Exploitation of IPR

The protection of industrial property and intellectual property rights are the responsibility of the Hungarian Patent Office (HPO). Research results may appear in innovative products or in intellectual property rights. Among others, the following pieces of legislation promote the IPR protection:

- Act XXXIII of 1995 on the Protection of Inventions by Patents
- Act XI of 1997 on the Protection of Trademarks and Geographical Indication
- Act LXXVI of 1999 on Copyrights
- Act XLVIII of 2001 on the Legal Protection of Designs

The exploitation of research results is a natural process at profit oriented enterprises as the goal of these enterprises is to maximise their profit and to get a good return on their investments. Although public research units in Hungary have significant R&D and innovation potentials, exploitation of research result is not typical in their case. Very often, valuable inventions, technologies and know-how lie idle.

The objective of Act CXXXIV of 2004 (Innovation Act) is to promote the improvement of Hungary’s ability to generate income based on knowledge and technological innovation and serving sustainable development. According to section 18 of the Act, all public research institutions, public foundations and non-profit companies founded by the sub-systems of public finances which qualify as research institutions shall have the Rules for Intellectual Property Rights Management effective as of 1st January 2006. Organisations supported by the Research and Technology Innovation Fund shall submit their Rules for IPR Management to the funder. The validity of such Rules shall be checked whenever a new funding contract is drafted. Without such Rules, the Agency for Research Fund Management and Research Exploitation (KPI) shall not enter into a funding contract with any of the above organisations.

To help public research institutions to prepare their own Rules for IPR Management, the National Innovation Office (NIH) and HPO published a Methodology Guide. According to the Guide, the following areas should be regulated: ways to exploit inventions (official and by employees) created at the given research unit (procedures to follow, motivation of researchers, basis of license agreements, framework of founding spin-off companies, etc.). Most of the organisations already have such Rules, so the exploitation of research results is usually carried out in a regulated environment. In many cases, offices for technology transfer were set up in the organisations to facilitate the process. There are organisations in which this activity is carried out in separate companies.

The objective of NIH is to motivate the exploitation of research results and promote technology transfer. Utilisation may happen in two different ways: parties may sign a licence agreement or the organisation may set up a spin-off company. According to the Innovation Act, spin-off companies are enterprises set up to exploit a research result created at a public research institute and partly owned by the given research unit. Our goal is to help setting up an increasing the number of such spin-off companies. This goal receives priority in our calls for proposals (for example in Péter Pázmány Programme and Gábor Baross Programme). Unfortunately, setting up spin-off companies is often hindered by slow decision making and the lack of necessary managing skills.