



With the dawn of the Internet of Things (IoT) and 5G networks on the horizon, the world is fast becoming more connected than ever.

Smart devices can be found in households everywhere and it will not be long before 'smart' technology becomes fully integrated into everyone's daily lives.

In order for the IoT and 5G to properly reach their potential, standardisation needs to occur. A 'smart' device can't very well be labelled as 'smart' if it cannot connect to anything other than other products created by the same manufacturer.

#### Who owns your 'smart' home?

As these standards are developed, hundreds, if not thousands, of patents will form an essential part of their operation. As we move from phones connected to fridges to fully-integrated smart homes, the potential problem of licensing these patents will become more significant.

Any patent that covers technology which is essential to a standard – such as 5G – is called a standard-essential patent (SEP). Businesses that own SEPs are required to licence these on fair, reasonable and non-discriminatory (FRAND) terms.

There is, of course, in any new technology, uncertainty around who owns those SEPs and in the case of the IoT and 5G, further uncertainty about the value of these patents and the cost of implementing them as part of the interconnected IoT.

The European Telecommunications Standards Institute (ETSI) believes that due to the large amounts of new technology required as part of creating a 5G network, the value of SEPs will need to be kept at a level consistent with the investment put into the new technologies or other mechanisms will be required.

### SMALL ROBOT COMPANY

The future of farming, with some robotic help, was on show and in action at the Royal Three Counties Show when Harrison Clark Rickerbys' agriculture and rural affairs team played host to the Small Robot Company; their robot, known as Tom, demonstrated just how new technology can help farming businesses. Read more at www.smallrobotcompany.com

### 5G, IoT AND THE WILD WEST OF PATENT LICENCE LAW

#### Licensing my talking toaster

The patent licence landscape in the IoT is still like the Wild West at this stage, with no consensus as to how exactly things will play out with regards to patent licensing and SEPs. One way of looking at licensing of patents in this area is using scale.

At one level, there are smart devices for consumer use such as smart toasters and thermostats. For IoT patents to have any value in this sector, there will probably need to be new mechanisms such as patent licensing pools to process and manage the vast numbers of transactions that would otherwise overwhelm the individual patent owner.

At the other end of the spectrum is implementation of the IoT in industry supply chains, where the products or unit worth is much higher and traditional patent licensing mechanisms will probably still prevail.

At this stage, we do not know exactly in what direction patent licensing will go in the brave new world of the IoT and 5G. What we do know is that protecting you and your business as early as possible by ensuring that you understand what intellectual property you hold will always be the first step towards commercialising your inventions.



Richard Morgan Partner, Specialist in Defence



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### GDPR IS ENCOURAGING CYBER AWARENESS

The advent of the GDPR is changing the data security landscape – 80% of UK firms have made changes to their approach to cyber security since the regulation was introduced, according to insurer Hiscox in its third annual Cyber Readiness Report.

The firm surveyed more than 5,400 private and public sector organisations across Europe and in the US – 55% of UK firms faced a cyber attack in the last year, compared with 40% the previous year; overall across the study, 61% of organisations said they had been targeted, with German firms hit the hardest.

But almost three quarters of firms were ranked as "novices" in terms of cyber readiness, and in the UK spending on cyber security is lower than average at \$900,000 against an average of \$1.45m.

The UK and the US were least likely to have a defined role for cyber security on their staff.

However, Hiscox also found the average cost of an attack in the UK was lower than average at \$243,000, compared with \$906,000 in Germany and \$486,000 in Belgium.

Data breach expert Steven Murray said: "GDPR has focused businesses' minds on the security issues generally. The report makes it clear that cyber security is a growing problem for a wide range of companies, and if we see more firms taking action, even at a low level and a relatively low cost, that is encouraging."



Steven Murray Partner, Specialist in Cyber Security

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# RECENT WORK

FOR A GLOBAL SOFTWARE AND PROFESSIONAL SERVICES PROVIDER

FUTURE WORKSPACE SURVEY



Providing software solutions to customers across the world needs the backing of highly skilled legal advice, as contracts and agreements have to be negotiated, drafted and reviewed to keep pace with changing requirements.

A global software and professional services provider called on the skills and experience of Rajeshree Bhojnani to help them to move forward with a key contract, which meant adapting a complex contract base provided by their customer.

Rajeshree was able to help them to identify key risks, including concerning the protection of intellectual property, IT security, liability allocation and the negotiation of liability limits. She then drafted solutions into the contract over a protracted period of negotiations, adapting and reviewing in line with those discussions.

Expertise in the sector, extensive experience of contract negotiations and clear and precise contract drafting meant that Rajeshree could support her client in bringing this key contract to a conclusion.



Rajeshree Bhojnani Partner, Tech Contracts and IP Specialist

How does your workspace effect your productivity? How often do you work from home? Would a games room in the office make you more creative? We want to understand the work space of the future. Our survey, aimed at people working in, or hoping to work in office-type jobs (professional, administrative, managerial) will help us understand the environment you currently work in, and what your ideal work space is. The information we collect will be used to shape our services. Take the survey here www.hcrlaw.com/ future-work-space-survey/



### TeCSA LOW VALUE DISPUTES (LVD) ADJUDICATION SERVICE

CONSTRUCTION NEWS

Making adjudication more accessible so that low-value disputes can be resolved quickly and economically, the Technology and Construction Solicitors Association (TeCSA) have launched a fee-capped low value dispute (LVD) adjudication service.

The service, aimed at claims for the payment of up to  $\pounds100,000$  (excluding VAT and interest), will have capped adjudicators' fees The maximum adjudicator's fee will be  $\pounds5,000$  excluding VAT for claims between  $\pounds75,001$  and  $\pounds100,000$ , with a sliding scale of fees for lower value claims.

The new service, which comes into effect from June 21, will be run by TeCSA on a pilot basis until November 2019 and will be available for claims for payment of a specified amount of up to £100,000. It will apply to disputes under construction contracts which fall under the Construction Act (primarily between businesses) or to disputes under contracts which contain adjudication rules under the Construction Act's Adjudication Scheme (for example, under a JCT Minor Works Contract with a residential occupier) or similar rules.

TeCSA chairman Caroline Pope, a Partner at Bryan Cave Leighton Paisner LLP said: "As has often been said, cash flow is the life blood of the industry, and so we hope that this new LVD service will enable parties who have not been paid to have greater certainty as to the costs of adjudication.

"We also thought it was important that using the service is not dependent upon the agreement of the other party. We will run it on a trial basis and review its effectiveness and identify any teething problems at our Annual Adjudication Conference on 14 November 2019."

Andrew James, Head of Construction and Engineering at Harrison Clark Rickerbys LLP, and a member of TeCSA's Adjudication Sub-Committee, who helped to develop the pilot scheme, said: "There is considerable evidence that the costs of adjudication both in terms of adjudicators' fees and legal and claims consultants' costs, are proving a disincentive to parties to use adjudication for resolving low value disputes.

"We cannot control people's legal costs, but we can help to make adjudication more attractive and improve access to justice by having a service where adjudicators' fees are capped, depending upon the value of the claim."

TeCSA already runs an adjudication service and has over 80 adjudicators on its panel. Adjudicators on the existing panel include not only solicitors but also quantity surveyors, engineers, architects and barristers.

Neal Morris, Head of Construction Advisory & Disputes at Pinsent Masons Solicitors and Chairperson of the Adjudication Sub-Committee of TeCSA said: "We initially consulted with our existing panel of adjudicators at last year's annual conference and have since got the agreement of the majority of our adjudicators to take part in this low value dispute service - we hope that it will prove successful and provide a valuable service to the construction industry."

For more information go to www.tecsa.org.uk/tecsa-adjudication-service or call Andrew James on +44(0)7711 272 782.



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### **TECHNOLOGY CENTRES OF EXPERTISE**

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