



AUDIRI VOX

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MIDDLE EAST – ASIA – AFRICA

# AVIP

Newsletter

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## THE FUTURE OF GENERATIVE AI: APPLICATIONS AND PATENT STRATEGIES

Generative Artificial Intelligence (AI) is a rapidly growing field that holds immense potential for innovation and disruption across many industries. As companies invest heavily in research and development of Generative AI technology, it becomes increasingly important to protect their intellectual property and establish a competitive advantage in the market. One way to achieve this is by developing a strong patent portfolio that encompasses the core technology of Generative AI. Patents provide legal protection for companies' intellectual property, enabling them to prevent competitors from copying or using their technology without permission. However, developing a patent strategy for Generative AI requires careful consideration of the unique challenges and opportunities presented by this field. In this context, innovative patent strategies can help companies not only protect their intellectual property but also dominate the Generative AI market. In this article, we will explore some innovative patent strategies that can help companies establish a leadership position in the field of Generative AI.

### WHAT IS GENERATIVE AI IN TECHNOLOGY:

Generative AI is a subfield of artificial intelligence that focuses on developing algorithms and models capable of generating new and original content, such as images,

text, music, and even video, that imitate or even surpass human creativity. Unlike traditional machine learning models that are trained to recognize patterns in existing data, generative AI models are trained on large datasets of examples to learn how to generate new, novel outputs that resemble the input data. Generative AI models can be used for a variety of applications, including content creation, product design, music composition, and even drug discovery. Generative AI techniques include generative adversarial networks (GANs), variational autoencoders (VAEs), and transformer models. These models have been used to create realistic images and videos, generate human-like text, compose music, and even design new products. As Generative AI continues to evolve, it has the potential to revolutionize industries such as entertainment, fashion, and healthcare by providing new ways to create, design, and innovate.

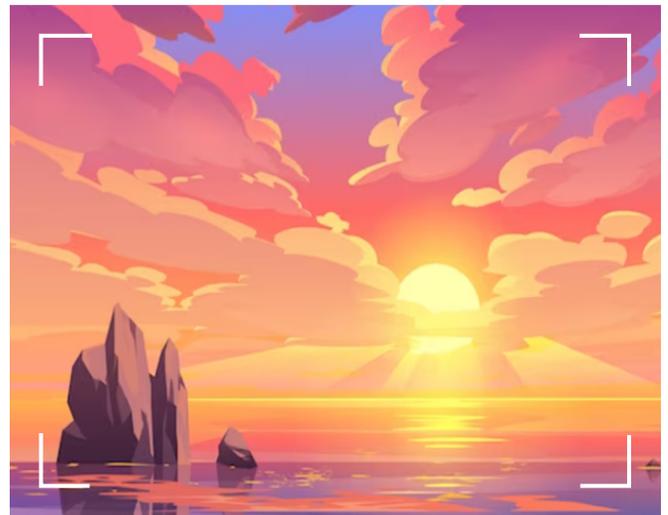


Image courtesy: vectorpouch / Freepik

### FUTURE OF GENERATIVE AI IN TECHNOLOGY & PATENT DEVELOPMENT STRATEGIES:

The future of Generative AI in technology looks promising, as the field continues to advance at a rapid pace. Here are some potential future applications and development strategies:

- **Personalization:** Generative AI models can be used to create personalized content for each user, such as personalized product recommendations, music playlists, or even video game levels.
- **Creativity:** Generative AI has the potential to revolutionize the creative industry by allowing designers and artists to quickly generate new ideas and designs.

It can be used to create new clothing designs, product designs, and even architectural plans.

- **Drug Discovery:** Generative AI can help in the discovery of new drugs by predicting the interactions between various molecules and predicting the effectiveness of potential drug candidates.
- **Gaming:** Generative AI can be used to create unique game worlds, non-playable characters (NPCs), and even game mechanics. This can lead to more immersive gaming experiences for players.
- **Content Creation:** Generative AI can be used to create new and engaging content, such as articles, social media posts, and even entire books. This can help content creators save time and resources while still producing high-quality content.
- **Marketing:** Generative AI can help marketers create personalized and targeted advertisements for each user based on their interests and preferences. This can lead to higher engagement and conversion rates.
- **Robotics:** Generative AI can be used to create robots with advanced capabilities, such as the ability to adapt to new environments, learn from experience, and even generate new movement patterns.
- **Intellectual Property (IP) Licensing:** Companies can license their Generative AI models and algorithms to other companies for specific use cases or applications. This can create a new revenue stream for companies that have developed advanced Generative AI models.
- **Patent Development Strategies:** With the rapid development of generative AI, it is essential for companies to have a strong patent development strategy to protect their innovations. One strategy is to patent the specific applications of generative AI, such as the specific use cases of generative AI in drug discovery or personalized content creation. Another strategy is to patent the underlying technology and algorithms that power generative AI.

In terms of development strategies, companies can focus on developing Generative AI models that are more robust, efficient, and scalable. They can also explore new data sources and techniques to improve the quality and diversity of the data used to train their models. Additionally, companies can focus on developing Generative AI models that are more interpretable and transparent, which can help build trust with users and regulators. All in all, the future of generative AI looks bright, with numerous potential applications in various industries. Companies should focus on developing a robust patent development strategy to protect their

innovations and stay ahead of the competition.

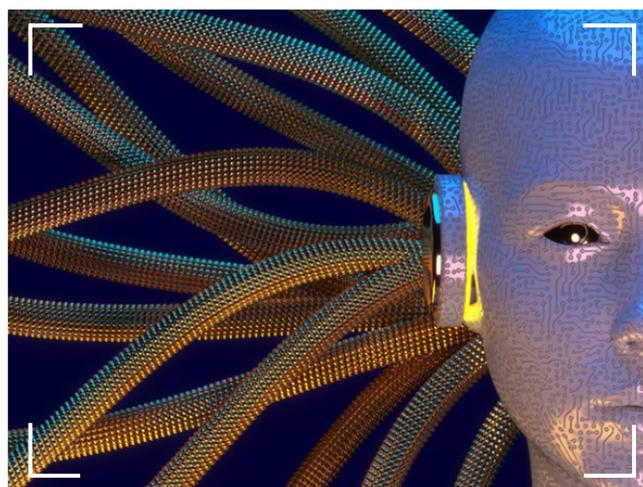


Image courtesy: Freepik

## PATENT DEVELOPMENT STRATEGIES CONSIDERING THE FUTURE OF GENERATIVE AI:

Patent development strategies are crucial for protecting intellectual property (IP) rights in the field of Generative AI. Here are some patent development strategies that companies can consider to protect their innovations in the future of Generative AI:

- **Identify the core technology:** Identifying the core technology is a crucial part of developing a patent strategy for Generative AI. The core technology refers to the fundamental algorithms, models, and techniques that are used to develop Generative AI models. By identifying and protecting the core technology, companies can establish a strong patent portfolio that provides broad protection for the underlying technology. Identifying the core technology involves analyzing the Generative AI models and identifying the unique and novel aspects of the technology. This may include identifying specific algorithms or architectures that are used in the Generative AI model, as well as any unique methods of data processing or training. For example, a company that develops a new Generative AI model for creating personalized clothing designs may identify the core technology as the specific neural network architecture that is used to generate the designs, as well as the unique method of data processing that is



used to train the model.

Once the core technology has been identified, the company can draft and file patent applications that protect the underlying technology. These patents can be used to prevent others from using similar algorithms or techniques to develop similar Generative AI models. The patents can also be used offensively to license or sell the technology to others, or defensively to prevent others from asserting similar patents against the company.

Therefore, identifying the core technology is an essential part of developing a strong patent strategy for Generative AI. By protecting the underlying technology, companies can establish a competitive advantage and create barriers to entry for competitors. Therefore, establishing a competitive advantage and creating barriers to entry are two key benefits of developing a strong patent portfolio in the field of Generative AI.

**1) Establishing a competitive advantage:** By securing patents that protect their core Generative AI technology, companies can establish a competitive advantage over their competitors. This competitive advantage arises from the ability to offer unique products or services that utilize the protected technology. The patented technology can be leveraged to differentiate the company's offerings in the market, attract customers, and ultimately drive revenue growth.

For example, a company that has developed a Generative AI model for creating personalized fashion designs can use their patented technology to offer unique products and services that cannot be replicated by competitors. This can help the company establish a leadership position in the market and command premium prices for their products and services.

**2) Creating barriers to entry:** In addition to establishing a competitive advantage, a strong patent portfolio can also create barriers to entry for competitors. This is because the patents prevent others from using the same technology to develop similar products or services. This can be particularly important in fast-moving markets where competitors are constantly seeking to enter and disrupt the market.

For example, a company that holds a strong patent portfolio around their Generative AI technology can deter potential competitors from entering the market. This is because the competitors would need to develop their own technology, which can be costly and time-consuming. This creates a barrier to entry that can help the company maintain their market position and pricing power.

### Few exemplary Industries:

a) **Healthcare:** Companies that develop Generative AI models for drug discovery, personalized medicine, or medical imaging can secure patents that protect their core technology. This can enable them to offer unique products or services in the healthcare industry, establish a leadership position, and deter competitors from entering the market.

b) **Gaming:** Companies that develop Generative AI models for creating realistic game environments, characters, and narratives can secure patents that protect their core technology. This can enable them to offer

c) **Advertising:** Companies that develop Generative AI models for creating personalized advertising content or predicting consumer behaviour can secure patents that protect their core technology. This can enable them to offer targeted advertising solutions that are more effective

than traditional advertising, thereby establishing a leadership position in the market and deterring competitors.

d) **Education:** Companies that develop Generative AI models for creating personalized learning content or predicting student performance can secure patents that protect their core technology. This can enable them to offer unique educational solutions that cater to individual learning styles and needs, thereby establishing a competitive advantage and creating barriers to entry.

e) **Finance:** Companies that develop Generative AI models for risk assessment, fraud detection, or portfolio management can secure patents that protect their core technology. This can enable them to offer innovative financial solutions that are more effective than traditional approaches, thereby establishing a leadership position and deterring competitors.

- **Identify specific applications:** Companies should identify specific applications of Generative AI in their industry or product lines. These specific applications can be patented to protect the use of Generative AI for a specific purpose.

- **File early and often:** As Generative AI continues to evolve, it is important to file patents early and often to stay ahead of the competition. Filing patents early can also help establish a strong patent portfolio that can be used defensively or offensively.

- **Work with patent attorneys:** Companies should work with experienced patent attorneys who understand the

technical and legal aspects of Generative AI. Patent attorneys can help identify patentable inventions, draft patent applications, and provide advice on patent strategy.

- Consider licensing: Companies can consider licensing their Generative AI technology to other companies for specific use cases or applications. Licensing can create a new revenue stream and expand the reach of the technology while still retaining control over the core technology and IP.
- Monitor competitors: Companies should monitor the patent landscape and identify potential infringement by competitors. This can help them take proactive measures to protect their IP and prevent unauthorized use of their technology.

### CONCLUDING REMARKS:

Effective patent strategies can help companies differentiate themselves, attract customers, and prevent competitors from replicating their technology. By embracing patent development strategies and focusing on the core technology of Generative AI, companies can position themselves for success and secure their place as leaders in this rapidly growing field. As we look to the future, it is clear that Generative AI will continue to transform our world, and those who are able to harness its power will reap the benefits of this exciting technology.

### MAN VS. MACHINE: ISRAEL PATENT OFFICE REFUSES AI DEVICE DABUS AS INVENTOR IN LANDMARK DECISION

The Israel Patent Office (ILPO) has declined two patent applications submitted by Dr. Stephen L. Thaler, the creator and owner of an Artificial Intelligence (AI) device called DABUS, as its inventor on March 15, 2023. The refusal was based on the current law which requires the inventor to be a human being. The Registrar of Patents recently upheld the Examiner's decision to reject both applications citing Sections 1, 2, and 11(b) of the Patents Law, which state that the right to apply for a patent is granted to the "owner of a patentable invention" who may be either the inventor or someone who has derived title

from them through transfer or agreement. The law further specifies that an applicant who is not the inventor must disclose how they came to own the invention.

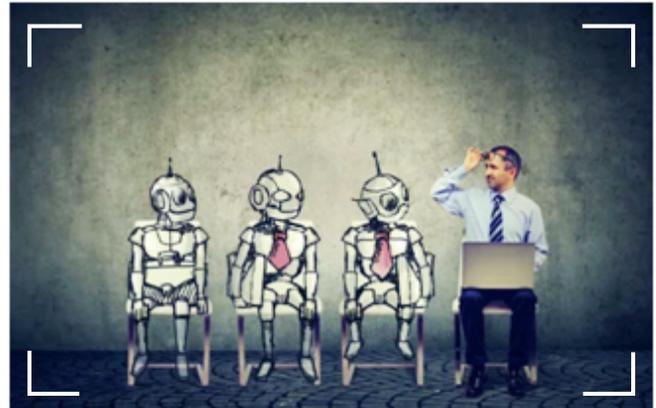


image courtesy: pathdoc/freepik

The Registrar concluded that the term "inventor" referred exclusively to natural persons, as evidenced by other provisions of the Patent Law that recognize the moral rights of inventors and their next of kin. The Applicant's claims that they were entitled to the invention under the Doctrine of Accession, a legal principle that grants ownership of the fruits of a tree to its owner, were dismissed. The Registrar noted that in most jurisdictions, the Applicant's claim to ownership of the DABUS inventions had been rejected unless Thaler designated himself as a co-inventor. Therefore, without a clear legislative basis and international consensus, it would be inappropriate to recognize machines as inventors under Israeli law based on a mere interpretative reading. The Registrar's decision was made in disregard of the Applicant's argument that recognizing machines as inventors under patent laws would promote innovation and disclosure.



## IP UPDATES

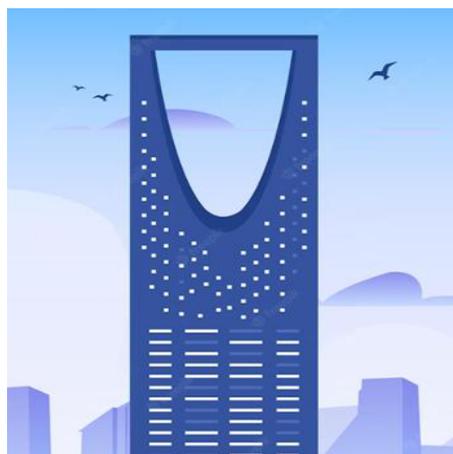
### 1. Updates from Kuwait Patent Office (KPO) regarding payment of Annuities



The Kuwait Patent Office (KPO) has implemented a new system for handling patent annuities payments. The KPO now offers an online portal for the payment of patent annuities, which must be made within the first quarter of the year, from 1st

January to 31st March, with a grace period extending until 30th June. Failure to pay annuities within the statutory term will lead to lapse of patent application and patents, which cannot be reinstated.

### 2. Patent Linkage System in Saudi Arabia's Pharmaceutical Market:



In Saudi Arabia, the approval of generic drugs is linked to the status of corresponding patents on brand-name drugs through a patent linkage system. The Saudi Food and Drug Authority (SFDA) oversees the regulation of the

country's pharmaceutical market and the enforcement of this system. To ensure a smooth patent linkage process and prevent conflicts, pharmaceutical and biotech companies are encouraged to disclose any relevant Saudi and/or Gulf Cooperation Council (GCC) patents when registering

their products with the regulatory authority. In the event that a patent is granted after registration, companies must inform the regulatory authority within 30 days to ensure proper linkage.

The primary purpose of the linkage system is to protect the regulatory authority from approving potentially infringing products. To comply with the system, generic companies are expected to obtain a freedom-to-operate report, which is prepared and signed by a qualified local IP attorney.

One of the main benefits of patent linkage is that it incentivizes pharmaceutical companies to invest in research and development for new drugs. By safeguarding the exclusivity period of brand-name drugs, companies can recoup their investment in R&D and generate revenue from their patented drugs before generic competition enters the market.

### 3. UAE: Dubai Customs Solves 85 IP Disputes Worth Dh 24 Million in 2022:



Dubai Customs has been working diligently to tackle Intellectual Property (IP) disputes in the region. The Director-General, Ahmed Mahboob Musabih, has reported that the department has successfully resolved 85 such disputes in the first quarter of 2022, with an estimated value of Dh 24 million. In addition, 254,000 counterfeit items, representing 27 different brands, were recycled. This follows the resolution of 390 IP disputes by Dubai Customs in the previous year.

Dubai Customs has also been taking proactive steps to promote awareness and educate young people about the importance of intellectual property rights. By organizing various activities for school and university students, Dubai Customs is empowering the youth and opening doors for them to become active contributors to the region's economic achievements.

#### 4. Yemeni Trademark Office Imposes New Requirements for POA and Evidence of Use



The Yemeni Trademark Office has announced new requirements for the submission of power of attorney (POA) and evidence of use. A circular issued by the Ministry of Industry and Trade, Sana'a states that a POA must be submitted at the time of filing any IP application, with prior legalization from the Ministry of Foreign Affairs in Sana'a. Failure to comply with this requirement may result in rejection of the application. The new procedure has been in effect since February 28th, 2023. In addition, the Ministry of Industry and Trade, Sana'a has imposed a new requirement for the renewal of trademarks in Yemen. The circular stipulates that evidence of use of the trademark in Yemen must be submitted along with the renewal application. This new procedure has been in effect since March 8th, 2023. However, after receiving the feedback from industry and joint representation by various IP organizations, on March 21, 2023, the Yemeni Trademark Office has recalled the requirement for the submission of evidence at the time of renewal of trademarks in Yemen. Accordingly, renewals can now be filed without the need of submitting evidence of use. On the other hand, any interested party may seek cancellation of a registered trademark if it is not used by its owner or under their authorization for a continuous period of five years. A non-use cancellation action is required to be filed before the Court of competent jurisdiction.

#### 5. Dubai: Does developments in digital tools make it difficult to combat intellectual (IP) crime?

The 12th Regional IP Crime Conference for the Middle East and North Africa held in Dubai shed light on the challenges posed by the development of digital tools in combating intellectual property (IP) crime. The event, which had the theme "Building Capabilities to Drive IP

Leadership," was organized by Dubai Police in collaboration with Interpol and various UAE government ministries.

Speaking at the conference, Mohammed Ahmed Al Murr, the chairman of the board of directors of the Mohammed bin Rashid Al Maktoum Library Foundation, emphasized the growing threat IP crime poses to the economy and society, particularly in the literary and artistic sectors. Participants urged combining efforts and developing international laws to protect IP rights across industries. The Deputy Chairman of Dubai's Police and General Security, Lieutenant General Dhahi Khalfan Tamim, highlighted the UAE's success in safeguarding intellectual property through the passage of strong rules and legislation that criminalize IP violations. He added that the Emirates Intellectual Property Association has launched various programs and workshops to increase the capacity of government cadres working in this field.



#### 6. Amending Pending Trademark Applications No Longer Possible in UAE:

The Trademarks and Copyright Works Department of the Ministry of Economy in Abu Dhabi has issued a circular letter dated 8 March 2023, stating that amendments to pending trademark applications will no longer be accepted. In case of errors in the application, the applicant or its agent can choose to cancel the application and file a new, corrected one. However, if the mistake is technical in nature, such as incorrect items or classes, the Department will reject the application and provide a refusal decision. The applicant can appeal this decision within thirty (30) days of receiving the notification.



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