

# OUTSOURCING IN PATENT INFORMATION: THREAT OR OPPORTUNITY?

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# Current Situation



# Outsourcing:

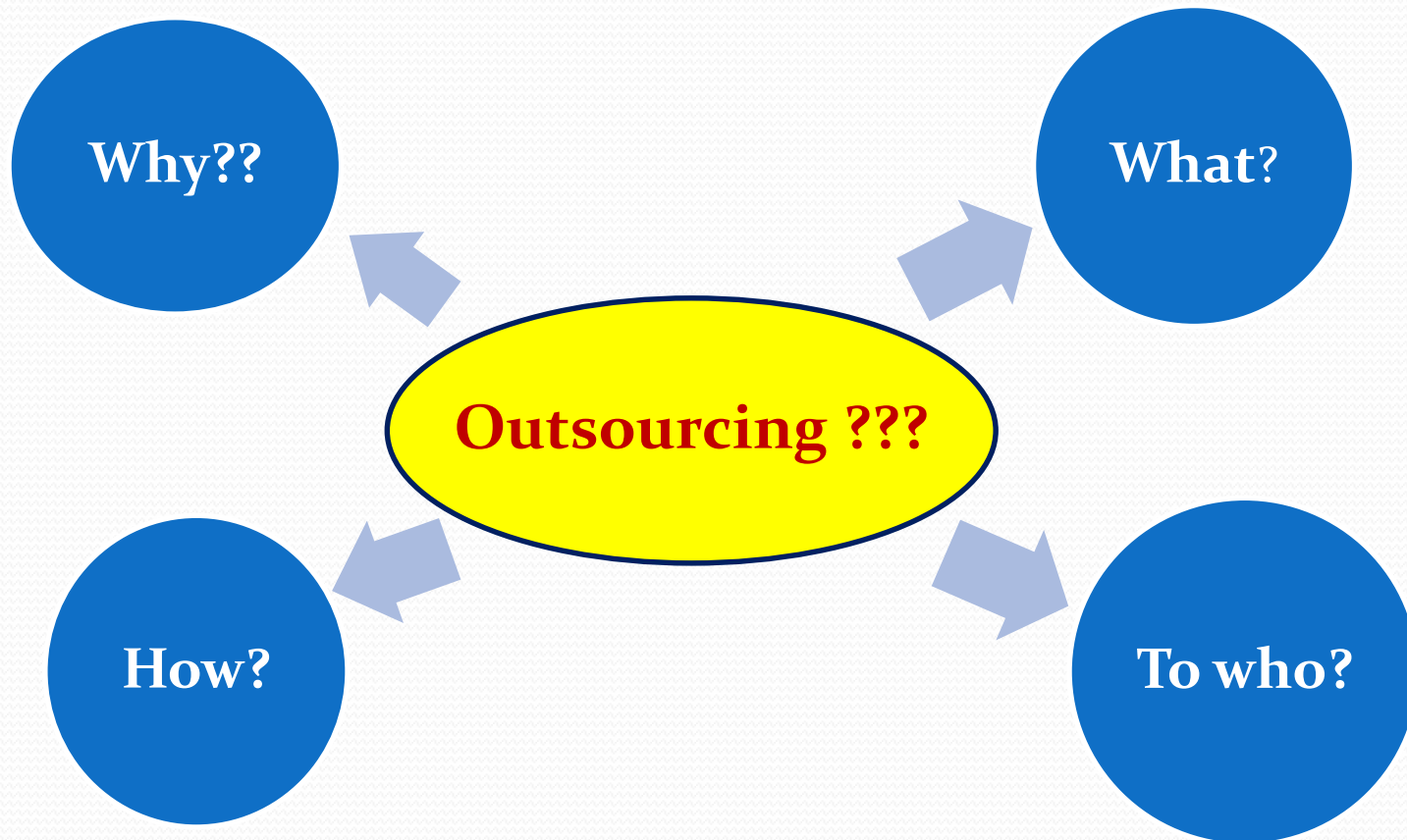
- Threat to patent information professionals?
  - They will steal our job
  - Fear to loose control of quality of information
- Or opportunity?
  - Reduced workload
  - New ways to work/ introduction to new tools
  - Allows to concentrate on more value-added activities
  - Expanded professional network

# Outsourcing

## Customer Viewpoint

(Customer= patent professional requesting the outsourcing)

# Outsourcing: the customer's view:



# Customer: Why?

- Lack of resources (manpower, ...)
- Short delay
- New technical area
- Requires specific skills (e.g. chemical structure searching for a non-chemist ...)
- ...

# Customer: What?

- Our experience: opposition/invalidation seem the most favourable cases: well defined:
  - object (claims of the patent to be opposed),
  - temporal (prior to effective priority date)

and

- geographical limits

# Customer: What?

- Any other request requires the writing of specifications with
  - A comprehensive definition of the subject, of the frame of the project (FTO, landscaping, ...) and of the report structure ...
  - However, we do this exercise if we do the work ourselves
- Note that outsourcing covers more than searching/landscaping: it can be used for other purposes, e.g.:
  - Data analysis/classification of large datasets...
  - Retrieval/analysis of patent legal statuses e.g. in unconventional countries

# Customer: Who?

- Initial identification of potential subcontractors by conference, advertisement, reputation/word of mouth, classification or recommendation by international bodies (JETRO, PIUG, AIIP ...), website, ...
- Checking their capabilities:
  - Company structure, history
  - Formation (Engineers, attorney, PhD) and experience of the subcontractors
  - Tools available to them
  - Examples of report
  - Results from initial trials
- Set up a **non-disclosure agreement** (and/or a contract): they can treat work with some level of confidentiality
- Depending on the **FIELD & TYPE OF WORK** to be outsourced:
  - Technical field (chemistry, engineering, polymers,)
  - Type of work (type of search, legal status, data analysis/classification ...)
  - Confidentiality level of the work?

# Customer: How?

- Send project specification to the subcontractor(s) and ask for tentative strategy, delay, ... If required set up a meeting
- **Cost?** Ask for cost estimate!
  - *Our experience*: the most expansive not necessarily the best,
  - But .... low cost is often linked to limited quality...
- Need for the patent professional to:
  - Check the proposed strategy/tools to be used
  - Review the (interim) report(s)
  - Evaluate the work quality (with patent professional's own clients)
  - Provide feedback

**In Fine, the patent professional is accountable for the quality of the job towards his own client**

# Customer View: Case Example:

- Search to prepare opposition to a granted European patent
- This actual case was used as a test to evaluate 4 subcontractors: A, B, C et D
  - Independently done (they did not know of each other doing same work)
  - Each sub-contractor has prepared a report that is transmitted to the patent attorney
  - Enables comparison between them

# Customer View: Case Example:

- Criteria selected for the comparison:
  - **Quantitative:**
    - Number of retrieved documents (relevant or partly relevant)
    - Number of documents used in the procedure by the patent attorney
  - **Qualitative:**
    - Relevancy: Are the documents cited as relevant really relevant? Evaluation by the patent attorney,
    - Report layout: easy to handle? Links provided?
    - Results analysis: does the report provide analysis (e.g, patent mapping, text extracts, ...) of the retrieved documents

# Customer View: Case Example:

- The results (quantitative):

Sub-Contractor	A	B	C	D
Number of cited patent documents	18	6	42	37
Number of cited NPL documents	0	0	0	4
<b>Total number of cited documents</b>	<b>18</b>	<b>6</b>	<b>42</b>	<b>41</b>
Procedure				
Number of cited docs for relevancy (novelty) (on 2)	2	1	0	2
Number of cited documents for inventive activity (on 4)	3	0	2	2
<b>Number of cited documents effectively used (on 6)</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>4</b>

# Customer View: Case Example:

- Qualitative results:

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- Sub-contractor A
  - Best ratio relevant (used in procedure) docs/cited docs
  - Good search strategy
  - But analysis to be done by the customer, although partly compensated by less cited documents
- Sub-contractor B
  - Good presentation making results analysis easy
  - But less relevant

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- Sub-contractor C
  - The largest number of documents, but duplicates!
  - Although classified, difficult to retrieve best relevant documents!
- Sub-contractor D
  - Good search process
  - Best results are presented in a specific table with comparison with the main features of the patent to oppose and showing up of relevant extracts in the selected documents
  - For other partly relevant documents, classification by relevancy (e.g, detailing missing feature)

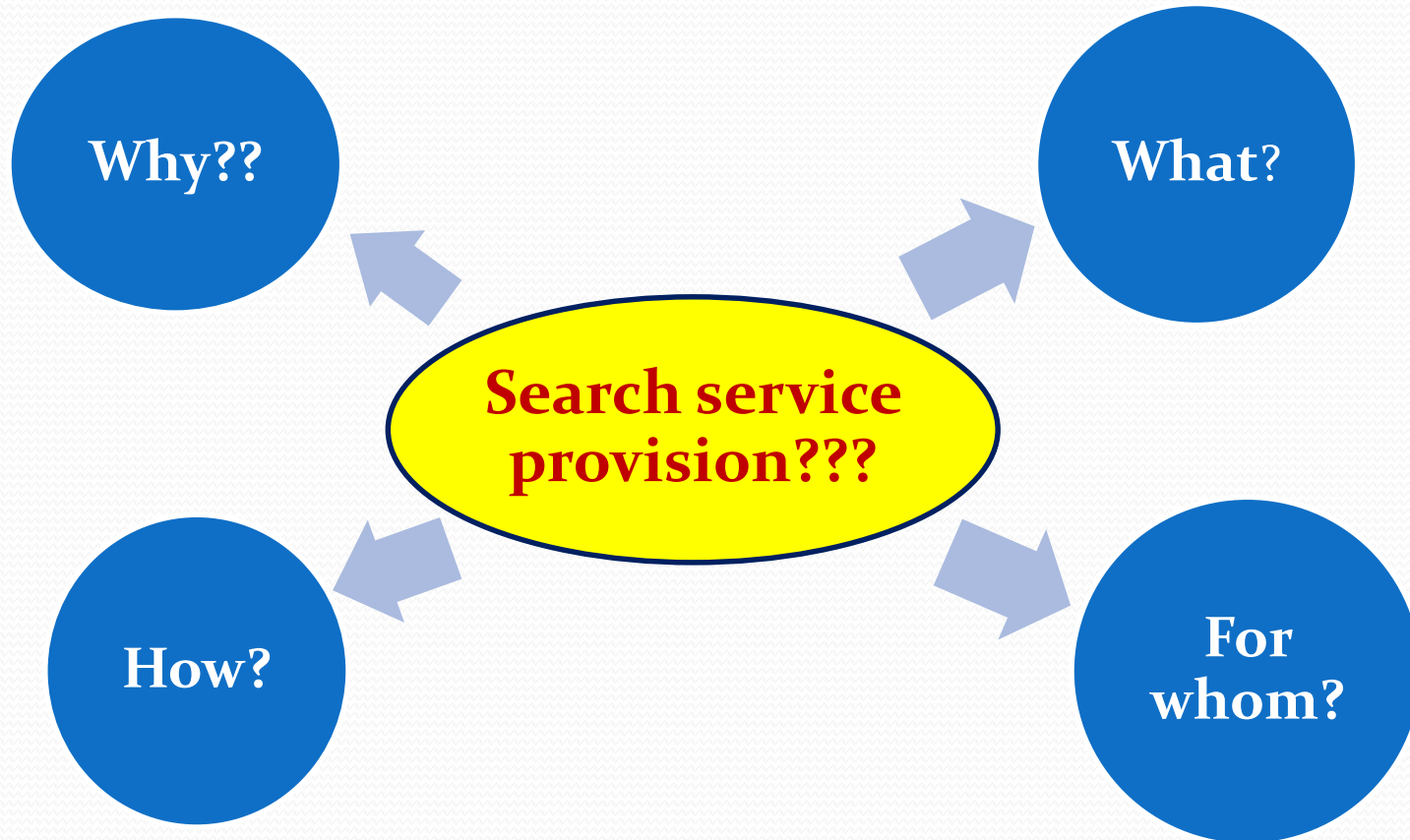
# Customer: final remarks:

- **Performance often linked to individuals** carrying out the job  
=> sometimes, **changing people results in lower quality**
- Establish **mid/long term relationship** with the best ones
- Need to **understand the competency domains of the sub-contractors** => **allows to direct the request to the best fitted**
- Do **not overload a sub-contractor** => **loss of quality?**
- **Discussion and feedback of paramount importance:** request definition, phone call, ...  
to get a good understanding of the request and help improve further works
- **Establish specifications** (including cost/delay, deliverables) for each request
- Attention to the **durability** of a subcontractor! => **Is he (re)liable / consistent?**
- **Ask & keep their detailed search strategies**  
=> can e.g. provide you with new tricks/approaches  
=> enables to complete work if required,,,

# Outsourcing

Sub-Contractor Perspective

# Outsourcing: the subcontractor's view:



# Requirements:

- **Clear Specifications:**
  - *Should comprise the Request, the Context, the Purpose, Criteria, Expected Delays & Desired Formats/Structure of the Deliverables, Disclosure of already found documents / competitors / particularly important technologies ...*
  - **Build in an iteration following preliminary review of the results if possible.**
  - **Do not change criteria** after getting the report!
  - Enable interactions with the competent people
  - Avoid the « tea bag » approach!
    - To avoid diluting required/important information
  - Whenever possible ask on time, urgencies should be avoided,
    - To get better work quality!

Finally, same requirements wished by any patent professional!

- Requirements from Subcontractor:
  - **Long term relationship preferred**
    - Consider the subcontractor as a partner
    - Enables long term mutual **understanding!**
  - **Trust the subcontractor by**
    - providing context for the search request
    - Being honest on deadlines and budget
    - Provide feedback on the job if possible (what worked / didn't work)
  - **Cost is not all!**
    - **Specially considering the Stakes!**
    - **Make it easy for the sub-contractor to get paid for the work!**

# Service offer options

Service Offer	Advantages	Disadvantages
Subscription	<p>Known costs for client Known income for contractor</p>	<p>Client linked to supplier long-term Cost - difficult to predict annual volume</p>
Package (e.g. fixed fee)	<p>Speeds up acceptance of each project for both parties</p>	<p>Each project is different Projects over / under priced Does customer value the service provided? Negotiations around what is included in each package still ensue</p>
Quotation for Each Project	<p>Tailor-made offer, adapted to the real case Better clarity for both sides</p>	<p>More work for the two parties (submission/analysis) For subcontractor - take care with the level of detail on method; focus on deliverable</p>
Database Costs (and other expenses)	<p>Inclusive - clear total cost for client Exclusive - all costs covered for contractor and customer understands full costs involved in sourcing data</p>	<p>Inclusive - subcontractor may be out of pocket Exclusive - time spent with invoicing</p>

# One size fits all?

- Advantages and disadvantages of working with organisations of all sizes

Organisation	Advantages	Disadvantages
Governmental / Legal	Clear budget and goals when used to outsourcing	Slower decision making May have protracted sign off procedure
University / Research / Charity	Challenging and interesting projects	Unclear deadlines Often many stakeholders
Multi-national	Large budget and resources Understanding of IP information Clear goals	Make sure you know the decision maker Slow decision making May have protracted sign off procedure
SME	Fast decision making Access to 'right people' for technical discussion Negotiation on deliverables and scope vs budget accepted	Cost constraints Maybe lack of understanding of IPRs and patent information Underestimate of requirements (vs real needs)

# Outsourcing – authors' viewpoint

- **Return of experience**
  - *Service offer*
    - Less problems when a « quotation » is used
    - IP culture of clients working with « quotation » is often higher than for customers working with «package »
  - *Request using only specifications, without exchange:*
    - Only possible with long term customers/subcontractors
    - *The subcontractor is an integral part of the patent information team*
  - *Urgent Requests*
    - Difficult to get good job done (for both parties)
      - Badly written request specifications
      - So the work by the subcontractor is not targeting the correct issues
      - *Both parties are loosing,*
    - Possible only for well known customers or for well defined problems.

# Outsourcing – authors' viewpoints

- ***Relation / Status of Customer***
  - ***Subcontractor = need to know and understand the client and what is at stake***
    - Enables to better target the work to be done, within the correct context
    - The subcontractor is nearly never fully expert within the customer's field
      - But can be an expert in the broader technical field (although some are actually coming from similar companies)
      - Is expert in patent information and search methodology!
      - But, with good technical backgrounds and within a long term relationship, he can learn part of the competencies from the customers...
    - And as already stated it can happen that the subcontractor has also his own experience (e.g., in unusual field for the customer) and that he can bring his own vision on the problems
      - For open-minded customers, this is an additional added value...
      - Subcontractor has wide experience of search in overlapping fields usually this is very valuable for understanding state of the art.

# Outsourcing

Questions?

Comments?

- **Reference:**

*« OUTSOURCING? », workshop at the 2016 CFIB meeting, Strasbourg, by  
Philippe Bodart, Pierre-Olivier Bourge & François Libmann*

- **Disclaimer:**

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