

Intellectual Property Strategy for Humanitarian Aid: A Social Impact Case Study of Nutriset®

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About Nutriset®



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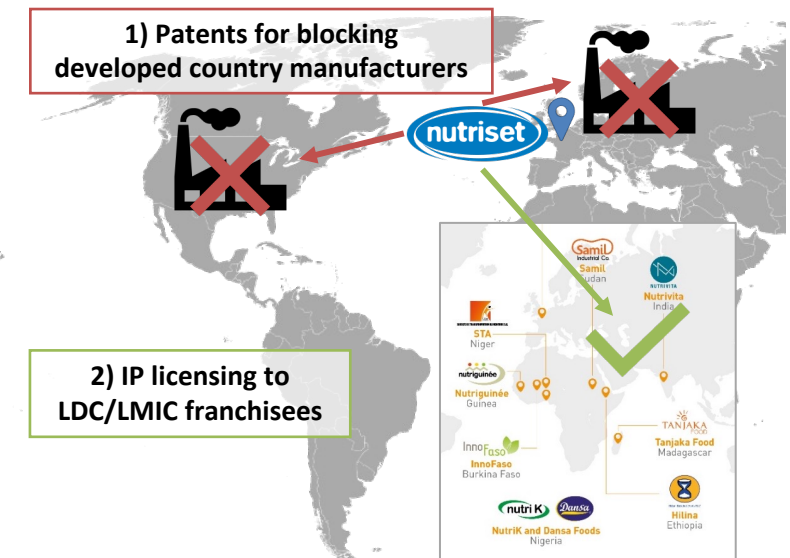
Source: <https://www.nutriset.fr/articles/en/why-nutriset-became-the-first-company-to-adopt-an-expanded-corporate-purpose>

Nutriset® is a mission driven, innovative nutritional product manufacturer striving to provide “nutritional autonomy for all”.

Founded in 1986 by Michel Lescanne as a family business in France, Nutriset® is a private sector pioneer in bringing together scientific innovations and industrial excellence with social and environmental responsibility for treatment and prevention of malnutrition among vulnerable populations. The company has 60 research partnerships globally. In 2019, the company had a turnover of €114 million. As of 2021, Nutriset®’s range of products have over 10 million beneficiaries worldwide.

Sustainable business model (SBM): Nutriset®’s key value propositions is its peanut-based ready-to-use therapeutic food (RUTF) as treatment for malnutrition known as Plumpy’Nut®. The company adopts a combination of a stewardship (SBM-1) and an inclusive value creation (SBM-2) business models. At the heart of the stewardship business model sits a franchise model, the PlumpyField® Network. The company has signed franchise agreements with 12 PlumpyField® Network partners operating local production sites, predominantly in least developed countries (LDCs) and low- and middle-income countries (LMICs). This combination allows Nutriset® to create, deliver and capture value through its clients (e.g. NGOs, health organizations) and beneficiaries (e.g. malnourished children, pregnant women and mother of newborn).

Responsible IP strategy: In developed countries, Nutriset® uses patents to block companies from cheaper mass production. The company licenses their IP (incl. patents, trade marks, manufacturing know-how) to franchisees in LDCs/LMICs, such as such as Burkina Faso, Nigeria, Madagascar and Ethiopia, which have a high need for Nutriset® products.



Source:
<https://www.pinterest.co.uk/pin/206250857907956833/>

Impact on treating malnutrition: In 2007, World Health Organization (WHO), the World Food Programme (WFP), the United Nations System Standing Committee on Nutrition (UNSCN) and the United Nations Children’s Fund (UNICEF), in a joint statement recognized RUTF as the ideal treatment for severe acute malnutrition.

Nutriset® has been recognized for its strategic use of IP for creating positive socio-economic development. The company is one of the very few that has been awarded both the European Inventor Award by the European Patent Office (EPO) and Patents for Humanity Award by the US Patent and Trademark Office (USPTO) in 2015.

Nutriset®'s IP asset portfolio

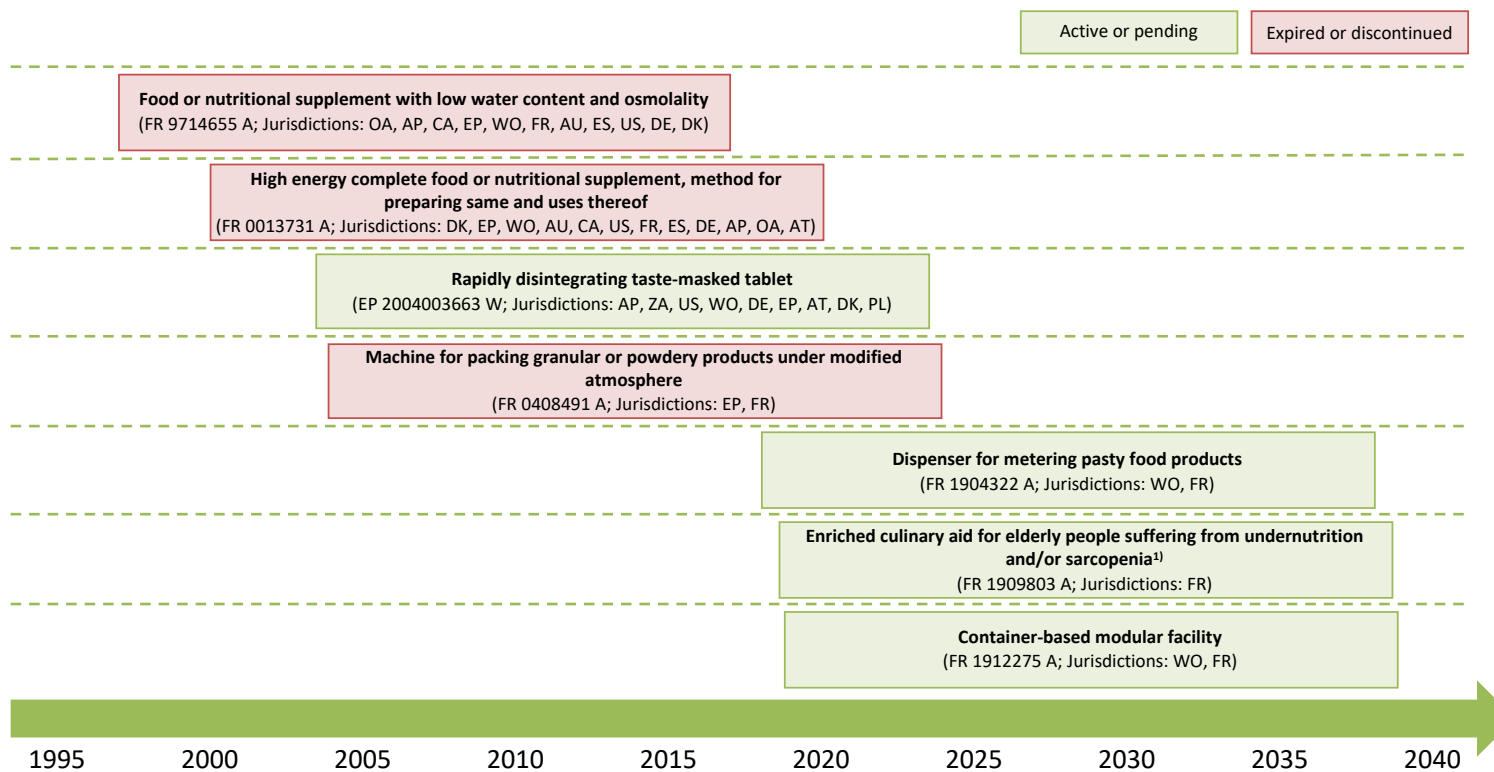


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Patent portfolio



Source: <https://www.lens.org> (based on extended patent families)

Format legend: patent title (priority patent number; extended patent family jurisdictions)

¹⁾ Original patent title only available in French: Aide culinaire enrichie destinée à des personnes âgées souffrant de dénutrition et/ou de sarcopénie



Source: <https://www.nutriset.fr/en/history>

Know-how

Technical know-how, such as about production processes of therapeutic products and scale-up; Industrial know-how, e.g. for setting up industrial units

Trademark portfolio

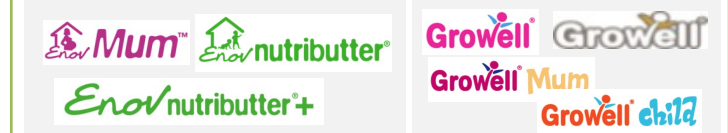
Company name



Business/ franchise model



Product ranges/ product names



Nutriset®'s IP strategy



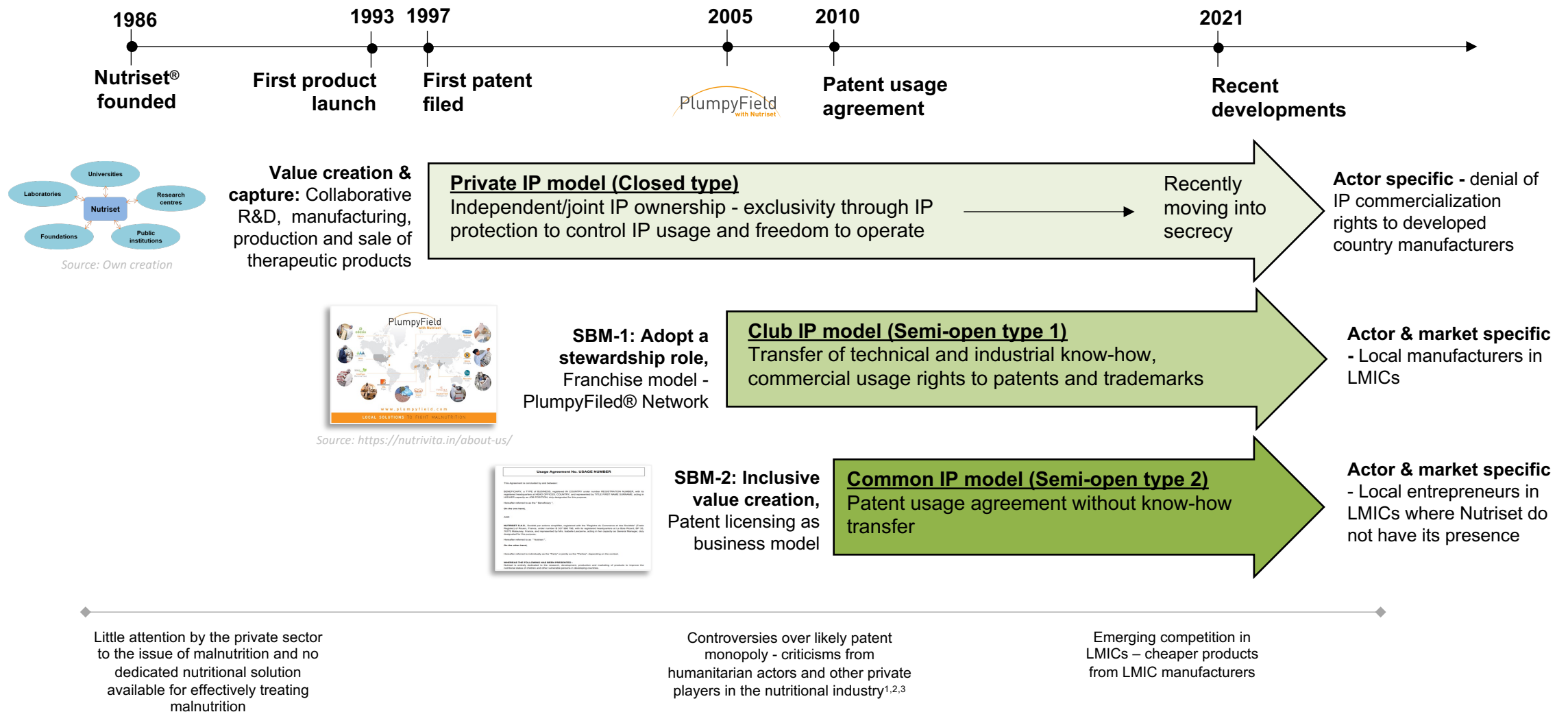
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"Clearly if we had not had an IP strategy at the beginning of 2000, we were not being able to set up local companies in many countries... We cannot talk about development in this context without IP. It is closely linked. The sustainable devoted business model we have right now is clearly linked to the IP strategy we took."

- Thomas Couaillet, Managing Director



Nutriset®'s sustainability impact



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Social Impact



- Nutriset® group contributes to ten of the 17 SDGs. The company's malnutrition business contributes particularly to the no poverty (SDG#1) and zero hunger (SDG#2) goals
- Nutrition & health improvements among 10 million beneficiaries in the vulnerable population worldwide as of 2021
- Partnerships for sustainable practices for empowerment, improved livelihood, local community development around 12 franchise sites in LMICs with vulnerable population, e.g. in Hilina, PlumpyField® improved the standard of living of the franchisees' employees who earn 23% more than in previous jobs



Environmental Impact



- Reduced environmental footprint through procurement of local produce, e.g. locally grown peanuts
- Reduced carbon footprint due to shorter distances Nutriset®'s products travel from production sites to beneficiaries
- Reduced consumption in local production sites through energy saving programs and program to monitor and control water effluents from laboratory activities

Economic Impact



- Contribution of socially sustainable technologies in profit and sales: Nutriset® generated turnover of €114 million in 2019
- Re-investment of profits into sustainable technologies and practices, e.g. continuous R&D of socially valuable innovation. More than €10 million for financing the agroindustry in LDCs /LMICs since 2007
- Expenditure on community programs – e.g. WASH'Nutrition program

Key learnings: IP strategies for sustainability



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- Similar to solely economic-driven businesses, formal and informal IP assets can constitute important business assets for mission-driven firms when aiming to achieve SDGs, such as in the humanitarian sector.
- A strategic understanding of which IP models to choose and how to combine them can help private sector actors contribute to achieving SDGs, without compromising economic gains.
- Even Private IP models can play a role for achieving SDGs, e.g. preventing markets from being flooded with cheap copycats. Private IP models can be used to establish a lead time to then roll out Club-IP models (semi-open 1).
- Outbound facing Club IP models (semi-open type 1) can be used to transfer formal and informal IP under fair licensing terms and affordable royalty rates to promote sustainable development in LDCs/LMICs. Common IP model (semi-open 2) can complement the Club IP model to increase value capture and sustainability impact through inclusive value creation.
- If used in a suitable context, an outbound Club IP model (semi-open 1) can:
 - create social impact through job creation and livelihood generation for local community and vulnerable populations in LDCs/LMICs,
 - facilitate company to sector sustainability transitions at early stages through nurturing an environment conducive for start-up/niche creation.
- If key ecosystem stakeholders (e.g., in the humanitarian aid community) possess an overly critic view of IP, paired with a lack of IP understanding this can pressure mission-driven, innovative private sector actors to pivot/fall back towards even closer, trade secrecy-based IP models.

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