

Student: **Anikó Barcziová**

Business Street Smarts Summary

Business Street Smarts focuses on assessing on communication of information, sources of information, assessing those sources of information, and supporting the opportunity to make well informed choices.

The session dealt with effective outbound communication, assessing inbound communication and reports, reviewing intellectual property and critical information, how and where fraud and corruption can occur, managing contracts and engagements and how to manage any comprehensive due diligence assessment.

Signature projects included:

Addressing and rewriting the disastrous memo by Oscar Munoz of United Airlines after security officers rendered a ticketed passenger unconscious while trying to remove the man so a crew could be repositioned.

Crafting an Intellectual Property (IP) and Critical Information (CI) assessment registry so a company could understand what bit of IP and Ci they had and who should have and not have access to the information. IP and CI represent over 80% of the book value of most companies and those are the most stolen and compromised assets. This section is of significance as so many young professionals will be entering companies who only significant assets are intangibles and they need to be accounted for and defended.

The final session dealt with Due Diligence and working real life scenarios that were from real life cases – not imagined case studies where the teams of students both presented on their two cases studies and assessed the other team’s analysis and dissection for their cases studies. The case studies bring to life the value of the tools taught.

All professors and students worked on the interdisciplinary project. The project was not easy, it was very hard. As a group all of the students dissected the electric vehicle industry. The purpose was to learn to work as part of a diverse group and at the same time learn about electric vehicles. From this knowledge gathered, they were to assess a single electric vehicle company. This is part of the process of applying unique research to an industry and applying that research and knowledge to an individual company.

The Communications Exercise is to rewrite the Oscar Munoz Memo

Oscar Munoz Memo:



September 8, 2015

Dear fellow employees:

Today we are announcing a series of executive changes, which are effective immediately. I recognize that this news is unexpected, and I want you to hear it directly from me, as United's new CEO.

Jeff Smisek, Nene Foxhall, EVP of communications and government affairs, and Mark Anderson, SVP of corporate and government affairs, have stepped down from their roles. These departures are in connection with United's previously disclosed internal investigation related to the federal investigation associated with the Port Authority of New York and New Jersey.

In addition, the company announced Henry L. Meyer III, a current United director and the lead independent director, has been named non-executive chairman of the board.

As we move forward, let me take a moment to tell you a little bit about myself. As you may know, I have been on the board of directors of United, and previously Continental, for more than a decade. I am also a longtime United customer. Before today, I was the president and COO of CSX, one of the largest railroads in North America. Prior to that, I worked for several well known consumer brands including AT&T, Pepsico, and The Coca-Cola Company.

I took this job because I am excited by what we can do together. There is incredible opportunity for innovation, for earnings growth, and for improving an experience that is essential to the vitality of global business and to the personal lives of millions of people. I will be relentless in pursuing these goals, and I hope and expect that all of you will share that same passion.

In the coming weeks, I will be making my first visits around the system. I want to talk to as many of you as possible because I want to get to know you and what you think about how things are going. How can we operate better? How can we better serve our customers? What support do you need to deliver that? You'll be seeing me frequently; I intend to regularly travel the system to hear about our operations directly from you – and you can hold me accountable for that.

In my career, I've found that three things are critical to any successful business. First, we must focus on customers and what we can do help them. In the telecommunications, consumer products and railway businesses, there are very real consequences if you don't meet the consumer's needs and desires. There are also substantive rewards for doing so, and especially for exceeding customer expectations. Every day, you win or lose customers based on the slightest change in value and quality.

As you know, in the airline business, this is especially critical. Getting people where they want to go, reliably and happily, can make or break their ability to succeed in a work endeavor or to hug a family member at an important moment.

At United, I will dedicate myself to making our airline flyer-friendly. Continued...

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Second, in any organization, especially a great airline, it's all about teamwork. I like to refer to this as "shared purpose." We are in a service business, and the thousands of people who work here are the key ingredient determining our success. To get our passengers where they want to go safely and happily requires thousands of us working together with a shared purpose of supporting each other in serving our customers. To achieve this, we must create and sustain a respectful dialog about our common goals – an ongoing conversation among ourselves. We cannot do this apart.

Third, I am excited to be a part of a company and industry that demands innovation. The world around us is changing. There are new forms of loyalty programs and affinity groups, a constantly changing regulatory environment, plus new digital and networking technologies that are emerging on a daily basis. At United, we will embrace this change, and make this an energized and exciting place to work.

Above all, my career has taught me that safety is paramount. Our passion for the safety of our people and our customers must be at the core of everything we do.

As we bring this airline forward, I promise to hold true to these principles of customer focus, teamwork through our shared purpose, continual innovation, and of course, safety.

I want our customers, my fellow workers, and our communities to respect each other and take pride in our accomplishments. Thank you for your dedication to our customers and to United, and I look forward to meeting you soon.



Student's re-write:

Dear (concrete name- more personal),

I have heard about the unfortunate situation what happened last night (date) when United Express Flight 3411 headed from Chicago to Louisville. Momently the circumstances are still evolving, but to inform you I have included below a preliminary report by the employees of the company.

As written in the report, the situation was unfortunately compounded when the politely asked passenger refused to leave the deck, what resulted the involvement of the Chicago Aviation Security Officer. Our employees followed the defined steps. In the name of the company, I can assure you all our support in further actions.

I believe, these negative situations help to increase and improve our knowledge and experiences.

The main fact and point of our company are to show respect and dignity for our employees and our customers. We must always remember there is no matter how challenging the situation is.

Summary of Flight 3411

- April 9, Sunday, after United Express Flight 3411 was fully boarded, United's gate agents were approached by members of the crew, who were informed to board the flight.
- We sought volunteers and then followed our involuntary denial of boarding process (including offering up to 1000 dollars in compensation) and when we approached one of these passengers to explain apologetically

that he was being denied boarding, he reacted aggressively and refused to collaborate with the crew member instructions.

- He was requested several times to leave the aircraft, however he refused it and started to behave disruptive and belligerent.
- Our agents were left with no choice, they called the Chicago Aviation Security Officers to assist the discussion with the customer, and ask him to leave the flight. The customer several times declined the request.
- Chicago Aviation Security Officers were unable to gain his corporation and had physically removed him from the aircraft.

In my opinion, the company should try to communication with the customer in a different way, more polite and try to explain the situation. In my opinion the crew should not go even till physical movements, should leave the customer (The customer is always right) and should try to ask someone else (another person would maybe agree the offer without any drama, conflict). The crew should also understand the customer and his purpose of the flight. It is always better to use clear direct and polite communication. In the same time, we cannot forget about the brand and the name of the company, what can be influenced negatively by a conflict published by the media.

The Next exercise is the understanding of Intellectual Property and Critical Information

Crafting an Intellectual Property (IP) and Critical Information (CI) assessment registry so a company could understand what bit of IP and Ci they had and who should have and not have access to the information. IP and CI represent over 80% of the book value of most companies and those are the most stolen and compromised assets. This section is of significance as so many young professionals will be entering companies who only significant assets are intangibles and they need to be accounted for and defended.

Based upon the research we did as an interdisciplinary of studying the EV industry each student took the time to analyse a company in the EV industry

Student work:

IPCI Asset Register

On the following pages I am going to analyze NIO electric vehicle industry and its activities in registering patent or trademark. Intellectual property is knowledge, information, innovation created personally by a person or group of people. To save this property from the public people, companies, universities can use different

methods as registering a patent, trademarks, copyrights or trade secrets. Patent is one of these options where the owner can get exclusive right for his intellectual property, and can decide to share it with other companies for financial compensation. Registration of a patent provides exclusive legal right for creation of special, unique intellectual property (IP). The successful IP application is registered in the Patent Office. After this operation the owner of the patent with a document can show and assure its legacy. This document creates strong protection for the newly created information, and is valid for a defined certain time period, during which only its legal owner has right to use it, and decide about its users. In the case of more than one creator of the patent, the owner of the patent in a contract with the parties decides who has right for its application and the period of its use, too. Patent as a way for intellectual property protection is very common action in the world, especially for various technological innovations of knowledge. Patents usually have a time limitation during which the protection for the intellectual property is active and is saved from the public users. This limit can be different according to countries of Europe where the intellectual property was registered from, and of course depending on legal patent owners. (Wipo Patent Office)

In case the when the intellectual property is not protected efficiently enough, the unique and special knowledge will become open for the public and society. The mechanisms of commercialization and publication of IP are complicated questions and issues for the knowledge management. It is very difficult to find the correct amount of researched knowledge that should be shared, and which information should remain in secret. In knowledge management it is possible to find and listen about “free-riders”. “Free-riders” are the people who are enjoying the benefits brought from the knowledge transfer without paying financial compensation for its usage. Without asking for the permission of the inventor, the free-riders use the new technology, they do not put their input or their creativity inside of the new knowledge. The effect of the “free-riders” can demotivate researchers from further innovation and creation and registration of new knowledge, since their hard work is used by other people without extra financial income for it. Registration of a patent is

a good method and opportunity to decrease the percentage of users of the knowledge without permission, but cannot provide 100% security.¹

Patents - Pros and Cons

The registration of a patent in the patent office gives an exclusive right for its owner, with what they can decide about the patent's user, and its conditions. The owner of patent gets protection for his knowledge, ensures the fact that no one will use it or „steal it“ without financial compensation for it.

Patents can bring their owners profit, too. After the legal acceptance of the patent, the competition and other actors on the market have to ask for permission to use it, for what obviously they need to pay.

Many times, companies cannot afford to registrate a patent, or do not have the knowledge, qualified labor to work on research and development. The already registered patents are perfect solution for the subject on the market, they can use and work on an already existing and registered knowledge, with the goal to create and establish a better invention in the future.

Exclusivity is another attribution what goes together with the patent innovation rights. The owner of the patent becomes the exclusive owner and user of it, and can decide who gets exclusive right to use it.

Thanks to the rights what patents provide, the owners can formulate the competition market. The holder can decide who gets access for using it, and can limit their number. With this limitation can create a monopoly in the market, with what they can have power on price setting actions.

¹ World Intellectual Property Organization, https://www.wipo.int/patents/en/faq_patents.html

In the era of the Internet, the speed of knowledge transfer has fastened rapidly, in the same time the protection is more needed. Nowadays, access to information is available very easily for everyone who has connection for the Internet, that is why researchers have to protect their special knowledge more than ever, this action is possible to be done with applying for a patent.

Patents can motivate people for further innovating, if they see that after creating a unique idea, item, it can be protected, they do not need to be afraid of it getting into other hands, moreover they can even earn money for it. Patents can motivate scientists to create something new and special, and be the best and the first on the market.

Owning a patent can be impressive for investors, too. The investors more likely invest into already existing patents, than into only ideas of small companies, start-ups. With investment into an already existing idea, the company is able to do more researches for the future.

On the other hand, patenting can have many negative sides, too. To registrate a patent is a complicated action, about what companies and universities have to decide carefully. This action can be very expensive and takes a lot of time. Companies or institutions have to make a hard decision if their knowledge worth to be saved legally and be patented. Many times, small start-up companies cannot allow to spend a big amount of money for registering the intellectual property, and it has negative effect on the action of registering patents.

As mentioned before, the patent registration is a process, what takes longer time period to be legally accepted. Many times, companies can consider is as negativity before making the decision of patenting. Since companies, do not have time to wait many years for the administrative registration.

Moreover, they can be afraid of complicated administrative, byrocracy issues. It is a complex operation. Many times, the creator does not have all the needed information to start this process, and it is necessary to ask for help in the act of registration, what is obviously not a free service.

The protection is limited geographically, for some countries, it does not provide protection world widely. The idea, the knowledge can be freely used by people from some countries, where the patent legacy is not valid.

The patent rights, and their use has to be monitored by its owner actively. If the person, who has the legal property, so the owner realizes that someone is using the knowledge without permission, has to start a law court against this subject.

With publishing the patent owner is sharing some details of the innovation, knowledge. In the same time, some special, important information stay in secret. The patent publication has to increase the interest of the investor, competitors and motivate them to buy personal access for it.²

Patents

On the following page we are going to analyze and study NIO EV company more into details. First of all, we check CBIinsights.com, who analyzes companies around the world.

² Adam N., Why are patents important?, Patent Rebel, <https://patentrebel.com/why-are-patents-important-advantages-disadvantages-pros-cons/>

Illustration 1: NIO- Patents

The screenshot shows the CBINSIGHTS website for NIO. The navigation bar includes 'Platform', 'Customers', 'Research', and 'About', along with 'Sign Up' and 'Login' links. The NIO logo and 'nio.io' are prominently displayed. Below the logo, there are filters for 'Public list' with categories: Auto Tech (546), Artificial Intelligence (AI) (4113), and Electric Vehicle Technology (414). A 'Follow' button is visible. A secondary navigation bar contains 'Dashboard', 'Performance', 'Jobs', 'Investors', 'Board', 'Competitors', and 'Patents'. The 'Patents' section is active, showing a table of patents.

Title	Application Date	Patent Date	Status (Patent / Application)
Electric vehicle charge port	Dec 07, 2018	Apr 20, 2021	Patent
Electronic device with graphical user interface	Nov 13, 2018	Apr 20, 2021	Patent
Sensor fusion methods for augmented reality navigation	Mar 29, 2018	Apr 20, 2021	Patent
Split battery for autonomous driving	Sep 11, 2017	Apr 20, 2021	Patent
System upgrade assessment method based on system parameter correlation coefficients	Jul 31, 2017	Apr 20, 2021	Patent

At the bottom of the patent list, there is a green button that says 'See all 384 patents'.

Source: CBINSIGHTS, 2021, <https://www.cbinsights.com/company/nextev-patents>

On the illustration 1 we can see that NIO company currently has 384 patent registrations according to CBInsights.com. The last patent was accepted on the 20th April 2021 and was applied on the 7th December 2018. From these dates we perfectly see, that the administrative process of the patent took even 2,5 years! The fact of long administrative process can negatively influence, demotivate companies, organizations of the act of patent registration.

Also, we analyzed USPTO, where we studied the registered patents of NIO company. First of all, we need to mention that NIO co. is actively dealing with not only EV, but they offer food, bottles, clothes under sub-brand "NIO Life". USPTO has found 186 registered patents for NIO USA, Inc.

Table 1: Patent registration NIO

CBInsights	384
USPTO	196
WIPO	256

Source: <https://www.cbinsights.com/company/nextev-patents>, <https://www.uspto.gov>

The difference between the registration number of the two webpages can be explained by the difference between patent registration offices and their process, all around the world. According to CBInsights NIO has 384 patents registered, while on USPTO we have found 196 patents under company NIO USA, Inc. and finally on WIPO 256 patent were registered under the same legal owner name.

Trademarks

We have also checked trademark registration quantity of NIO EV company. Trademarks we analyzed and searched at USPTO database.

Table 2: Trademark registration- NIO VS NIO Life

NIO	42	59,155%
NIO	29	40,845%
L		
i		
f		
e		
Total	71	

Source: <https://www.uspto.gov>

On table 2 we see that NIO USA, Inc. EV has 42 registered trademarks, while NIO Life 29. What means NIO totally in these two areas has 71 trademarks. NIO has registered 59% of its trademarks in EV industry, while 41% under NIO Life brand.

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- <https://www.uspto.gov>
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