

INFORMATION TERRITORIES

PATENTS ON THE PRAIRIE

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In America, they are called 'mega-hotels' -Texas-sized, ornate, tacky. The lobby of the Palmer House, which is one of the nation's most venerable convention centres, looks as if it were decorated by one of William Morris's less talented imitators.

Decor aside, the site of the 1989 Pemberton Online Meeting provided convenient nooks and crannies for tête-à-têtes in which data power-mongers wheeled and dealt.

I think of myself as neither hog-butcher nor big-shouldered, but I do know when to listen. In the psychedelic grand foyer, I sat in a semi-authentic Queen Anne chair. Paulamarie Babac, Derwent's US mid-western marketing manager was sharing her impressions about patent database usage in the Rust Belt. Ms Babac, like so many in the information business, has the task of assisting companies take full advantage of online information services. She concentrates upon patent information.

Readers of this column know I was born on the prairie, not more than 125 miles from the Loop, the very heart of Chicago, America's third city. Readers also know that I fear for many American businesses which operate as if Osaka were a movie set. I grew up rubbing shoulders with men who believed that God wanted females in the barn milking cows, or on cold days in the kitchen washing dishes. The fact is that most American bosses, firmly planted in their Steelcase psuedo-leather Eurostyle office chairs, still cling to this belief.

Ms Babac was in the process of stirring the embers of my smouldering outrage at

some of the flubs US companies make. Word had circulated that day that a Japanese company had achieved significant face: the firm bought a piece of the rock, Rockefeller Center. These guys were getting serious, and I knew Ms Babac had worked in a variety of countries and had some insights into the whys and wherefores of American business.

Obvious? Not to everyone

Even I, robed in my Oshkosh-By-Gosh overalls and DeKalb Hybrid jersey had figured out that patent files in general and Derwent files in particular, provided valuable competitive intelligence. I assumed that most folks in the mid-west would spend a bit of time in Derwent databases before designing brake shoes for a tractor or power-steering units for automobiles. "Wrong, wrong", laughed Ms Babac.

She leaned toward me and said, "I remember visiting one of the major automobile manufacturers in Detroit. It was my first visit to this company, and I was quite eager to show the scope of our patent coverage in the automobile component area. Three of four men came into the conference room. One of them turned to me and said: 'Oh, you must be the new patent man.'"

"At that moment I knew that I was going to have a tough sale. It's not so much the fact that American executives don't think a woman should be in business, but it's the idea that a woman should be in the patent business."

"Most of the US executives, particularly in the traditional industries, think that knowing what's going on in the US is enough. One peculiarity of some large companies is their belief that they are right all of the time."

Your humble columnist has had numerous encounters, close and unkind, with executives who shared data infallibility. The 'datal' bull they promulgated often sparked wonderful anecdotes for my essays, so I nodded in

agreement and asked: "Are some segments of US business more enlightened?"

"Of course. There is a growing interest in electronic information in certain market sectors. For instance, the pharmaceutical industry in the US takes a broad, comprehensive view of world patent developments. Many high-tech companies do too. But the automobile industry focuses on its own R&D activities, reviews the US developments, and often does not look at the global automotive patent picture. American business takes a hit-and-miss attitude toward patent information. If top managers don't place value upon competitive information, the individual who wants the information has a difficult, if not impossible job, of getting the data. The policy of most US companies is to have no policy."

NEW or new?

I was getting a mild ache an inch or two behind my right eye. Earlier that day I had participated in a video teleconference on CD-ROM technology and had told the unblinking red eye of the TV camera that not much new found its way to the conference this year. Looking for a dollop of hope, I smiled at Ms Babac and asked, "Has the pace of innovation stalled in the US?"

She leaned back in the grimy blue velour of her ersatz Louis XIV armchair and said, "Look around this show. How much is new? When innovation flags, the first sign is the emphasis on repositioning the product or making cosmetic changes. That's what's going on here. When a company is a serious consumer of patent information, that firm's innovations are process enhancement and technology application, not a chrome strip or a new price list."

This year's online show did not attract many non-US information companies. The major Canadian information companies did not make an appearance and getting to Chicago from Canada is easier than getting from

Montreal to Calgary. Groping for an explanation for the lack of major US industries' use of online patent information, I asked Babac what would characterize the differences between the US and non-US executives with whom she worked.

Ms Babac warmed to the question. She looked me straight in the eye and said, "When I present patent information to European and Japanese executives, I get a great deal of interest, even excitement. But it's not just talk. Most of the companies that ask me to make a presentation, take action to ensure that their employees have the data they need. I'm not saying the 100% of the companies buy what I am selling. But they are clearly motivated to gather more patent information."

"In the US, I hear heavy breathing but don't see prompt, decisive action in companies outside the computer, medical device and pharmaceutical industries. I hear platitudes. It's not unusual to be told that 'we have all the information we need.'"

Data basics

Now I was uncomfortable; the squiggly shapes of the William Morris designs artfully employed by decorators from Wheeling, West Virginia, began to quiver before my eyes. I tried to fix my gaze on Ms Babac, but I kept watching the blue-violet wallpaper undulate. I did manage to croak, "Don't these companies realize that they can make mistakes that cost millions of dollars of R&D money and waste months, maybe years of development time?"

Ms Babac fixed her unwavering gaze upon me and said, "The R&D staff of a major truck manufacturer had developed a 'new' brake design. Right before they applied for a patent, I made a presentation and did a search on brakes. Believe me, I thought that the online demonstration would be routine. After all, this group had been focusing on brakes for 24 months. They should know brakes cold."

"I started printing the records, and one of

the engineers stood up and asked me to freeze the screen. A Japanese company had patented their design more than four years earlier. To make matters worse, one of the people in the presentation noted that the Japanese design was simpler."

I wanted this conversation to be over. I wanted to flee to my room and get lost in Charles Dickens' *Great Expectations*, not think about the inability of the information industry to make end-users consumers of relevant, valuable competitive intelligence. After all, for a decade, I've been flogging this task. Here, in this fun house of a hotel lobby, Ms Babac is offering me evidence of ineptitude. Not good, I think to myself, not good at all.

Ms Babac would have none of stopping. She had insights, and I was writing them down. She said, "In the US, many research departments allow researchers to explore a wide range of issues. The broader the focus, the more difficult it is to cover all of the technologies and their implications. Quite a few of the researchers I've worked with in the US say that they want to discover things on their own. I call this the 'cloak of freedom'. At the same time the libraries are having budgets cut. But when litigation over infringement occurs, the dollars belatedly begin to flow."

Ms Babac lowered her voice and asked me, "Doesn't it make more sense to do the research at the front-end of a project and avoid patent conflicts?"

Aha! I began to recover my senses. The undulating purple lamp shade stopped quivering. "Other countries don't make their patent information available," I stated. "Why should US businesses pay for information that will not provide current information about the patents in the countries housing the firms which are their biggest competitors?"

Ms Babac replied, "You're right. One interesting aspect of the patent information business is that patent information from the

US, Canada and Western Europe is readily available.”

“This contrasts sharply with the patent information from many Asian countries. The government agencies can be quite impenetrable. There’s the obvious language barriers, and there’s the less obvious desire to keep certain information inside the country.”

“And when information from one of these countries is available, it often commands a high price. US companies take a look at the cost of the information and decide that the information they have is adequate. In an ideal market, patent information would cost the same, regardless of country of origin.”

Ms Babac climbed out of the sagging cushions and said, “I have to get back to the stand. See you.”

I mumbled, “Thanks for talking with me”, and dropped into the soiled polyester velour. For 1990, I want to see bright things in the US. I want to write happy essays. Then I had an image form in my mind. I visualized one of the automobile executives coming home and finding Ms Babac at the door. She smiled warmly and ushered the gentleman to the kitchen where he, cigar clamped between his teeth, prepared the evening meal . . . then washed the dishes. Meanwhile, Ms Babac reviewed patents online.