Public health, innovation, intellectual property and trade

Medical Innovation — Changing Business Models

A Joint Technical Symposium by WHO, WIPO and WTO
WIPO Headquarters, 34 chemin des Colombettes, Geneva, in Room A
5 July 2013, 9:00 - 17:00

The purpose of the third trilateral joint technical Symposium was to discuss current changes in the innovation landscape and explore new and potential business models in medical innovation.

Participants were Geneva-based delegations to the WHO, WIPO and WTO, representatives of international and philanthropic organizations, experts on patent information, civil society organizations and all interested individuals and organizations.

Useful links

The programme

Background

The conventional innovation model for medical research and development (R&D) is facing a number of challenges with respect to the way innovation is financed and carried out.

Collaborative innovation models, new industry structures, evolving market requirements, emerging markets, and public health needs in developed and developing countries require careful scrutiny of innovation policies. They result in evolving cooperation landscapes involving different sectors and areas of the world.

More recently, the pharmaceutical industry has witnessed some important changes: Companies merge in order to strengthen innovative capacities, and acquisitions of generic companies by originator companies, and vice versa, blur the traditional boundary between R&D based industry and generic medicine makers.

In parallel, a development of differentiation and work sharing can be observed, for example in the field of biotechnology in which often small and medium size biotechnology companies, including start-up companies, or universities do basic or specialized research, sometimes in cooperation with, or funded by industry, and license out the R&D results to the pharmaceutical industry.

At the same time, public sector research continues to contribute to providing direct research and development outputs. This development is
supported by national legislation encouraging universities to actively manage their research outcomes, particularly also through intellectual property licensing, and leading to increased cooperation with the private sector in public private and product development partnerships.

The recognition that reliance on market mechanisms alone does not always work to achieve outcomes, namely where markets are small and do not promise sufficient yields, prompted the search for, and establishment of new forms of cooperation and partnership with the goal to obtain results and improvement for those situations.

Such projects related to both addressing the economic challenges of research, development and production for small markets and the use, benefits and limitations of intellectual property and intellectual property management in this context.

In parallel, new and additional schemes to support the endeavor of innovation incentives have been developed, such as advanced market commitments, grants, prizes, and tax incentives and the emergence of the overarching concept of de-linking the price of medical products from the costs of research.

In addition, a broad range of ideas how to better support and finance R&D is being discussed by key stakeholders in different forums.

The Symposium was the third in the series of joint technical symposia on public health, intellectual property and trade convened by the WHO, WIPO and the WTO. It builds on the collaborative work undertaken by the three agencies which includes the implementation of the WHO Global Strategy and Plan of Action on Public Health, Innovation and Intellectual Property. A major objective of this collaboration is to enhance capacity. To further this aim, the three agencies recently have published a joint study on Promoting Access to Medical Technologies and Innovation.

Joint study on Promoting Access to Medical Technologies and Innovation