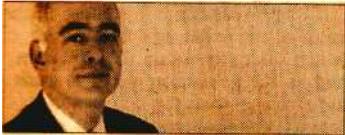


Business Life

Intellectual property rules block the search for new ideas



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ON MANAGEMENT

"Immature poets imitate; mature poets steal," T.S. Eliot once observed. It is unlikely that this insight, pithy and eloquent though it is, would be of much use during any intellectual property dispute.

Corporations guard their assets jealously. The realities of competition mean that complacency about patents and copyright could be fatal. It is fine for artists to joke about plagiarism. Business leaders rarely do.

If you attended the Association of American Publishers' annual conference in New York last week, you will have seen a senior corporate executive having a major sense-of-humour failure. Thomas Rubin, Microsoft's associate general counsel for copyright, trademark and trade secrets - what a job title - told delegates that Google's aim of

becoming the key global source of information and content was leading it into morally dubious behaviour.

Mr Rubin portrayed Google as a kind of commercial parasite, creating no content of its own and making money on the back of other people's work. He quoted Pat Schroeder, AAP chief executive, approvingly: Google had, Ms Schroeder said recently, "a hell of a business model - they're going to take everything you create, for free, and sell advertising around it". This approach, Mr Rubin said, "systematically violates copyright, deprives authors and publishers of an important avenue for monetising their works and, in doing so, undermines incentives to create".

Ouch. This sounds a long way from Google's original stated aim - "Do no evil". And, of course, the truth is more complicated. It is doubtful that most web surfers would recognise Google in Mr Rubin's vituperative description.

Google is popular and valued because it works. Its success is beginning to scare a lot of companies, including media companies, says Kevin Werbach, professor of legal studies and business ethics at the

Wharton business school. "[But] the media companies want and need Google, because Google is extraordinarily good at the two things that underlie most media businesses: directing users to content, and matching advertisers to users."

A bigger, more important (and more paradoxical) question arises. What is "original content" anyway? Shakespeare hardly invented a plot

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line. Most of his plays were drawn from historical fact or well-known fable. Was the premiere of *The Comedy of Errors* interrupted by a cry of: "Oh, come off it, Will, this is just reheated Plautus"? No, it was not.

What we now call the Renaissance was, in French literary circles, also known as "*la Restitution des Lettres*":

the restoration or reproduction of classical learning. If Racine chose to write his own version of Euripedes's *Hippolytus* - as he did - it was no rip-off or piece of cultural parasitism. To imitate was to be creative and, yes, original.

We still labour under a rather romantic (that is, Romantic) notion of what creativity and originality look like. We picture the lonely figure experiencing a eureka moment and, from nothing, creating something completely and utterly new.

But this view of creativity is simply wrong, and unhelpful in a corporate setting. Very little in this world is ever wholly "new" or the result of work carried out by a single person. Innovation is a team game, and one in which everyone has much to learn (and copy) from what is going on in the outside world.

In his *Open Business Models*, Henry Chesbrough, a professor at the Haas School of Business in California, says that the old protective barriers set up by businesses around themselves have to be pulled down. We need to open up and lighten up.

"Shorter product life cycles and accelerating costs spell doom for the

older, closed model of innovation," Prof Chesbrough says. "Only by accessing more ideas, and by using these ideas in more new products and services, can organisations keep pace and achieve an economically viable model of innovation."

Collaborating profitably with Google, rather than insulting it, is likely to be a better strategic choice.

Likewise, under its "connect and develop" programme, Procter and Gamble has licensed or acquired products from a range of competitors, bringing these products to market as P&G brands. The company has a network of "scouts" on the look-out for new ideas.

We need to guard against the spooky, wishful thinking that expects sudden eureka moments as the answer to our creative problems. Successful innovation usually emerges at the end of an extended period of steady and often undramatic experimentation. It is hard work.

As James Woudhuysen, a professor at the UK's De Montfort University, likes to say: "We've heard enough for one lifetime about 'thinking outside the box'." He goes on to ask: "When are chief executives going to ask for

some more 'inside the box' thinking?"

Innovation also requires an openness to concepts that are "not invented here". To complete the Eliot quote on plagiarism: "Bad poets deface what they take, and good poets make it into something better, or at least something different." A bit like a good search engine and aggregator, in fact, old material is presented in a new and useful way.

Shakespeare seemed to understand the slipperiness of "original content". In Act 3 scene 2 of *Hamlet* there is a brief but telling exchange between Claudius and the tragic hero, when the king is unimpressed by his nephew's insolent response.

Claudius: "I have nothing with this answer Hamlet; these words are not mine."

To which the noble prince replies: "No, nor mine now."

How about this for an alternative (and original) ending to Shakespeare's most famous play: Hamlet returns to Wittenberg and trains to become an intellectual property lawyer.

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