

FRIGIDAIRE

Technology-based Business Management



We are IP pro...

... genius, smart, top-notch,
... the crown of mankind

We are riding the wave!

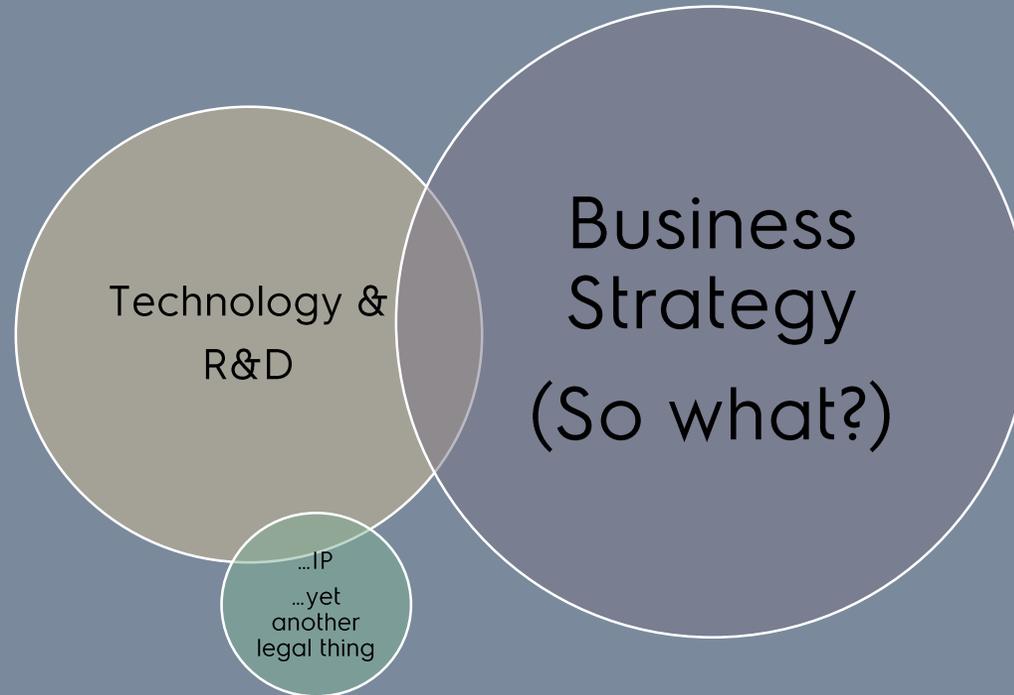
...and...

...the others simply do not
perceive us well!

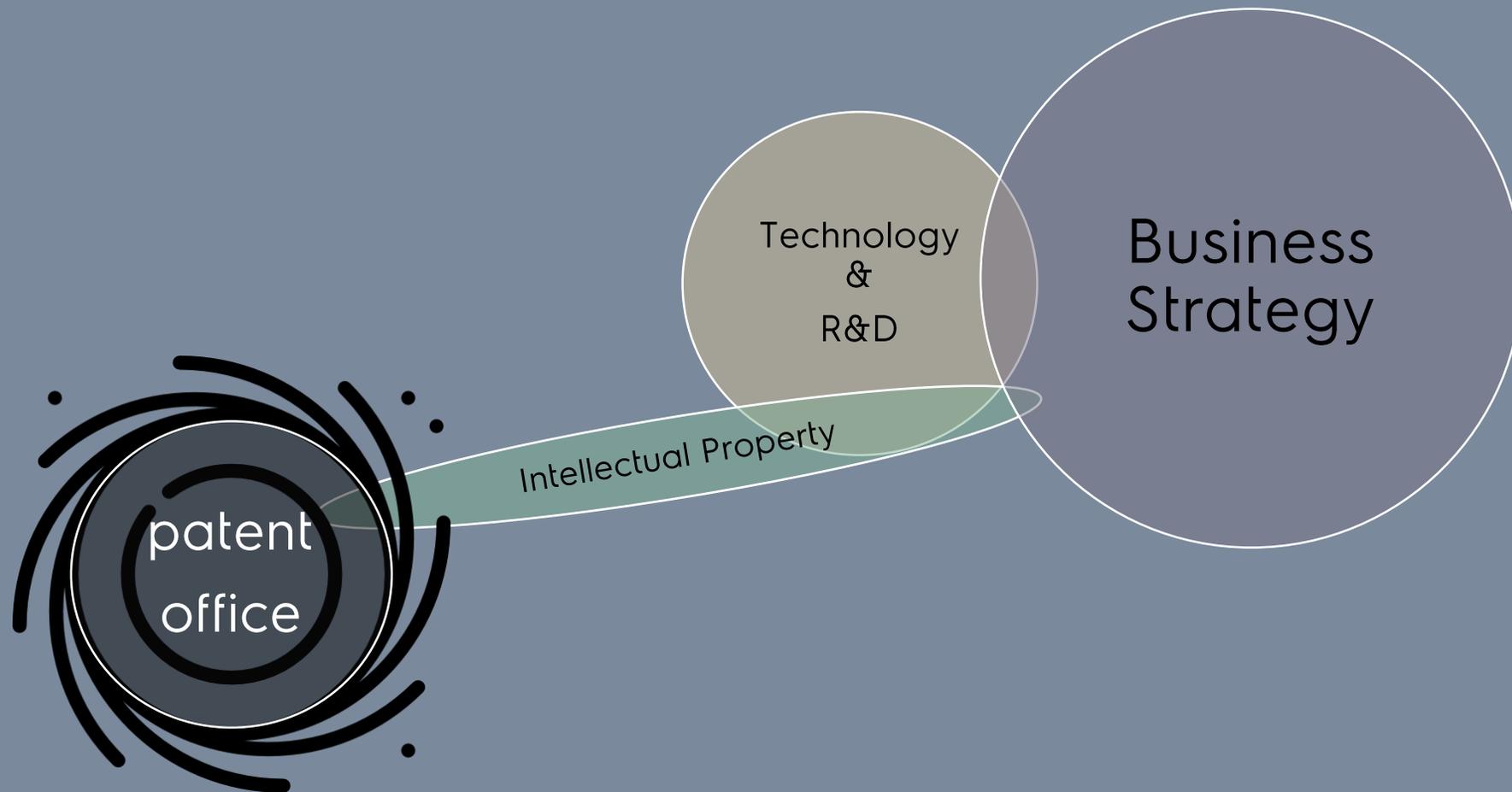


by

The challenge of IP Management

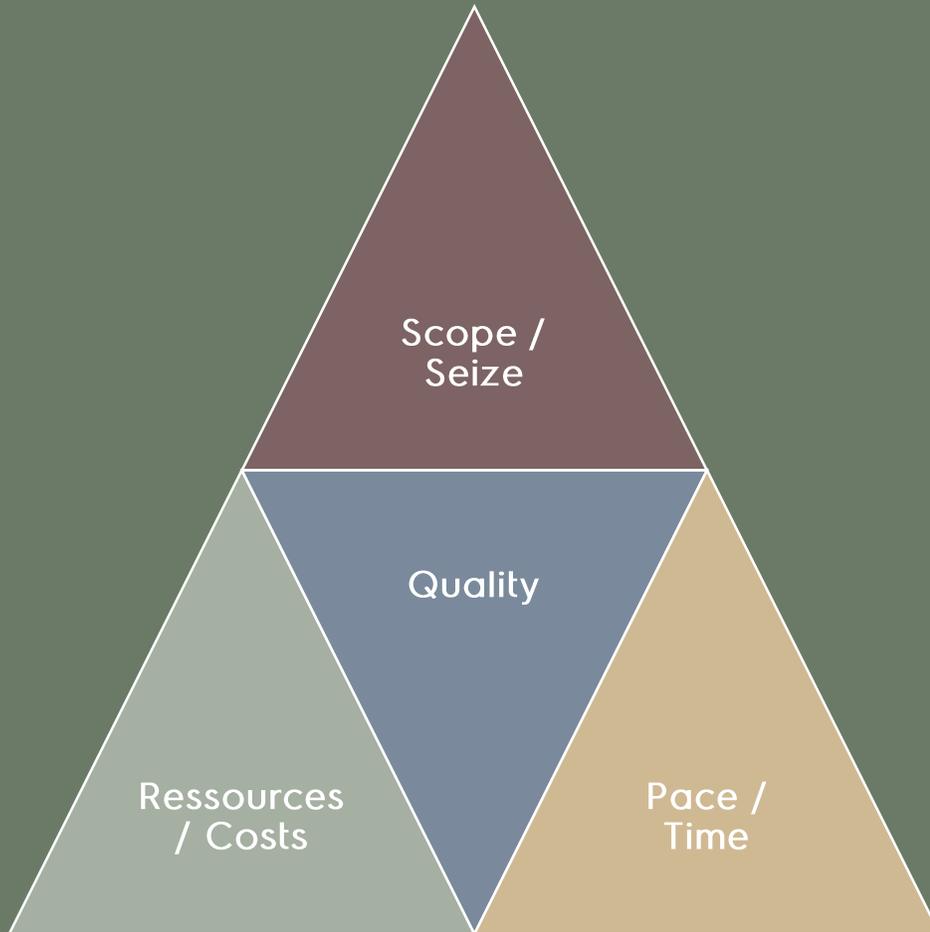


The challenge of IP Management





project management triangle



1.The quality of work is constrained by the project's budget, deadlines and scope (features).

2.The project manager can trade between constraints.

3.Changes in one constraint necessitate changes in others to compensate or quality will suffer.

4.Unfortunately not all constrains can be changed at free will.

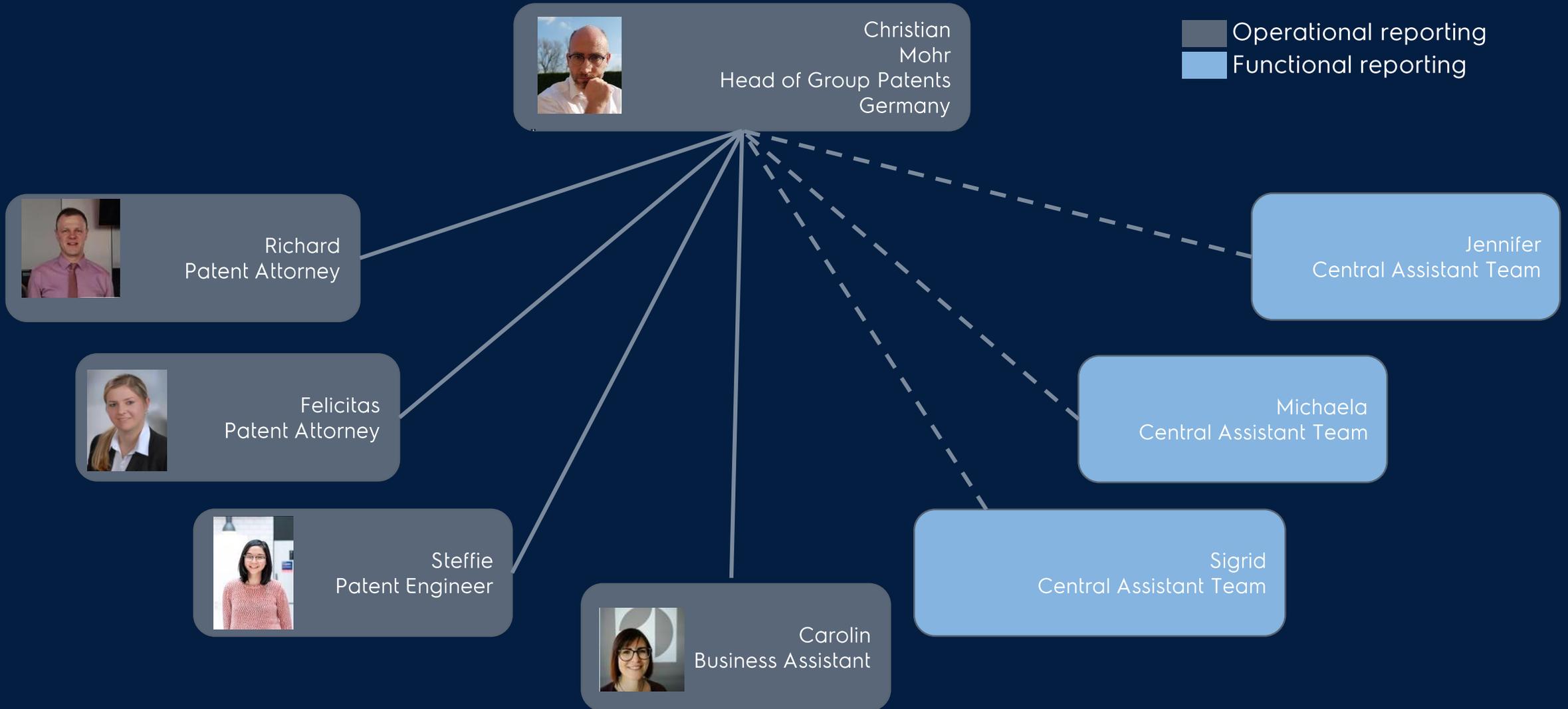
Change your Team's Attitude!



Act Sustainable

Increase Outside Appearance

Always improve with Global mindset



Active Electrolux Food Preparation Portfolio

(global + regional)

Data Source: IPENDO - July 2019



725

Number of Patent Family



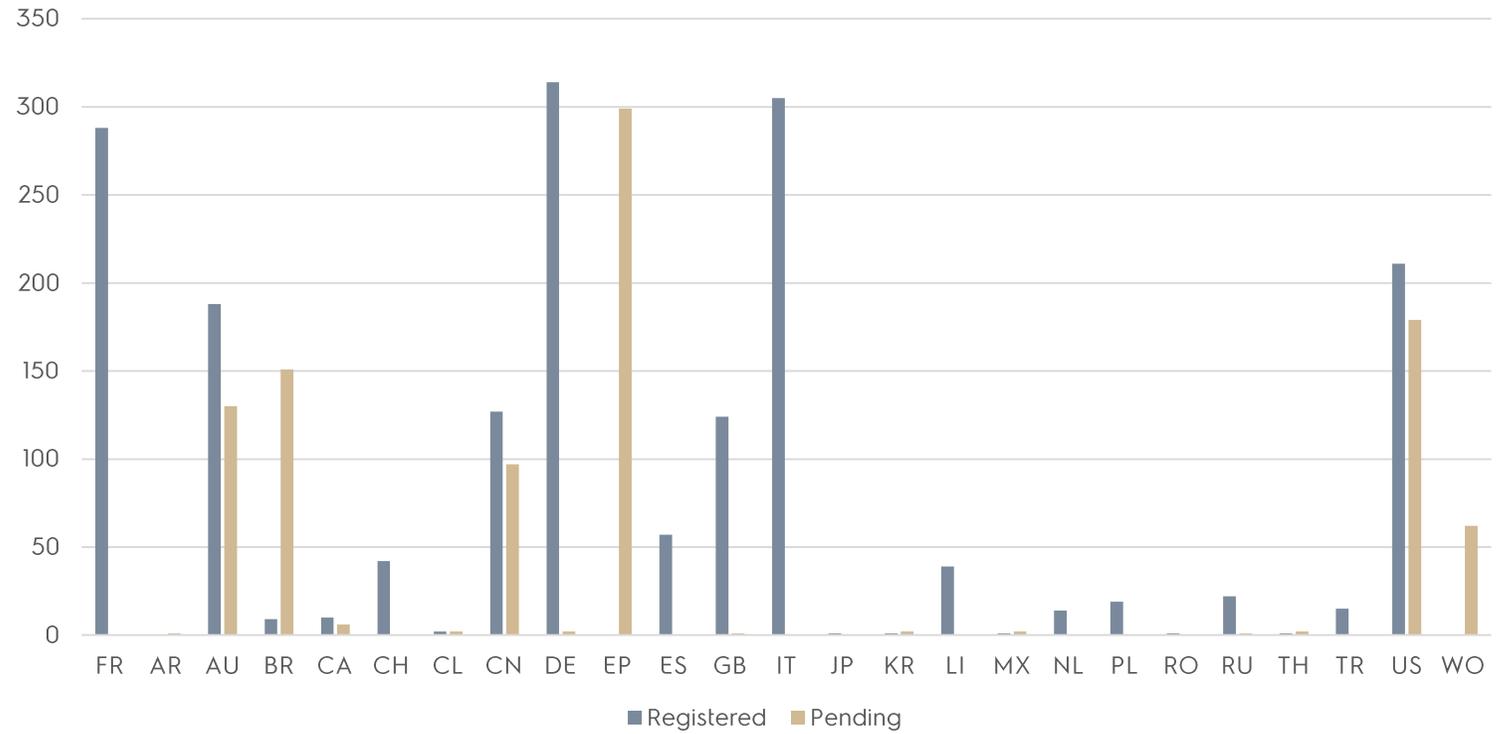
2728*

Number of Patent Case Patents and patent applications



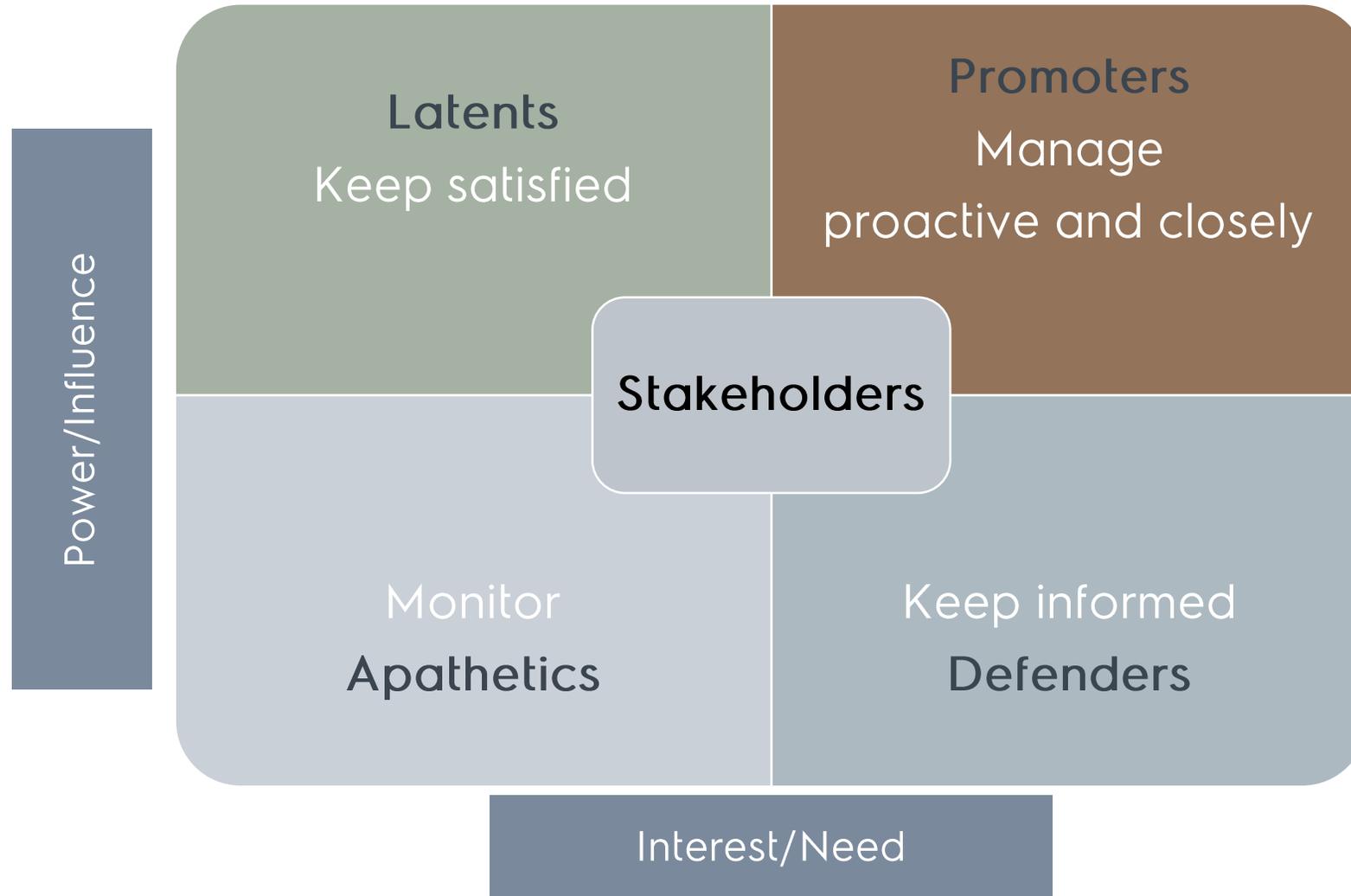
23 + EP and WO Countries + EP and WO

Patent Cases Jurisdiction (Registered and Pending)



*without National Phase entry

Change your Ressource Prioritization!



Mitchell *et al.* proposed classification of stakeholders based on power to influence

Try to simplify... try to give answers!



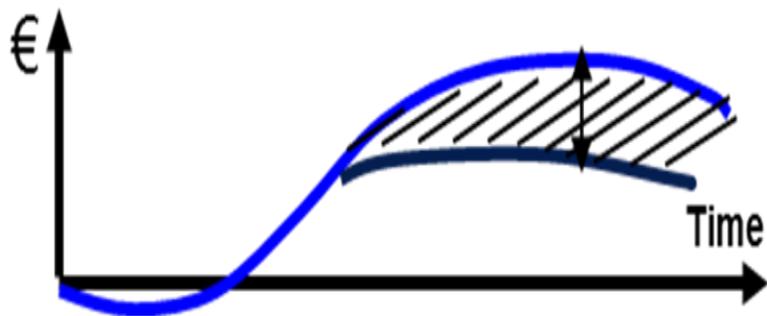
...it is a right to say NO! (not a right to use, FTO)

...it is a right to prohibit others to do the claimed invention!

...it is a solid tool to control market shares and pricing

...it is a tool to create access to technology or access to market

...it is a tool to mitigate IP and non-IP risks



An example regarding the disclosure of an invention:

Ask yourself these five key questions
(courtesy of Prof Murat Kunt)

1. What is the problem you solved?
("Field of the invention")
2. How have others solved it until now
("Prior art")
3. Why the other solutions are not good enough and why is mine better?
("Summary of the invention")
4. What my solution exactly is
("Claims")
5. How can my solution be used in practice
("Embodiments")

**Having credible answers to these question is not a
patenting matter.
It is THE business matter**

Patent Scales



Claim Scope

The claim will be analysed to assess its scope and utility.

Rating 3: Extremely broad claims with no obvious claim defects, covers valuable subject matter

Rating 2: Broad claims with limitations limiting subject matter, no obvious claim defects.

Rating 1: Narrow claims with limitations that reduce scope to fewer target products. No fatal claim defects but may have single infringer or other defects.

Rating 0: The claims are impossible to infringe or have fatal defects.

Detectability

The ease of detection of the claimed process/elements will be assessed.

Rating 3: Claimed features are easily detected and clear evidence of use present. Can be identified based on product marketing materials.

Rating 2: Claimed features are detectable through inspection, functional testing, or product tear down.

Rating 1: Claimed features are detectable through evasive tear down and inspection, requiring specialized tools and capabilities. Alternatively, the features may have to be inferred using other supporting evidences.

Rating 0: The claimed features are undetectable

Value capture (Usability/Block)

Consider how the patent shall be used: Productize, Monetize, Litigate or Positioning

Rating 3: Currently used and/or known use of competitor.

Rating 2: possible use, planned or discussed and/or strategical valuable blocking capacity

Rating 1: possible use but not planned

Rating 0: no possible use

Strategic position

Considers the overall strategic position in the portfolio (considering Module area and Tech Domain – considering strategy matrix)

Rating 3: Core, fundamental, big bet or similar

Rating 2: fitting to recent or planned future development

Rating 1: no planned development but within the scope of

Rating 0: Out of scope

Technical Merit

Considers the overall technical strength of the claimed invention

Rating 3: Core, fundamental technology that is a basis for a large business.

Rating 2: Design alternative, incremental improvement, or important product differentiator.

Rating 1: One of many design alternatives.

Rating 0: Has significant technical issues or does not operate as described.

Customer Merit

Considers the overall usefulness of the claimed invention to the customer

Rating 3: Core, fundamental functionality

Rating 2: Product differentiator attractive to customers

Rating 1: One of the good-to-have features

Rating 0: Customer's do not see this in the product

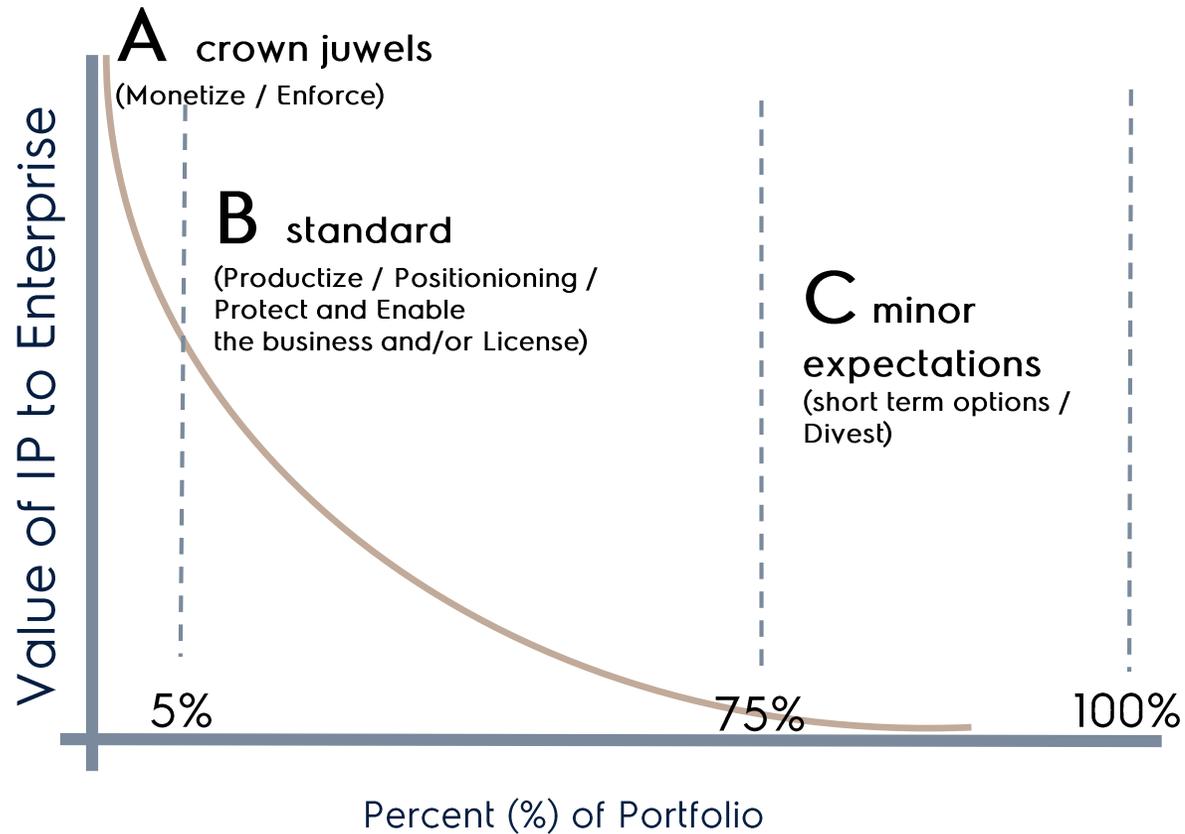
adapted from Jan-Willem Goedmakers, Stamicarbon



The patent ABC: A Value Capture Model:

The aim: Know the value of each asset you have!

Consider how the patent shall be used: Productize, Monetize, Litigate or Positioning



Business Scenario



CBA: XXX | Technologies: YYY



Business Drivers

- Regulations
- Universities
- Suppliers
- New actors
- New value chains
- Consultants
- Partners (JVs)
- Competitors
- Customers
- Markets
- Where heading?
- Most relevant actors and their business/tech focus



Technology Drivers

- Background Mtrl
- Tech tree
- Important technology
- Tech dependence - enablers
- Technology drivers (long term)
- Tech acquisition strategy (internal/external which areas)



IP Relevance in Scenario

- Background Mtrl
- Landscape
- Own portfolio (gap analysis)
- SWOT
- Identify IP protection priorities and activities to support scenario
- Support collaboration
- Drive sales and profit margins



IP Actions & Priorities

- Buildt up portfolio in
 - Tech 1
 - Tech 2
- *Particularly in*
 - *Country 1*
 - *Country 2*
- Reduce Portfolio
 - XX
 - YY
- Ideation Workshops (build)
 - Tech 3
 - Tech 4
- Enforce
- Aquire (build up new position)
- Early Opportunity investigations of start-ups
- Strong supplier management



CASE: How to build position against key competitors?

(based on exposure and risk mitigation)

2018
market data

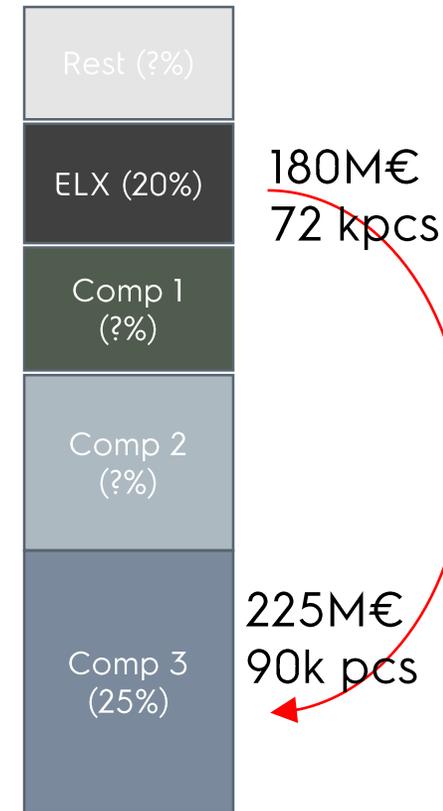


Assumptions
 avg price is 2.5kEUR
 total market will grow by 1.5 fold
 all patents are same value

Competitor protects its market shares by 50 patent families and creates lever against our potential market volume

50 patents against 72k pcs
 = 1.4kpcs and 3.6MEUR per patent

2023 market prediction and
 ELX Market share ambition
 (ask your business for GFK data and CAGR)



Elux would have to create 40 patents to fully mitigate risk

(1.4kpcs and 3.6M€ per patent)

total 600M€ sales

total 900M€ sales

Competitor Analysis

Module Area : Ventilation

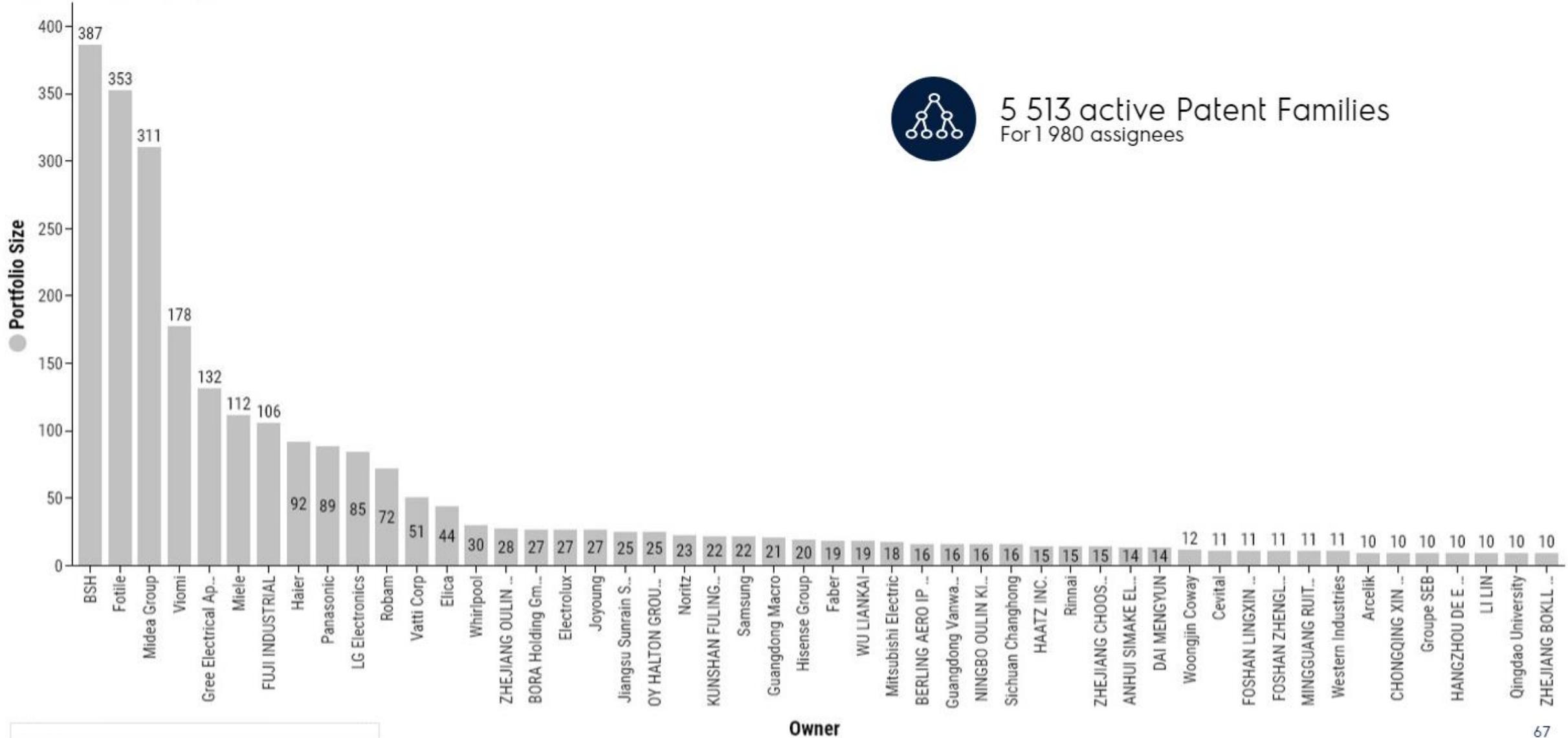
Data Source: search string for Ventilation unit
IP Tool used for graph: Patentsight

Data source date: 28-11-2019



Global active Patent Portfolio for Ventilation Unit

Top 50 assignee per portfolio size

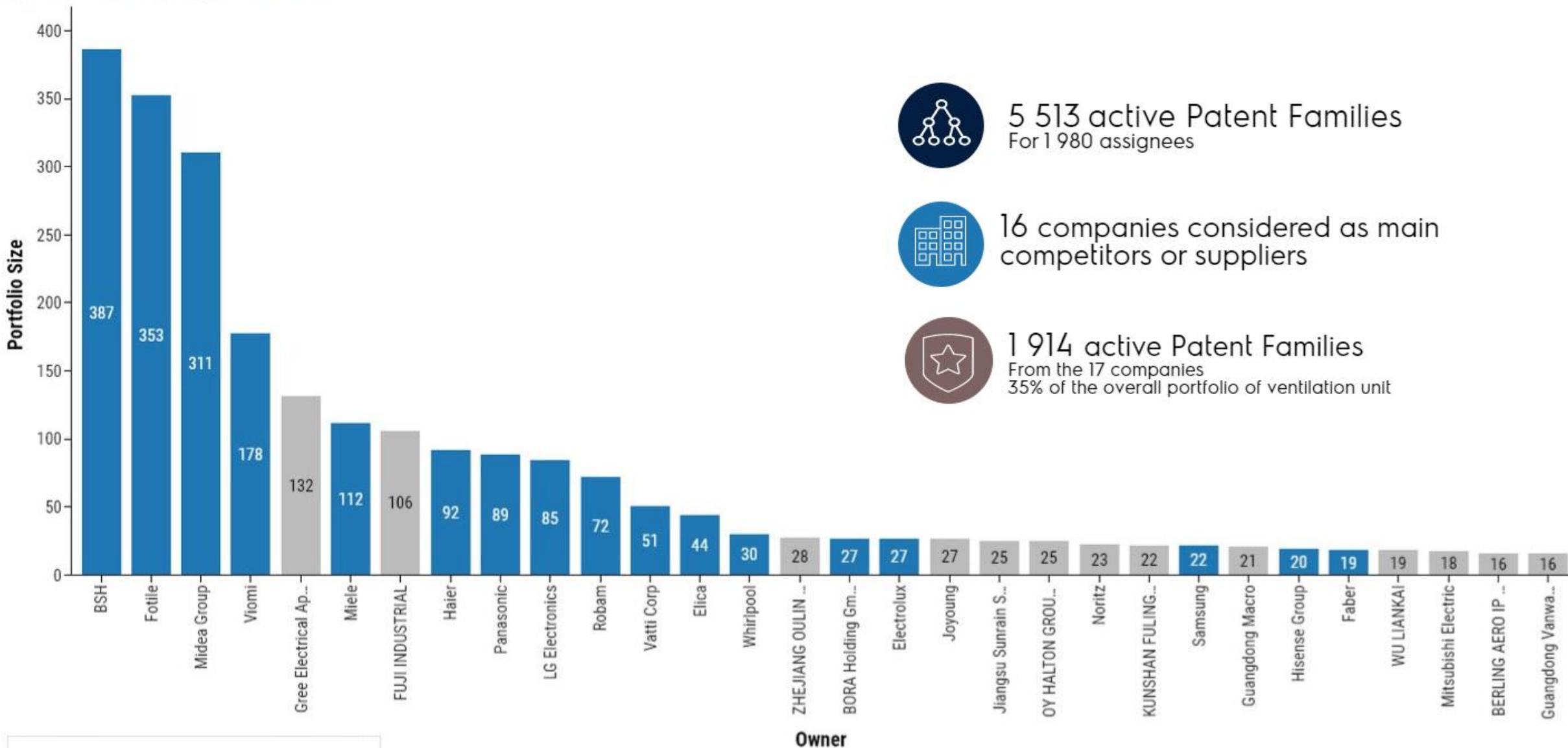


5 513 active Patent Families
For 1 980 assignees



Global active Patent Portfolio for Ventilation Unit

Top 30 assignee per portfolio size



5 513 active Patent Families
For 1 980 assignees



16 companies considered as main competitors or suppliers



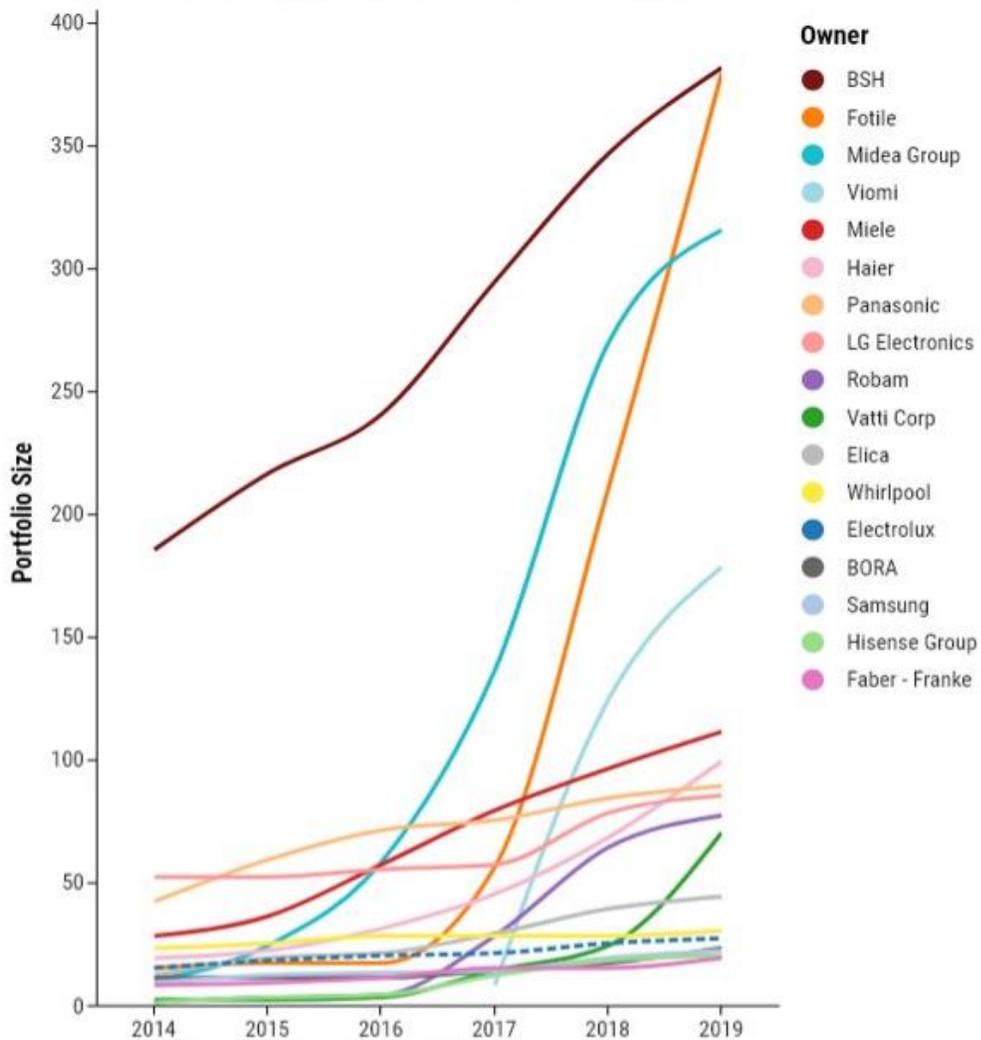
1 914 active Patent Families
From the 17 companies
35% of the overall portfolio of ventilation unit

Electrolux competitors analysis on 17 companies

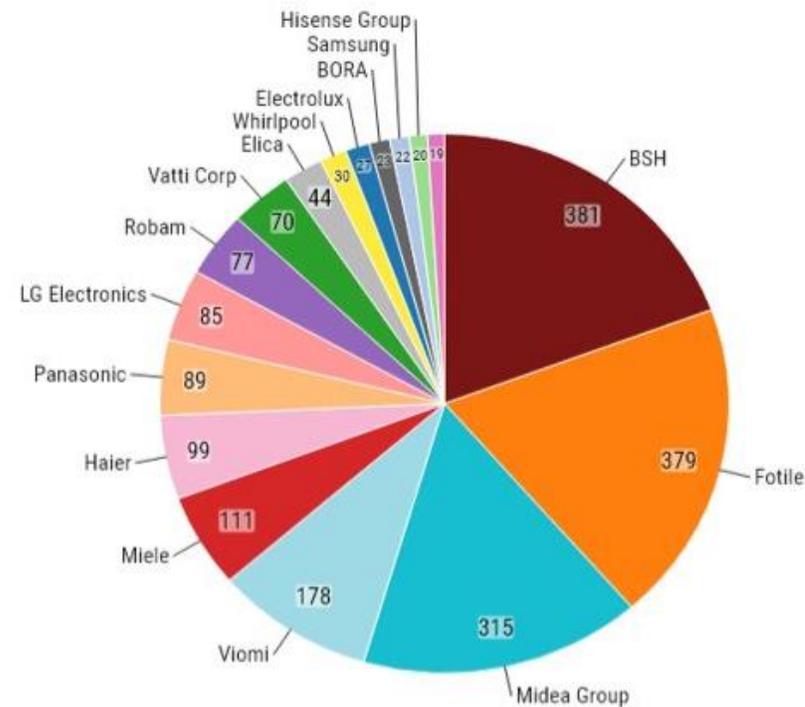
Global active Patent Portfolio evolution



Competitor Analysis - Evolution of Portfolio last 5 years



Competitor Analysis - Portfolio size 2019

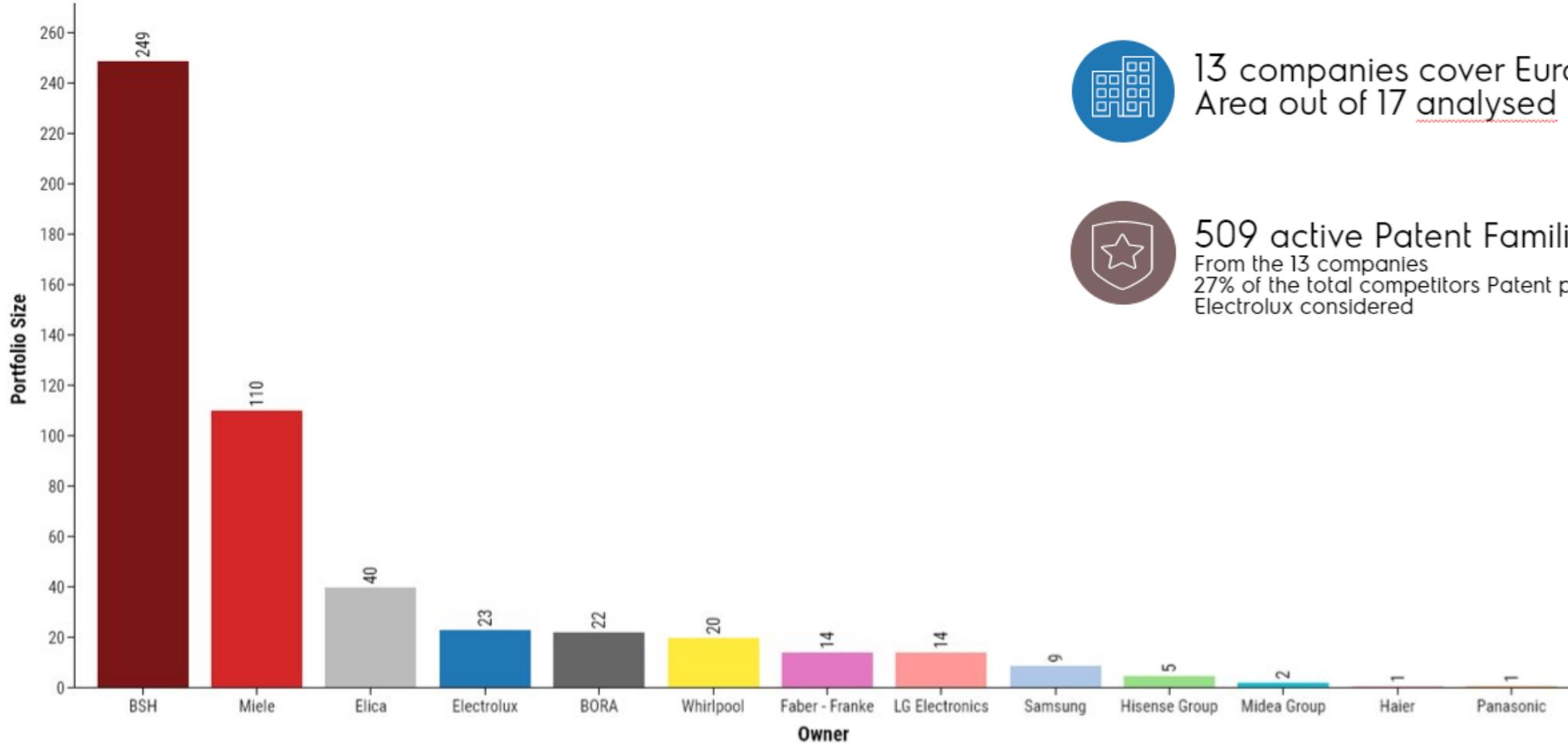


Main Competitors for Electrolux Europe Business Area

*numbers are patent families



EU Patent Market - Companies active Patent Portfolio



13 companies cover Europe Business Area out of 17 analysed



509 active Patent Families

From the 13 companies
27% of the total competitors Patent portfolio that
Electrolux considered



163 Patent Families



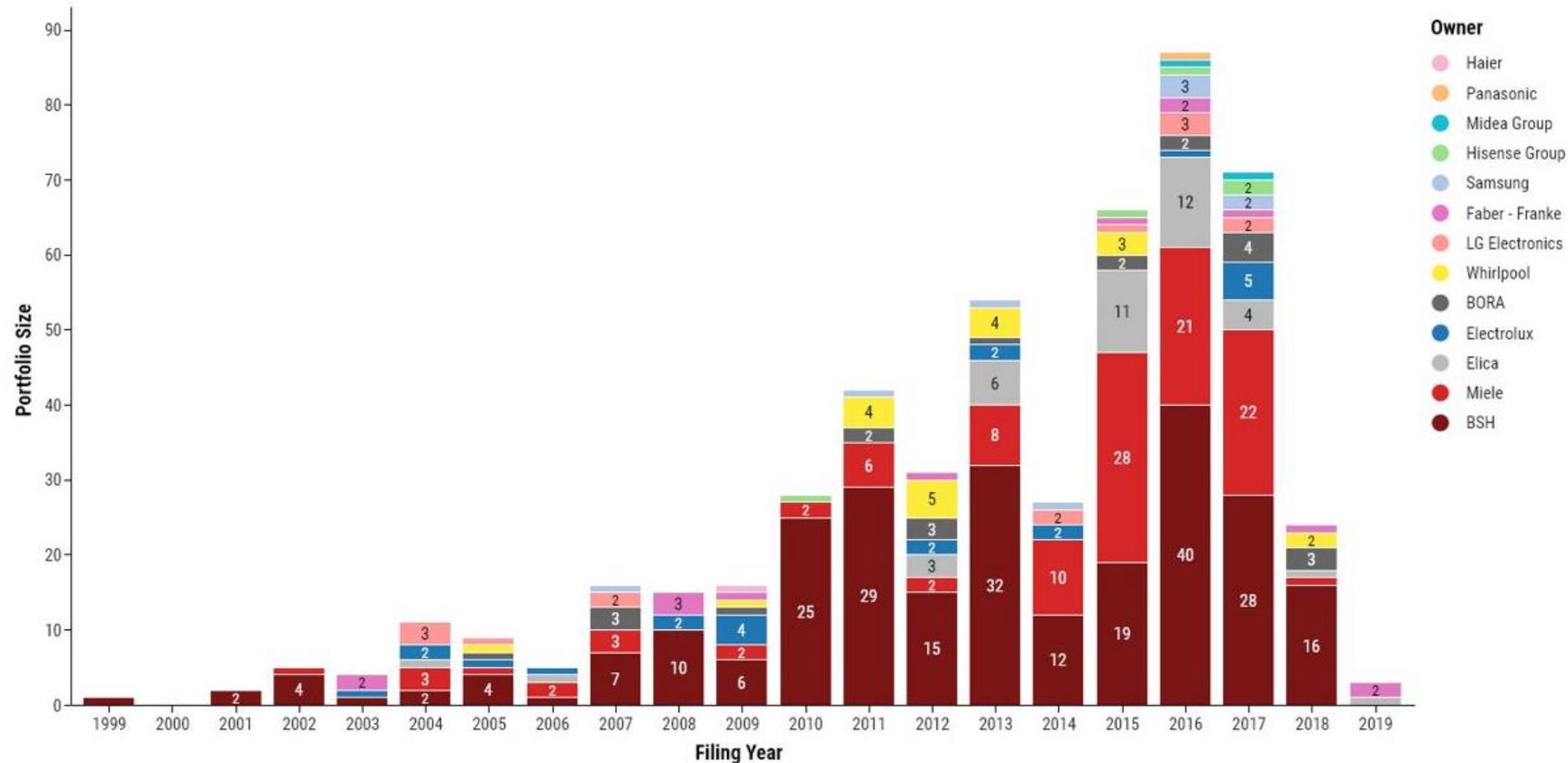
9 Patent Families



1471 Patent Families

Competitors filing velocity over last 20 years in Europe

516 patent families (including dead patents)

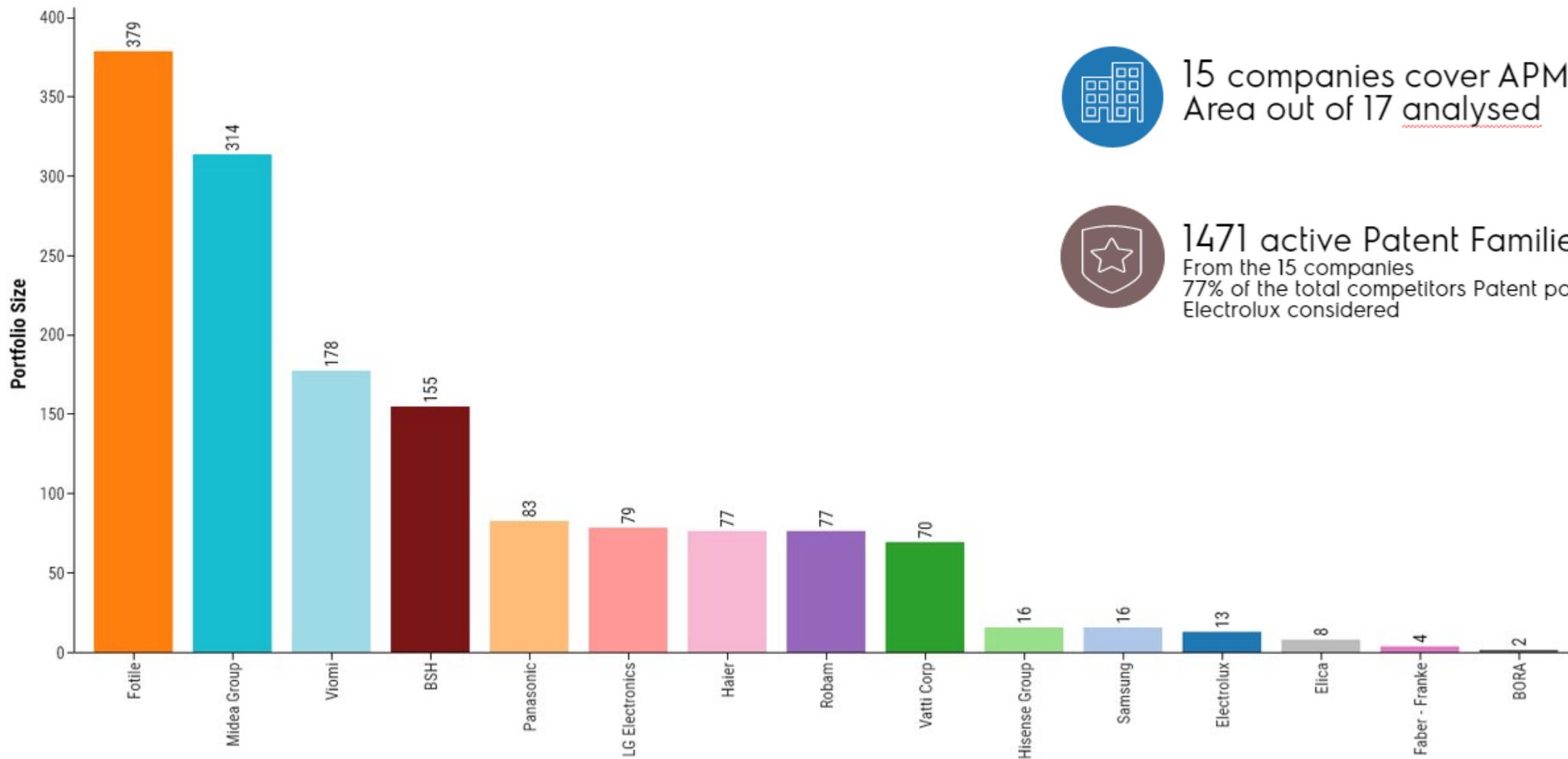


Main Competitors for Electrolux APMEA Business Area

*numbers are patent families



APAC & MEA Patent Market - Companies Patent Portfolio Jan 2020



15 companies cover APMEA Business Area out of 17 analysed



1471 active Patent Families

From the 15 companies
77% of the total competitors Patent portfolio that Electrolux considered



516 Patent Families



163 Patent Families

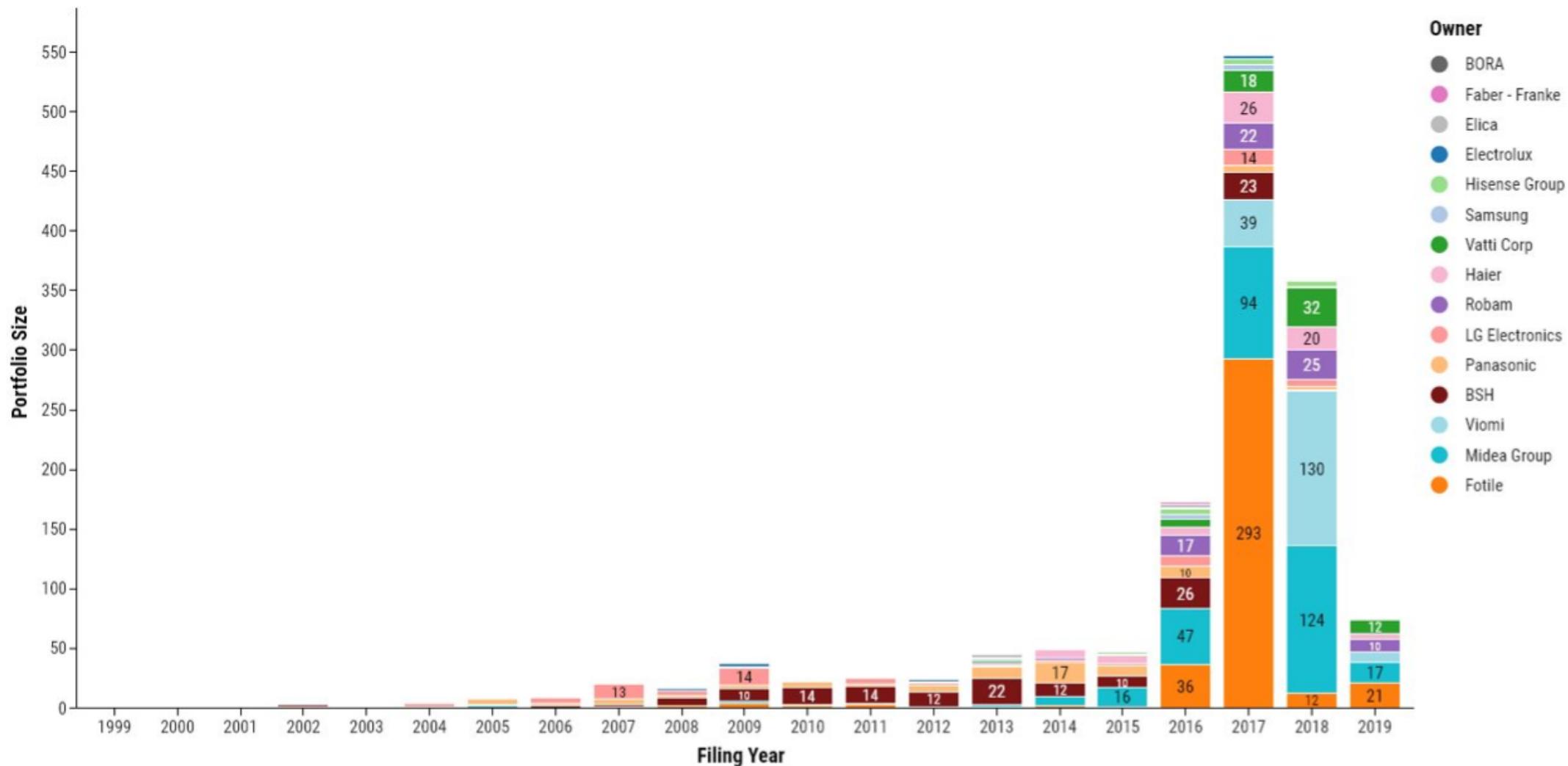


9 Patent Families



Competitors filing velocity over last 20 years in APMEA

1473 patent families (including dead patents)





Electrolux