

COMMERCIAL FEATURE

WHERE'S THE VALUE? STRATEGIC INTELLECTUAL PROPERTY MANAGEMENT

Managing intellectual property is an intensifying challenge for managers in almost any industry



If well executed, strategic intellectual property (IP) management can contribute to top-line results and also enhance the bottom line, says Sevim Süzeroglu-Melchior, IP expert at Dennemeyer Consulting, an international IP management specialist.

Hans-Georg Greif, head of patents at RWE, adds: "In a joint project team with Dennemeyer Consulting, we developed our new patent strategy, organisation, processes, resources and basics for software tools. I am proud that our implemented patent competence centre passed several, even externally driven, assessments, with the result that our patent management is up to date with no need to improve further."

Efficient IP management is important to handle the growing number of patents and trade marks, as companies are now filing more and more IP rights.

PATENT EXPLOSION

All major patent offices around the world are exposed to a patent explosion. Over the past five years, the number of patent ap-

FIVE Ps IN IP

- 1. Perspective:** Define an IP strategy which reflects the corporate strategy, supplemented by medium-term objectives.
- 2. Position:** Categorise your patents and identify your own IP competitive position, taking into consideration strengths and weaknesses such as white spots.
- 3. Purpose:** Define strategies per patent category, such as securing your crown jewels, aggressively patenting of early inventions, exploiting the patent portfolio to maximise return on investment, and blocking competitors from key technologies and markets.
- 4. Performance:** Optimise your patent management such as organisation, processes or cost-benefit ratios to achieve performance improvements.
- 5. Profit:** The patent portfolio of a company is a valuable asset. As owner of a patent, you can exploit your invention not only to secure an exclusive position on the market, but also you can sell or licence your patent.

plications filed globally has grown by 33.5 per cent. The trend is particularly dramatic in some commercially significant technologies. In computer technology, for example, the increase is 85 per cent.

On top of the increase in numbers is the complexity and intricacy of patents. In recent years, the growth in patent voluminosity has become extreme. For example, the European Patent Office received an application with 283 priorities, 80,259 sequences and an estimated 50,000 pages in a biotechnology application filed together with genetic sequence listings.

Paradoxically, this increase in patent activity does not seem to be the result of a boost in research and development spending. R&D expenditures of OECD member states revealed a slight decrease.

STRATEGIC PATENTING

An explanation for this apparent paradox lies in a trend towards "strategic patenting", where patent applications are motivated not by the purpose to protect a specific innovation, but by a desire to secure a market position against competitors.

A strategic patent or portfolio of patents can prevent a competitor from developing, manufacturing, offering and selling a similar product. It may also deter competitors from even entering the market.

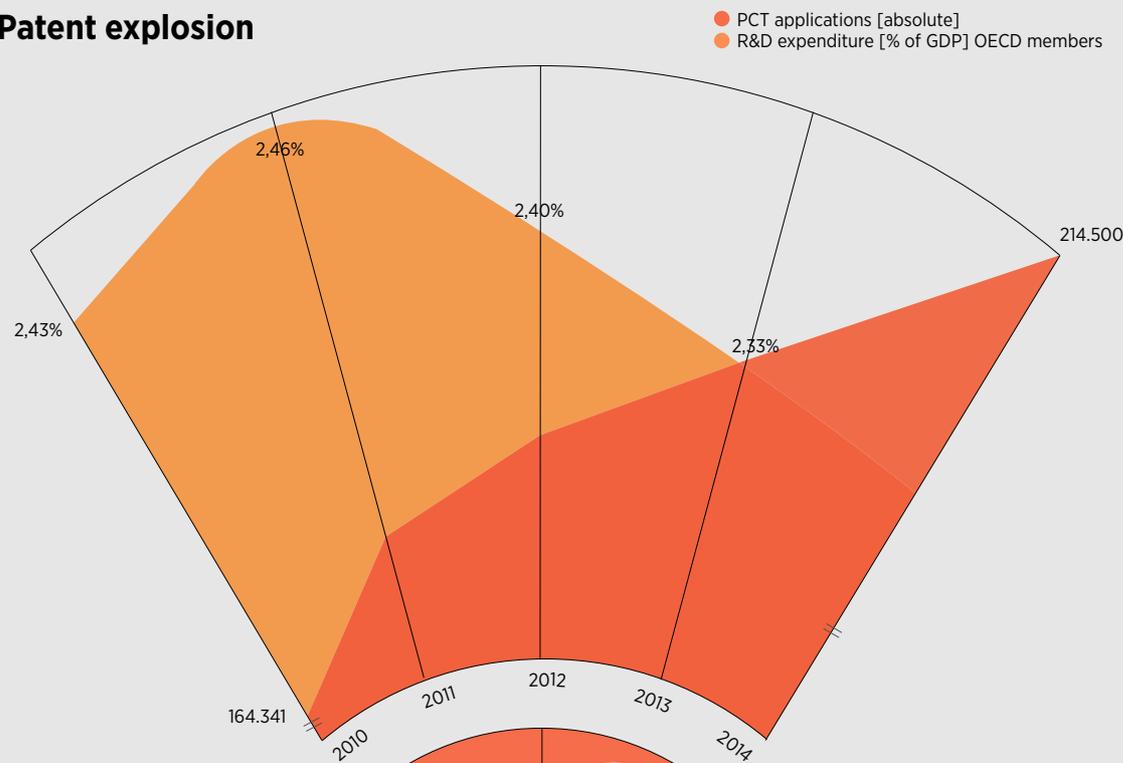
In short, the role of IP management has changed from creating a legal barrier to prevent copying of innovations, thereby securing a return on investment, to a sophisticated utilisation of patents to achieve maximum strategic benefit and business competitiveness.

HOW TO HANDLE A GROWING PATENT PORTFOLIO

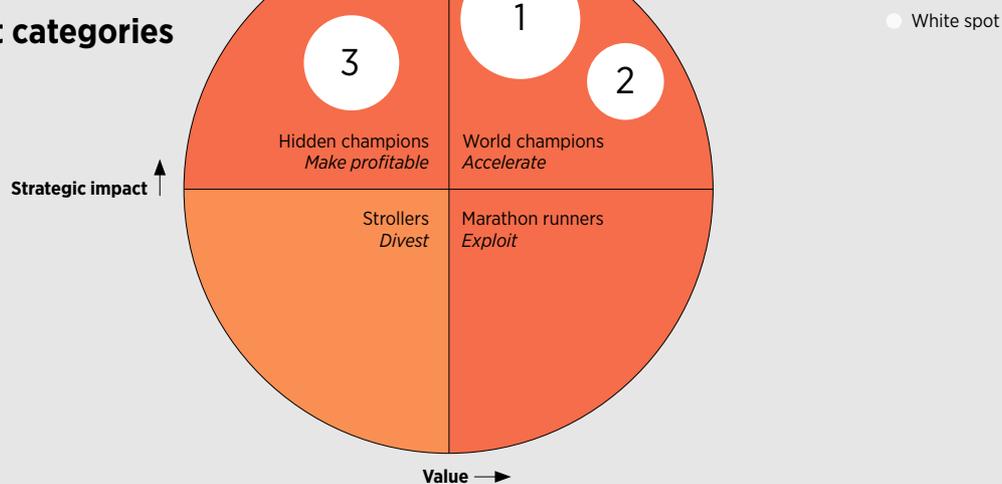
The drawback of strategic patenting is the resources needed to manage a complex portfolio. Quantity does not guarantee quality; indeed the larger the portfolio, the more difficult it becomes to ensure that it is serving its strategic and economic purpose. When a patent portfolio becomes too large, individual patents and applications often cannot be managed efficiently.

However, methodologies and tools are available to support analysis, reporting

Patent explosion



Patent categories



Patent explosion source: WIPO statistics database/World Bank/OECD/Dennemeyer analysis/Patent Co-operation Treaty (PCT) research and development, 2014 data interpolated. Patent categories source: Dennemeyer analysis

and steering of complex portfolios. Performance indicators, such as patent strength, citation frequency, and age and country distribution, can be evaluated and interpreted to support strategic decisions. Specialised visualisation methods, for example patent landscaping, create transparency for non-IP professionals and help enable sound executive decisions.

Dennemeyer's experience shows that the evaluation and interpretation of patent portfolios, including the generation of patent landscapes, requires a deep understanding of the technology, the patent portfolio and the competitive environment.

SURVEYING THE LANDSCAPE

With patent landscaping, a company's portfolio can be inspected and managed in respect of:

- Identifying white spots or areas which are not yet protected, but are essential to implement the company's innovation strategy.
- Benchmarking and infringement detection; comparing the company's patent portfolio with competitors' portfolios enables executives to assess trends, discover potential growth areas, to avoid infringing others' patents, and to identify enforcement opportunities.
- Outdated clusters of patents, typically related to technology that is no longer needed to fulfil the company's core

“We are delighted to receive the Acquisition International's 2015 IP Innovation Award. This recognition reflects our continued dedication to developing services to meet the needs of the IP industry. I am proud that our team's hard work has distinguished itself..”
Dr Malte Köllner, patent attorney at Dennemeyer's Frankfurt office

business objectives; often such clusters still offer a value and can be sold or licensed-out.

Patent landscaping is a first step to facilitate obtaining reliable information on the value of a portfolio or certain patent clusters within the portfolio.

GETTING THE MOST OUT OF THE PATENT PORTFOLIO

Expert analysis of a patent portfolio can help an enterprise understand:

- White spots, which can feed key information back to technology and innova-

tion management to ensure sustainable future developments.

- Costs of maintaining the portfolio, as well as strategic opportunities and threats.
- Exploitation potential of the patent portfolio to maximise return on investment.

"With the increasing importance of IP as a driving force of innovation and economic growth worldwide, IP rights have become central to the modern economy," says Cary Levitt, Dennemeyer's US chief operating officer.

"At the same time, it is increasingly challenging to find IP professionals possessing the education, technical background and global experiences necessary to enable businesses to grow, beat the competition and do it all cost effectively.

"The challenge is big. That is why I am proud to be a member of the Dennemeyer team. The company employs a collegial group of professionals, who are delivering a wide range of consulting, legal and administrative solutions to the global IP community. They are intimately involved in cutting-edge issues with IP thought leaders and are contributing to a growing body of emerging topics - with the ultimate goal of adding significant value to our customers around the world."