

# Intellectual Property Management Report

\*This intellectual property management report has been presented to the board of directors on July 27, 2022.

Presenter: Joe

July 27, 2022

---

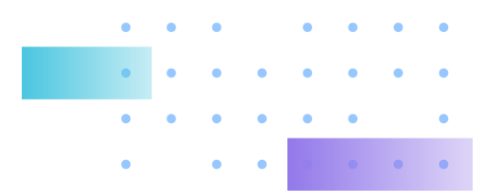
# Intellectual Property Management Policies

## Intellectual Property Management System ( TIPS )

## Intellectual Property Statistics

## Intellectual Property Management Goals

## Intellectual Property Risks, Opportunities and Corresponding measures



# Intellectual Property Management Policies

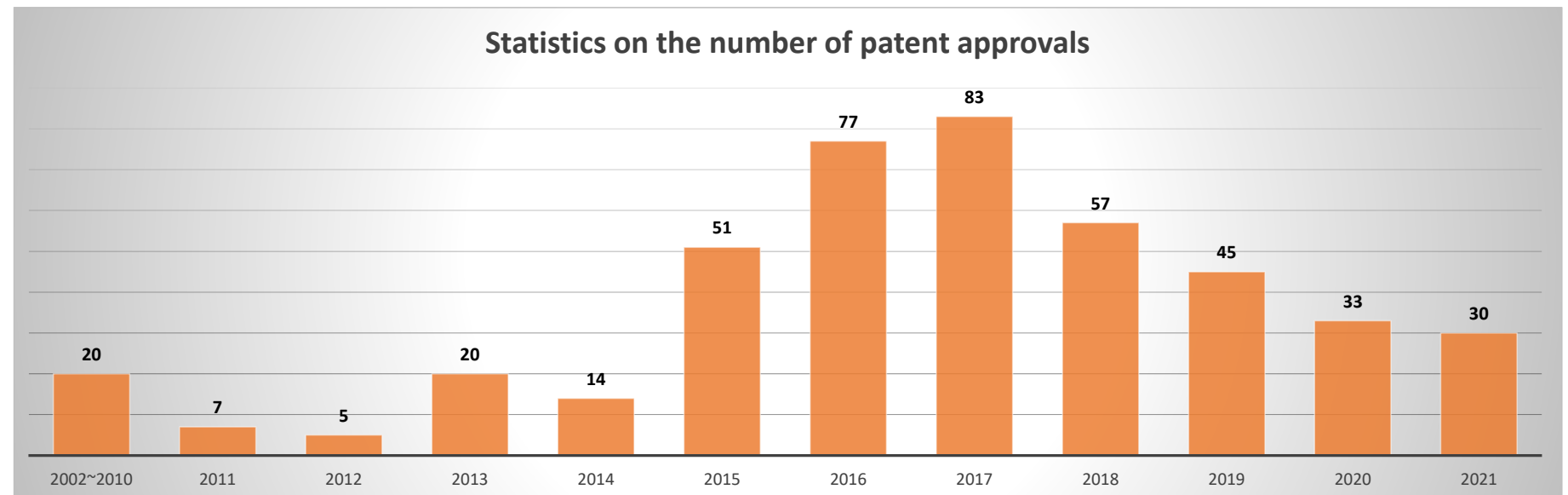
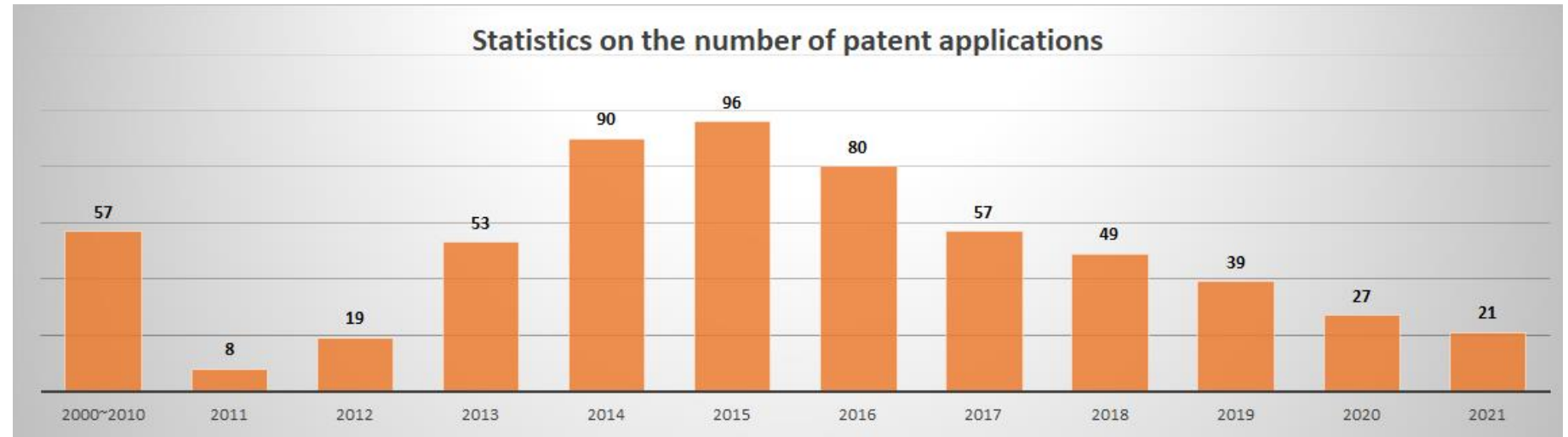
- 「 Deeply cultivate key technologies 」
- 「 Reduce operational risks 」
- 「 Strengthen the planning of intellectual property 」
- 「 Create intellectual property value 」

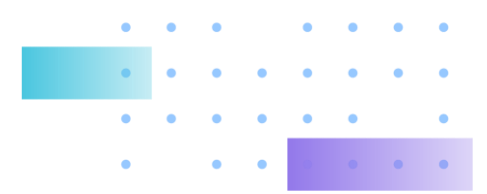
## Intellectual Property Management Strategy:

- 1st Stage - experienced growth in the number of patents.
- 2nd Stage - focused on 「 intellectual property quality 」 , while increasing the number of valid patents.
- 3rd Stage - 「 create intellectual property value 」

# Intellectual Property Management Strategy

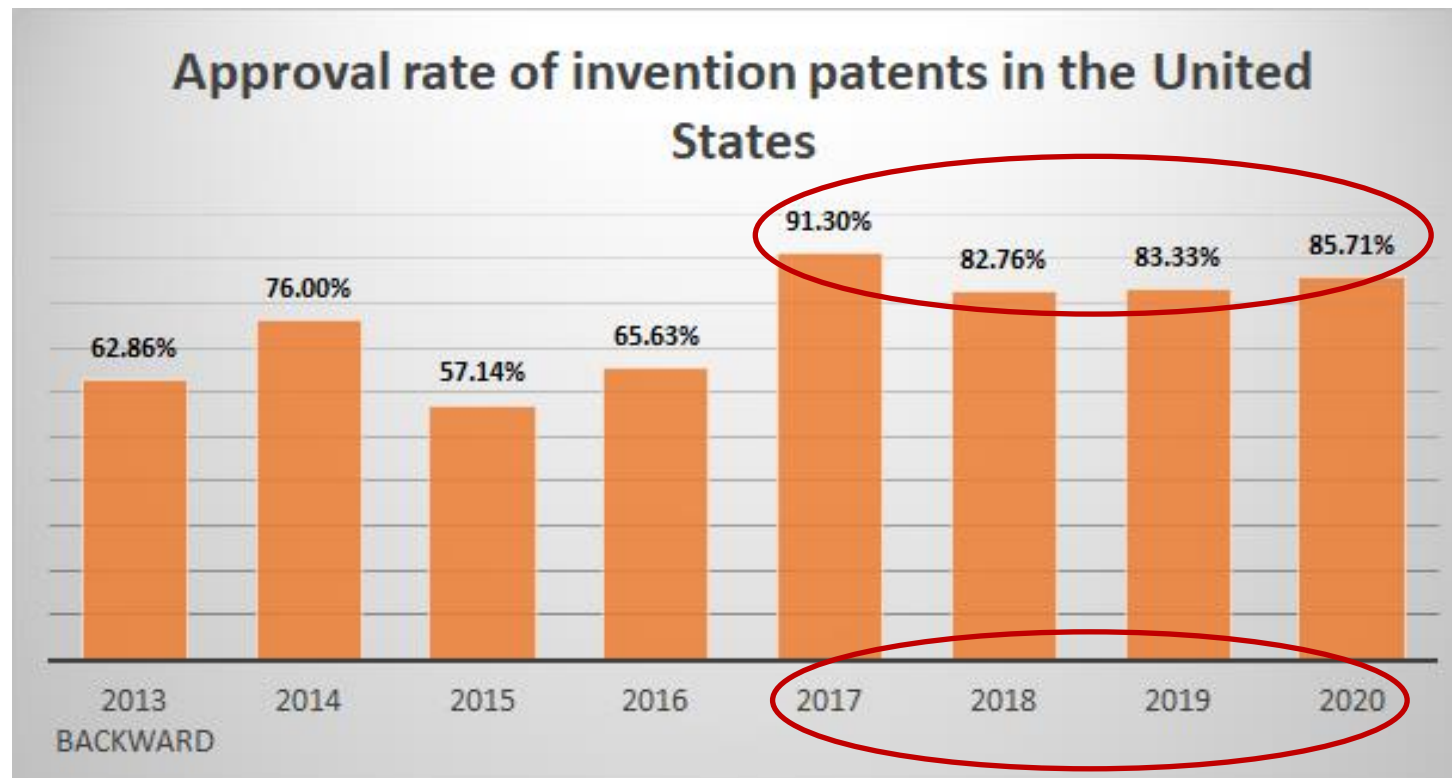
➤ 1st Stage - (2000-2016) experienced growth in the number of patents.

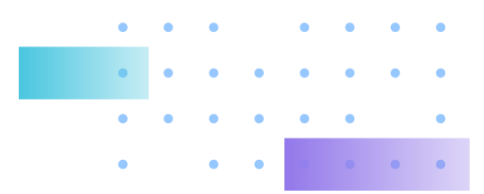




# Intellectual Property Management Strategy

- 2nd Stage - (2017-2023) focused on intellectual property quality, while increasing the number of valid patents.
  - ✓ In 2017, the approval rate of invention patents in the United States reached 93%.
  - ✓ The average approval rate of invention patents in the US from 2017 to 2020 is 85.9%





# Intellectual Property Management Strategy

- 3rd Stage - (2024 onwards) to 「 create intellectual property value 」 .
  - ✓ Enhance company's competition
  - ✓ Raise the barriers for industry competition
  - ✓ Strengthen brand image
  - ✓ Reduce operational risks

# Intellectual Property Management Policies

## Intellectual Property Management System ( TIPS )

## Intellectual Property Statistics

## Intellectual Property Management Goals

## Intellectual Property Risks, Opportunities and Corresponding measures



# Taiwan Intellectual Property Management System (TIPS)

implementation mechanisms in recent years:

- 2014 => Established a systematic intellectual property management system, formulated the Company's Intellectual Property Management Policies and Goals, and passed Intellectual property management system (TIPS) verification for the first time.
- 2017=> Based on new TIPS regulations (2016 version), as well as internal and external circumstances, stakeholders, and risks & opportunities, the Company formulated its 「 Intellectual Property Management Policies and Goals 」 to comply with 2016 TIPS verification standards. Passed new TIPS regulations (2016 Version) verification

The Company has obtained TIPS certification for 8 consecutive years since receiving its first in 2014. The latest verified date is October 28, 2021, the sampling verified date is completed on July 20, 2022, and [certification registration is valid until December 31, 2023.](#)



# Certificate of Taiwan Intellectual Property Management System (TIPS)



台灣智慧財產管理規範  
驗證通過證書

Certificate of Taiwan Intellectual Property Management System

晶睿通訊股份有限公司

VIVOTEK INC.

級別 Level : **A**

證書號 Number of Registration : TIPS-2021-cert.-022

證書效期 Date of Expiration : December 31, 2023

管理標的  
Item

專利  
Patent

商標  
Trademark

著作權  
Copyright

營業秘密  
Trade Secret

受評部門：台灣總公司

Registered Department : Taiwan Headquarters

受評地點：新北市中和區連城路 192 號 6 樓

Registered Address : 6F., No. 192, Liancheng Rd., Zhonghe Dist., New Taipei City, Taiwan (R.O.C.)

經濟部工業局 局長  
Director General  
Industrial Development Bureau. MOEA

呂正華 Richard Lee

# Intellectual Property Management Policies

Intellectual property management system ( TIPS )

Intellectual Property Statistics

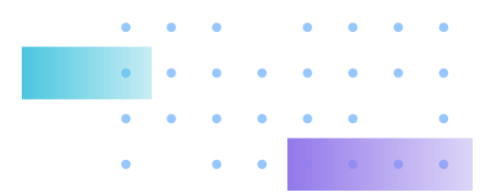
Intellectual Property Management Goals

Intellectual Property Risks, Opportunities and  
Corresponding measures

**VIVOTEK**

A Delta Group Company

# Intellectual Property Statistics

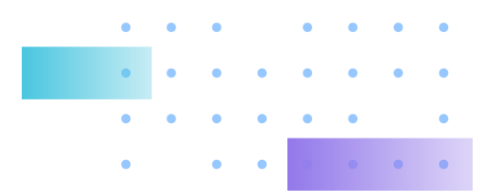


## Patent

As of December 31, 2021,

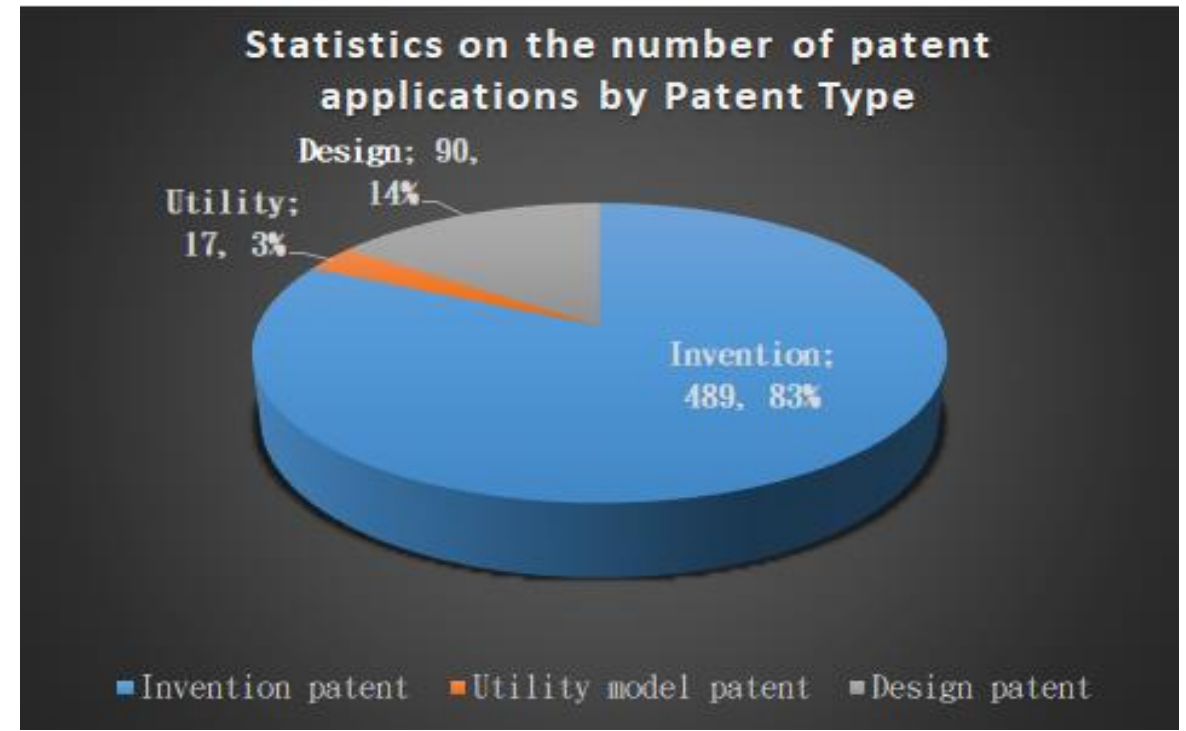
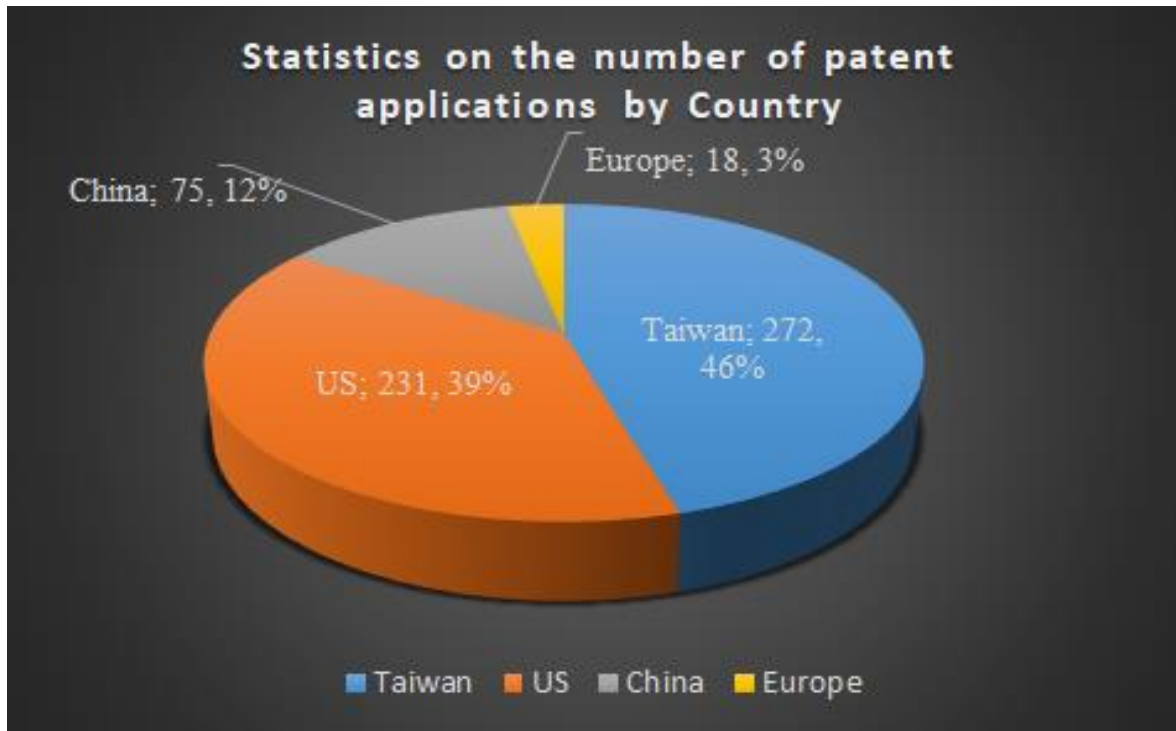
- ✓ Accumulated a total of **596** patent applications all over the world.
- ✓ The total number of global patent approvals has accumulated to **442**.
- ✓ **30 new patents approved in 2021.**
- ✓ **21 new patent applications in 2021.**

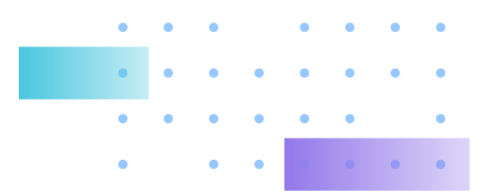
Intellectual property rights		Number of cases
Invention patent	Number of certificates received	346
	Number of applications	39
Utility model patent	Number of certificates received	17
	Number of applications	0
Design patent	Number of certificates received	79
	Number of applications	11
Copyright 、 trade secrets		Steady growth



# Intellectual Property Statistics

## ➤ Patent Application Country and Type Analysis





# Intellectual Property Statistics

## ➤ Trademark

As of December 31st, 2021,

✓ Obtained 80 trademarks in 42 countries and 27 trademarks are pending application.

Country	Number of approval cases
Taiwan	19
Mexico	8
U.S.	4
U.K.	4
European Union	4
China, Indonesia, India, Colombia	two for each
other countries	33
total	80

Country	Number of application cases
Brazil	4
China	2
Turkey	2
United Arab Emirates	2
U.S.	1
other countries	16
total	27

**Intellectual Property Management Policies**

**Intellectual property management system ( TIPS )**

**Intellectual Property Statistics**

**Intellectual Property Management Goals**

**Intellectual Property Risks, Opportunities and  
Corresponding measures**

**VIVOTEK**

A Delta Group Company

# 2021 Intellectual Property Management Goals

## (a) At least 15 new patent applications

- 2021 actually achieved :
  - ✓ 8 new patent applications in Taiwan
  - ✓ 12 new patent applications in the US
  - ✓ 1 new patent applications in European Union

## (b) Hold 2 training sessions

- 2021 actually achieved :
  - ✓ Training session -“Understanding technology research & development and market application trends based on the number of AI patents” has been held on 2021/10/18 for colleagues related to product development.
  - ✓ Training session -“Importance of patent applications” has been held on 2020/12/30 for colleagues related to product development.

## (c) 90% patent application approval rate in Taiwan

- The actual approval rate in 2021 is 100%.

## (d) 90% invention patent application approval rate in the US

- The actual approval rate in 2021 is 86%.

# 2022 Intellectual Property Management Goals

- (a) At least 15 new patent applications
- (b) Hold 2 training sessions
- (c) 90% patent application approval rate in Taiwan
- (d) 90% invention patent application approval rate in the US

In 2022, VIVOTEK will continuously carry out **patent analysis of key technologies and related industrial categories** by providing relevant information as reference for the product development team to understand the industry's advanced arrangement and development of patented technologies; based on this, the Company will form product development strategies to search for appropriate R&D technology areas. Through its comprehensive intellectual property management system, the Company will provide the most appropriate protection and management mechanism for innovative R&D. In addition, it will keep improving the quality of patent application to increase the rate of patent approval.

In 2022, VIVOTEK will continuously obtain TIPS certification to safeguard its intellectual property system operations and **move towards achieving AA Level TIPS certification**, further strengthening its intellectual property application, from its current A Level TIPS certification.

**VIVOTEK will conduct an inventory of patents owned by major competitors and analyze the strength and value of these patents in order to compare them with the Company's. The information will serve as a reference for formulating intellectual property strategies and targets.**





# 2022 Intellectual Property Management Goals

## ◆ 2021

### ➤ Patent Value inventory and estimation

- ✓ Completed the VIVOTEK's patent inventory and based on this, estimated VIVOTEK's patent value.

## ◆ 2022

### ➤ major competitors Patent Value inventory and estimation

- ✓ inventorying major competitors' patents by country and category
- ✓ Survey **patent transactions information** in related fields ( including: number of patents, prices, type, etc.)
- ✓ Survey IP surveillance **market size information** by country
- ✓ Survey patent litigation **compensation award information** by Country
- ✓ Survey patent **application expenses information** by country and category
- ✓ **Estimating the patent values of major competitors and comparing them with VIVOTEK for interactive analysis**

**Intellectual Property Management Policies**

**Intellectual property management system ( TIPS )**

**Intellectual Property Statistics**

**Intellectual Property Management Goals**

**Intellectual Property Risks, Opportunities and  
Corresponding measures**

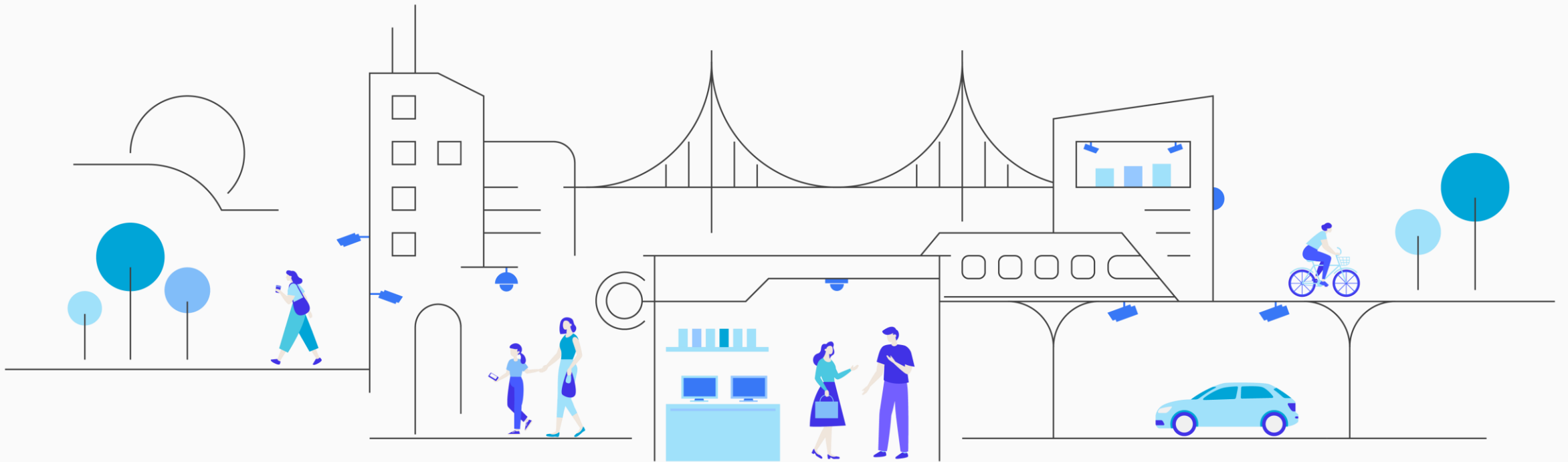
# Possible Intellectual Property Risks, Opportunities and Corresponding measures

Possible Opportunities	Corresponding Measures
<p>Industrial upgrading and transformation, creating company profits and value (opportunities)</p>	<p>VIVOTEK will carry out <b>patent analysis</b> of key technologies to understand the industry's advanced arrangement and development of patented technologies; based on this , the Company will form product development strategies to search for appropriate R&amp;D technology areas. Through its comprehensive intellectual property management system, the Company will provide the most appropriate protection and management mechanism for innovative R&amp;D. VIVOTEK will further <b>cultivate patents with key influences</b>, raises the threshold for industrial competition, transform from a surveillance hardware manufacturer to a system integration service provider, and <b>enhance the company's profits and values</b>.</p>
<p>Under the opportunity of National Defense Authorization Act (NDAA), replacing the market share of Chinese manufacturers (opportunity)</p>	<p>The intellectual property department <b>evaluates the possible risks and opportunities</b> in the new product development cases, conducts early risk management and intellectual property layout to effectively <b>reduce operational risks and strengthen the planning of intellectual property</b>, thereby improving <b>customer satisfaction and trust</b> in the company , enhance corporate reputation and brand image, increase cooperation and purchase willingness to increase market share.</p>

# Possible Intellectual Property Risks, Opportunities and Corresponding measures

Possible Risks	Corresponding Measures
<p>If the intellectual property management system cannot be effectively implemented, risks such as patent infringement or disclosure of confidential information may occur, resulting in business losses (risks)</p>	<p>VIVOTEK will continuously implement the intellectual property management system and ensured its appropriateness and effectiveness through internal audit and external verification. Avoid risks such as patent infringement or confidentiality leakage.</p>
<p>When colleagues have little to no knowledge of intellectual property, it may cause damage to the Company's intellectual property management system.</p>	<p>VIVOTEK will take active measures, in addition to requiring all new employees to complete 0.5 hours of online basic intellectual property training and attend annual trainings to increase their knowledge on intellectual property. VIVOTEK will further establish an intellectual property-related knowledge management mechanism, which will integrate and actively share with relevant departments, and regularly update industry-related intellectual property, operation, and R&amp;D information.</p>

# Thank You for Your Attention.



**VIVOTEK**  
A Delta Group Company

**We Get The Picture**