

Covid-19 spurs technology deployment

By [Bernadette Versfeld](#)

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It is often said that in circumstances of adversity there is opportunity. Technology will undoubtedly be one of the beneficiaries of the latest control measures announced by President Cyril Ramaphosa to contain the spread of Covid-19.



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While there have been many forums and articles discussing the need for SA to move into the Fourth Industrial Revolution and use artificial intelligence (AI) and technology, adoption has been slow for a variety of reasons such as fears related to job losses and privacy implications. A crisis such as the current pandemic has, however, precipitated a significant uptake of technology.

An example of the adoption of technology is the use of AI to analyse the mass of scientific papers published on Covid-19 to enable researchers to better analyse and understand the virus. AI may also be used to help cope with the virus directly.

For example, health tech startups with medical chatbots are updating algorithms to enable screening of people to advise whether they should be evaluated for infection to relieve the pressure on health services. Other existing mobile apps (like Vula) are being developed to help medical referrals and ensure that medical supplies and equipment donated reach health facilities in need.

On the business side, consumer industries, particularly hotels, restaurants, bars, casinos and retailers, are among the sectors most affected by the government's restrictions on trade and public fears of crowded spaces.

On 18 March, the government announced that all on-consumption premises selling liquor, including restaurants, taverns and clubs should either be closed immediately or may only sell between certain hours, and may not have more than 50 people on the premises at any time. These establishments also have to provide at least a square metre of floor space per person. Restrictions on capacity will be difficult for many businesses to meet – but they need to stay afloat and avoid job losses.

Adapt to survive

These industries need to adapt their business models to survive. Diversifying their product ranges, replacing visits to premises with visits to websites and partnering with logistics companies for home deliveries may be apt technology-led solutions. Technological possibilities may be as sophisticated as using robots to take orders and using drones for deliveries.



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Many countries are experiencing similar constraints and reporting a surge in customers shopping from home.

In a profit warning on 20 March, Marks & Spencer in the UK said it expected to see a surge in home deliveries of food, although its home and clothing businesses anticipated “a prolonged downturn”. Its product diversity would give it more resilience than a single sector business, it added.

A US company that provides data on apps, Apptopia, reported in mid-March that the average daily downloads of their apps by delivery companies like Instacart, Walmart Grocery and Shipit had risen by between 124% and 218% compared with the daily averages in February.

South African businesses will benefit by developing agile websites and mobile apps, and encouraging customers to use them. This will, however, more than likely entail development of IP partnerships between retailers and logistics companies requiring protection and regulation of the IP.

Be aware of risks

While technology introduces significant benefits there are also some risks to be aware of.

It is important that businesses appreciate that the adoption and use of AI in a business is likely to involve both the development of IP and the use of IP developed by third parties, to whom licence fees are payable. Agreements identifying the IP, regulating ownership of that IP and its use will accordingly be of paramount importance if a company is to implement and commercialise that IP successfully.

Another potential pitfall could arise when a retailer partners with a logistics company, for example, to create a new venture. In that case, disputes could arise as to which company owns the IP created, in what proportion, and what happens to the IP if the relationship breaks down. If parties fail to contractually regulate these aspects, litigation could be the unfortunate costly outcome.

It follows that a business with plans to diversify into new delivery channels needs to consider what steps it needs to

proactively take to protect its brand and associated innovations or inventions or new service offerings and products.

The Covid-19 virus has launched us all into the heart of the fourth industrial revolution. While technology may be key to surviving the current challenges, businesses would be well advised to seek guidance around the required IP protection to ensure that the rights commercialised remain theirs.

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