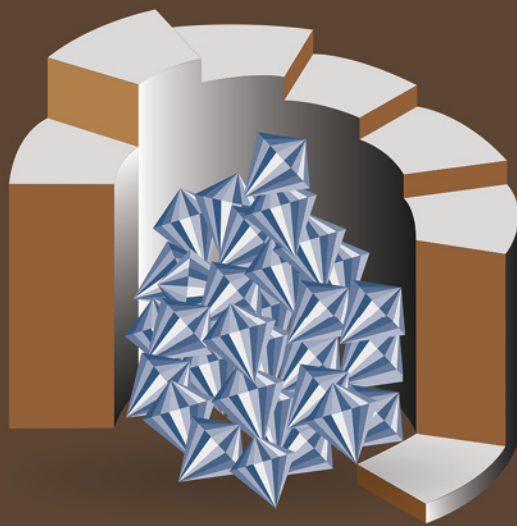


# Planning For Success

*Enabling commercial success through  
your intellectual property strategy*





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# Introduction

**Y**our intellectual property ('IP') strategy should be an integral part of your business plan — making sure that you use your IP and all your other intangible assets fully and cost-effectively, in order to achieve your company's objectives.

This level of integration is very important. For example, if your patent applications are purely technical exercises and not written with your business plan in mind, then their claim structure may well be inadequate to support your planned exploitation of the technology. Similarly, your business strategy should determine which activities you need to safeguard using trade mark protection, and where.

Recognising the role and importance of IP to your company should also improve your overall business strategy, as it will highlight new opportunities for growth and development through innovation.

This guide will help you to identify the types of IP that are critical to your business, and whether you need to build, buy or partner to access the key assets you need and create lasting competitive advantage for your products and services. It is designed to be read in conjunction with other guides in this series — particularly the ones covering audits (how to identify your strategic assets), IP intelligence gathering and international expansion.

Developing an IP strategy is a team exercise involving collaboration between all those in your company who have responsibility for sales, finance, compliance and research & development. It should also be a 'living' document that is regularly updated and shared with employees.

Lastly, the strategy itself will be an important asset. A recent report by a well-known global legal services organisation identified that less than half of the major European businesses surveyed had a documented IP strategy for their business. Even more surprising, only 29% had a strategy document that had been formally signed off by the board. However, the same survey found that businesses with a documented strategy rated themselves as more successful than those without.

Produced by IPOS International (formerly IP ValueLab), these intellectual property management (IPM) business guides aim to deliver a suite of IP solutions for enterprises based on industry best practices. As the expertise and enterprise engagement arm of the Intellectual Property Office of Singapore (IPOS), IPOS International helps enterprises and industries use IP and intangible assets for business growth. Some of these engagements may be eligible for Enterprise Singapore (ESG) funding, such as the intangible asset audit and strategy development aligned with business goals. IPOS International's business portal [www.iposinternational.com](http://www.iposinternational.com) also contains case studies and videos of enterprises leveraging IP to gain a competitive edge in their innovations. Should you have questions on IPM matters or wish to speak with our Intellectual Property Strategists, do email us at [enquiry@iposinternational.com](mailto:enquiry@iposinternational.com) or call +65 63308660.



# IP's role in your business strategy



01

*Why does my company  
need an IP strategy?*

# 1. IP's role in your business strategy

## Why does my company need an IP strategy?

If you are a knowledge-based business, you can be sure that the majority of the value in it, and the key to realising value from it, lies in your intellectual property. However, this IP would not manage itself. It needs to be planned for, looked after and,

where appropriate, protected by way of registered rights if you are to realise its true value.

There is a tendency within a business to think of IP as being a complicated legal matter. Development of a strategy provides a 'blueprint' to educate everyone in the firm, from your CEO down, on how IP creates value within your company and the part that they can play in developing and maintaining it. If you do not have a clear strategy — one that defines and allocates responsibilities for looking after these assets — you cannot blame your team if they fail to take timely action.

Being first to market can be great for a business, but not when it has no ability to deter 'copycats' freeloading on a good idea. Strong IP is often central to the delivery of a competitive advantage and helps it to become sustainable. To make the most of your investment in R&D, you need plans and procedures that make sure IP is considered before, during and after every product or service launch.

While strategic IP management has a great upside, mistakes can be expensive. As explained in more detail in the guide — **Going Global**, the territorial aspect of IP rights simply means that where registration is needed, it has to be done in all the countries (or sometimes regions) where protection is required. For example, protecting your invention by way of patenting on a global level ultimately requires engagement with national and/or regional patent offices, which represents a substantial investment.

If your patent covers technology that is core to your business, you cannot afford to miss the statutory deadlines to extend it. If your trade mark approach is not aligned with your marketing strategy, you could find yourself with rights that are irrelevant or obsolete. The same is true of design rights that are taken out in ignorance of future product development plans. A good plan will set out what you need, and why it matters.

*“IP is often an essential component in making a competitive advantage sustainable in the longer term”*

In summary, a well-thought-through IP strategy will help you exploit opportunities with confidence, manage risks effectively and plan for the future with greater certainty.



## Can an IP strategy help me in other ways?

**H**aving a well-structured IP strategy can be an asset in its own right. It's particularly important for early-stage companies that are looking for investment, but also essential for a business of any age that wants to grow.

If your business has yet to start trading, getting your IP strategy in good shape can help to give investors confidence that you can establish and sustain some market differentiation. As a relatively young business, it's likely that a lot of the IP that your business will need has not yet been created, so you need to be able to chart the future development of assets, and generate confidence that you know how to build or obtain what your business needs.



In any fast growth environment, it's especially important to show stakeholders that you know how to manage your IP strategically. This means you can separate the valuable ideas from the worthless ones, prioritise your development efforts to keep burn controllable, grow your rights portfolio in a deliberate and orderly way, take effective action against imitators, and minimise the risk of infringing the IP rights of others (an expensive distraction).

*“ Investors at any stage of a company's development will want to be confident that you know how to manage and exploit your IP ”*

The IP strategy itself should be an input to help you determine your investment needs. The thought process involved in mapping out your IP development and maintenance pathway can assist your budgeting into the future, and not just in respect of filing costs: it can help you anticipate the skills and resources you need. If your IP is strong and has a clear connection to cash flows, you may even be able to leverage its value to generate interest from investors or investment funds such as the Makara Innovation Fund.

## What are the main ingredients of an effective IP strategy?

**S**ince IP is unique, no two companies' plans will be exactly alike. However, there are some key questions that every IP strategy should address.

It's important to take a broad, '360-degree' view of what IP means to your company. There are three main dimensions to this challenge. Firstly, you need to look inside and outside your business. Secondly, you need to look both backwards and forwards in time when assessing your needs. Thirdly, you need to regard IP not just as a set of legal rights, but also as a business asset, applying the same key tests to it as you would with other tangible assets.

**1.**

Looking inside and outside your business is the process of comparing your approach to IP management with those of your peers and competitors. What can a comparison of your portfolios tell you about the directions in which your respective companies are heading? Is anyone infringing your IP — or are you getting uncomfortably close to assets that other people own? Are there external changes on the

# 1. IP's role in your business strategy

	way that might affect how you do business and your IP needs?
<b>2.</b>	Looking backwards and forwards means including a review of the IP that you already have (which means you need to have a clear idea of what it all is!) to confirm that your older assets are still needed. If you are confident that they are not, you can consider disposing of them or abandoning them at the next renewal. It also means examining what you have in the product or service development pipeline, and considering whether and when action should be taken to protect it.
<b>3.</b>	Looking at IP as an asset is a process of considering the return it has delivered or is expected to deliver in future on the investment that has been made in it. It's the same calculation you would make when judging whether to make capital investments in 'hard' assets. Spending \$100,000 on patenting may sound like a lot, but not if it makes it possible to generate profitable multi-million income streams.

*“It’s particularly important to ensure your strategy is outward-looking, and anticipates external threats and opportunities”*

Your strategy should use this analysis to set out a vision of what IP means to your company, describe a prioritised programme of activities, allocate clear responsibilities and set budgets.

## How is this different from a business strategy

**B**usiness and IP strategies can often have broadly similar headings. Your IP document should be fed by, but also feed into the overall company strategy. It is a focused piece of work that concentrates on building asset value. It is especially necessary because

you would not see the effects of many of your investments in your company's accounts.

*“Although your IP strategy may use a similar set of headings to other plans you produce, its contents should be very specific”*

To determine what your strategy should be, you will need to conduct a clear analysis of opportunities and threats, and construct a programme that sets out who will do what and when in order to achieve it, and how much it will cost. This is similar to writing a business plan: the difference with an IP strategy is that each section of it will be much more specific to your IP needs.



For example, as part of your review of opportunities and threats, you may identify the need to acquire or license in IP from other organisations to minimise infringement risk or expand your product or service capabilities. This will be determined by the company's wider strategy of product and service development.

It is helpful to use the strategy development exercise to derive a set of objectives that are 'SMART', This generally stands for Specific,



Measurable, Achievable, Relevant and Time-bound (though plenty of alternative versions of this mnemonic exist).

Once complete, the findings from your IP strategy should also feed back into your business plan, for example, in terms of your recruitment strategy. If your review finds that you are relying on outside contractors to deliver critical aspects of a technology that is growing in popularity, your IP strategy may prompt you to consider bringing that expertise in-house in order to maintain ownership and control over what are becoming 'core competencies'.

An IP strategy also complements a business plan by setting out the investment you expect to make in building 'intangible', non-physical assets, and the returns you expect this investment to generate. Unlike the costs of new plant and machinery, for example, the amounts you spend on R&D and other forms of internal IP development are unlikely to be visible in your accounts. A strategy document provides a means to explain these investments and their benefits to internal stakeholders, who would not be able to see them on your balance sheet.

## Is more IP necessarily better?

If your company revenue stream is dependent on technological innovation or creativity, then IP is bound to be at the heart of your business strategy. However, what matters is to make sure that you have the rights you need, rather than accumulating IP for its own sake. This applies to the type of rights you obtain and what they cover.

Taking patents for example (since these involve the biggest cash outlay, and are generally regarded as being the strongest of all of the IP rights), filing patent applications is simply not relevant for many types of business. Even when patents do underpin your business model, it does not follow that patenting everything you invent will make commercial sense, because costs can quickly become prohibitive (although even if you can't patent, or decide not to do so, it is still wise to keep your inventions secret).



When it comes to IP, the best strategy is to get the optimum return on your investment by making well-informed decisions on the assets that really need to be protected, managed and exploited.

*“IP choices need to be informed by your internal plans and your assessment of external opportunities and threats”*

In making decisions about what to protect and how best to do it, some of your considerations will come from within your business, and some from outside it. The internal ones are about working out how to use IP to support the achievement of your corporate goals, as set out in the following chapter.

The external ones, developed in the rest of this guide, relate to considering which ideas and inventions are emerging from your business that could represent a competitive advantage. Here, using the same IP example as above, you'll find that while patents are costly, it is at least reasonably straightforward to work out what rights other people already own (though you won't be able to tell what they are in the process of developing

# 1. IP's role in your business strategy

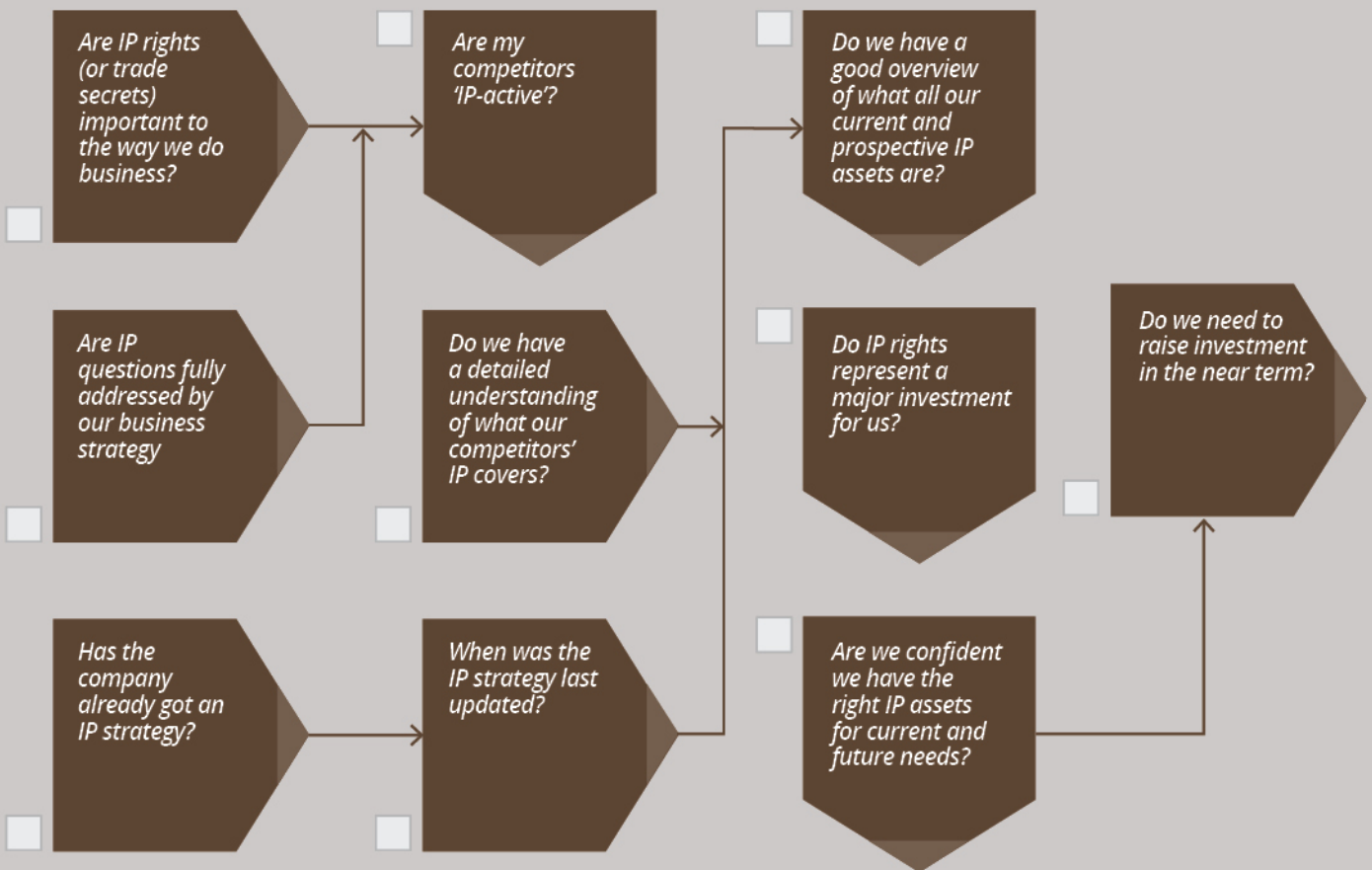
until any related patents are published). A prior art search, as described in our guide on IP intelligence, can provide the external input you need.

It is this combination of internal and external inputs that will help you decide the relative value in proceeding with any patent application (or indeed any other potentially relevant IP protection). It will also show you whether your invention or creation is or could be, a potential improvement on the products and services already in the market.



## SUMMARY

The following chart provides you with a set of high-level questions to help you determine whether you should write a strategy now.





# Planning your IP strategy



02

*What's the right relationship between  
my business and IP strategies?*

## 2. Planning your IP strategy

### What's the right relationship between my business and IP strategies?

The IP rights that your company requires, and how they will be deployed to trade successfully, will be determined by your business strategy. In turn, the IP you build should create new opportunities that will need to be factored into your wider planning.

At first sight, this may sound like a 'chicken and egg' situation! But it is just a reflection of the fact that both business and IP strategies need to interact so that your company can be adaptable. What it really means is that you need a well-articulated set of forward-looking business priorities, to be the background against which you can make good IP decisions.

The most important message that must be incorporated into your business strategy is that IP should be viewed as an asset, not just a cost. As explained in the previous section, it is an investment a company makes for the longer term: it just happens not to be visible on the company balance sheet.



*“Your IP strategy is part of your overall business planning approach. For best results, both strategies should inform each other”*

Many IP strategies you can adopt will make a real difference to the top and bottom line of your business. For most firms, the biggest difference that well-managed IP makes is that it protects a competitive advantage, thereby enabling you to sell more products or services at better margins. Sometimes it's a requirement of obtaining grant funding for innovation that you have a plan in place to manage the IP that will result.

You can transact deals with your IP too. You may find, for example, that your technology is applicable to markets where you have no intention of trading, in which case you may be able to license it to other companies. Alternatively, as your business grows, there may be opportunities to obtain tax advantages in certain jurisdictions. You may wish to approach one of the practitioners listed on the IPOS International website to obtain more details.

Companies are increasingly recognising that business value is not intangible assets, like plant and equipment, but in intangible assets such as brands, data, know-how and trade secrets. The shift in value requires a shift in strategy and management. IPOS International helps enterprises to develop and align their IP strategy with broader business strategy over the mid to long term. The strategic management of intangible assets is targeted to help businesses strengthen their market position, improve risk management and leverage on the value of their intangible assets. In this way, companies can create a strong competitive edge to supercharge their business growth and expansion opportunities.

## Who should 'own' my IP strategy?

*“There's no right or wrong person to lead your IP strategy, as long as they are senior enough to engage the whole business”*

**D**epending on the nature of your operations and the structure and maturity of your organisation, your IP function can sit in a number of different places. What is important is that someone in a senior internal position is able to act as an 'IP champion' and work with the rest of the company to formulate, disseminate and update the strategy.

Strategy formulation and maintenance is not something that can safely be delegated to anyone outside your company. This is as true with IP as it is anything else. In particular, while it is important to have strong relationships with your patent agent and IP lawyer who can provide your business with valuable advice, neither can reasonably be expected to determine what's best for your firm as a whole. On the contrary: if you have a sound strategy, you will be in a position to give external advisors a clear sense of the direction you want to pursue — and it will enable you to give them what they need most: a good brief!

In a small or start-up company, it generally makes sense for the Managing Director or Chief Executive to lead strategy development, including the IP strategy. If your business is a little larger and very technical in nature, it will probably rest with the Chief Technology Officer or their equivalent. If your business is IP-reliant and substantially larger, you may have your own legal counsel, who would naturally become the 'go-to' person for day-to-day IP rights matters.

Sometimes, the Finance Director may hold the IP brief. There is nothing wrong with this in principle, as long as they are suitably convinced of IP's role as a strategic asset rather than just being an expense, as explained in the previous section.

Whoever owns the strategy, they need to have responsibility for educating all your employees about your company's IP policy and the essential role IP plays in your business's success. As discussed in more detail in other guides in this series, this message also needs to highlight the importance of confidential information, ensuring you keep your valuable secrets to yourself.

If your company culture is one that appreciates the importance of IP to your business success, you're much less likely to encounter issues in areas such as invention disclosure and information 'leakage'.

## 2. Planning your IP strategy

### Who do I need to involve in the development of my IP strategy?

**D**eveloping an IP strategy is a team effort since it is developed and used in so many different areas of your business. The process of creating and implementing the strategy will also drive increased understanding throughout the whole company. Here are some

of the people you will want to involve internally, and how they can help.

As well as making sure that your company's overall aims are adequately represented, which should be assured by the direct involvement of senior management, there are **three main areas** relevant to most businesses where inputs are likely to be particularly useful:

1.	people closest to creating the IP assets,
2.	people who deliver them to customers as products and services,
3.	people who market and sell them.

While 'inventors' are typically associated with conventional research and development activities, IP asset creators can be in many places: they may be software coders, graphic artists, development chefs or writers. Once you understand how diverse the range of IP assets can be, you may find them in many different business roles (you may find the tools available from the IPOS International website helpful in doing this).

Your strategy needs to take into account the new things they are working on, and the opportunities they see for business improvement. Most importantly, you need to consider how new inventions are captured and evaluated. Ways of doing this are covered in more detail in another of these guides — **Creating Business Assets from your Ideas**.

It is also important to engage the people in your company responsible for operational matters, as ideas for process and efficiency gains often come from those best placed to observe opportunities for improvement. These may lead to the identification of trade secrets, improved designs, new copyright materials and even patentable inventions.



The last group is in some ways the most important of all, as they are your eyes and ears on the market. Customer feedback is a vital input to understand where opportunities lie to improve or expand your existing offering, where you may be missing out in relation to your direct competition, and where advantages lie that need to be better protected for the long term — which might involve taking out IP rights, such as trade marks, to cover new applications and territories.

*“As well as senior management commitment, several teams should be directly involved in IP strategy development”*

While this kind of approach should pick up the key IP creation, delivery and sales aspects, it is worth bearing in mind that IP can be developed in many different places within your business. For this reason, educating staff about the nature of IP and the contribution they can make can be very beneficial.



## SUMMARY

The following summary may help to clarify the two-way relationship between your business plan and IP strategy development. The arrows indicate which of these exercises would generally 'take the lead' in determining content and direction.

### Business Plan

Sets overall goals



### IP Strategy

Shows what IP is needed to support the goals

Prioritises these new opportunities in line with commercial objectives



Flags up new opportunities to gain a competitive advantage

Sets expansion plans



Shows the IP implications of expansion plans and associated resource needs

Ultimately sets the budget for IP investment



Shows the contribution IP makes to the business value and performance



# Writing your IP strategy



03

*Where should I start?*



## Where should I start?

“ Good strategies often start with a clear appreciation of the assets you already own. These may not all be IP – yet! ”

**P**ulling together an IP strategy for the first time can seem an intimidating task, but resembles other business planning exercises in many respects. It's helpful to tackle this in a structured manner; you may wish to undertake it in three main stages.

**1.**

The first stage will generally be to get as accurate a sense of all the intangible assets you own and use as possible.

Even if you are already building an IP portfolio, this exercise should not be limited to simply adding up the formal, registered IP assets you have — otherwise you will miss opportunities to identify other intangible assets that may be commercialised and/or more strongly protected by way of formal IP rights.

Ideally, you'll start with an exercise that is either an IP diagnostic or a full IP audit (as explained in another guide in this series — **Making Best Use of all your Valuable Assets**). The services provided by **IPOS International** may be helpful in understanding all your assets: even if your business is relatively young, and not yet trading, you are likely to be surprised at how many different sorts of intangible assets you can find.

**2.**

Next, you need to conduct an analysis of what you do and do not have, as dispassionately as possible, and compare what you find with the overall objectives of your business.

You are trying to identify both gaps and vulnerabilities in the IP asset coverage you believe the company needs, and also determine areas that require less focus at the current point in time. At this point it is also important to assess whether the IP you have identified is core to your operations; has the potential to be core, but is not at present because it requires more investment; or whether it is not really being used (it may be an outcome from an unsuccessful project, technology that has been superseded, or a name you have stopped using).

**3.**

When your analysis has determined what IP you have and how important it is, you are in a position to start drafting the document itself, which will set out the actions you intend to take.

You may find it best to set out your objectives first, before setting out in more detail how these will be achieved (which is the core of the strategy). Once these are clear, a programme of action can be constructed and costed. How central or 'core' the IP is to your business will determine what the plan of action for it should be (Figure 1).

### 3. Writing your IP strategy



Figure 1. Developing an IP strategy.

Once you know whether a piece of IP is core to your business or not, in terms of its relevance to current income streams, you can decide whether the best course of action is to protect it, seek funding, carry out product development or assess it for a possible sale or out license.

## How does a SWOT analysis work with IP?

“SWOT provides a good way of making sure you factor internal and external considerations into your strategy”

**S**WOT stands for Strengths, Weaknesses, Opportunities and Threats. It is an excellent way of viewing your IP through a lens that looks at its inherent qualities as well as its positioning in the wider market.

(Strengths) is an internally focused question. It gives you an opportunity to consider what is good about your IP as it currently stands. This analysis should be done in the business context — what does it enable the company to do, or do better, than it could do otherwise?

(Weaknesses) is also internally focused. It prompts you to think about areas for improvement in your IP portfolio. Are there areas where your products or services are currently unprotected? Have any leaks of confidential information occurred?

(Opportunities) looks outside your organisation to consider what new uses there might be for your IP, while (Threats) asks: what developments might occur in the market that would undermine it? In both cases, it helps to be specific, for example, to relate threats to particular competitors or topics (if you want to have a more ‘macro’ look at the issues, a STEP analysis is a better way of doing this, as explained in the following section).



It’s often helpful to lay out these headings in a 2x2 grid, as the strengths you find naturally tend to help you consider where there might be a weakness. Similarly, noting the presence of opportunities often leads to the identification of threats. The key technique, though, is simply to be as honest and objective with your assessment as you can.

## Can a STEP or PEST analysis help with my IP strategy?

**E**very business operates in a market, and each market is subject to its own pressures or forces. There are various models, which can help you to consider the ones most relevant to your own situation, but a STEP analysis is a popular and useful technique for considering the ‘big picture’.



1.  
STEP



2.  
Social  
factors



3.  
Technological  
factors

STEP stands for Social, Technological, Economic and Political factors. It is commonly used for macro-level market analysis and provides a good way of making sure that your strategy does not fail to take into account broader trends that could open up new opportunities for your IP – or render it redundant. When entering new markets, you may find that there are large differences in any or all of the STEP factors that will need to be considered.

Social factors are the cultural themes and trends that may make customers more or less receptive to your products. As one example, the ageing population is placing new demands on healthcare provision; is this a threat or an opportunity for your IP assets?

Technological factors include levels and rates of adoption of devices and systems (such as the Internet of Things or the development of artificial intelligence) and will be very

## 3. Writing your IP strategy

important considerations, not only for any company working in areas such as consumer electronics but also for any firm dependent on selling products and services via smartphones — it may affect whether your IP can be used by customers.



### 4. Economic factors

Economic factors include aspects such as growth rates, interest rates, exchange rates and levels of inflation. As well as being applied at a macro-economic level, market economics can often usefully be considered on a sectoral level. They can make a very substantial difference to how attractive a new market appears to be, and therefore what kind of IP investment is needed and is likely to generate significant returns.



### 5. Political factors

Political factors extend not only to areas of the market where governments tend to have a direct influence (such as health and education) but also the general legal framework within which businesses operate, and any prospective changes to these. Within ASEAN, for example, IP systems have evolved at different speeds and some significant differences exist between countries where Singapore businesses may wish to trade, and these need to be accommodated. Sometimes people add an 'L' for Legal' to this mnemonic (and turn it into 'SPELT').

“STEP provides a convenient way of thinking about the 'big picture' environment in which your IP needs to succeed”

## How do I construct a set of IP objectives?

**B**uilding on your analysis work, objectives are the aims you set for the period of your plan. The crisper they are, the better — and the 'SMART' mnemonic provides a useful set of guidelines. The most common version of it is used for illustration

here, but you can adapt it to suit your needs and preferences.

“SMART provides a convenient way of self-checking whether an objective is really a goal, or just an aspiration!”



### SMART

- SPECIFIC
- MEASURABLE
- ACHIEVABLE
- RELEVANT
- TIME-BOUND

**S stands for Specific.** It is important to ensure that the goals you set are unambiguous. If you consider it important to extend your trade mark protection to three further countries within the next year in order to keep pace with your company's export expansion aspirations, then that is an appropriate objective to set.

**M stands for Measurable.** It should be possible for anyone within the business to determine whether goals have in fact been achieved. However, it does not follow that every goal must be a simple count of IP rights required. For example, if you have a very active R&D pipeline, you might set deadlines for how quickly new inventions will be reviewed, or the percentage of them from which something patentable should reasonably be expected to emerge.

**A stands for Achievable.** Ensuring that goals are achievable requires a reasonable working knowledge of the IP system, in particular with respect to the length of time it takes to achieve certain types of protection. It's also important to understand how much some activities are likely to cost and assess their feasibility against your budgets.

**R stands for Relevant.** This is where the interaction with the overall company business plan will be most important. There is not much to be gained in setting a goal to extend the classes covered by your trade marks if your company is unlikely to need them in the near future (particularly since trade marks can be challenged for non-use). Similarly, it may not make commercial sense to patent every invention, especially those that are not easily reverse engineered or may be protected by trade secrets.

**T stands for Time-bound.** Goals are not measurable if no timeframe is set within which they are to be achieved, so it is essential to specify deadlines by which particular steps need to be taken. It is best if they are not all short term (otherwise your plan is more tactical than strategic) or all long term (otherwise there is less motivation for implementation to start straight away). Having time-bound goals is also very helpful for budgeting purposes.

## How do I turn my aims and analysis into an action plan?

**E**very IP plan needs a section that answers the question 'how am I going to achieve the goals I have set?' Whatever you call it — strategy, approach, methods, or something else — this section is the 'glue' that holds the objectives and your analysis together. This, in turn, drives the programme of activities that you create.



There is no set formula for answering the 'how', as the steps you will want to take will vary substantially depending on your company's maturity, field of operation, size and budgets. It will also depend on your organisation's culture and risk appetite, and your 'back story' with IP.

*“When writing your programme, don't forget to show the income generation you expect to facilitate or protect with the IP measures you propose”*

As an example, when possible infringement is identified, some prefer a very direct litigious approach, while others prefer to resolve things via commercial negotiation where possible.

However, as when setting your objectives, it is important to be realistic, particularly in terms of the internal and external resources that are available to you, and the aspects that you can drive and influence. If your strategy involves obtaining additional rights, for example, you should consider what extra help you may need to get them, and where you expect it to come from.

### 3. Writing your IP strategy

Last comes the programme itself. Like the objectives whose achievement it supports, this should be specific about what you intend to do and when. It will be supported and justified by the rest of your plan. Just as importantly, it should be prioritised so that you focus on the aspects that your analysis has confirmed to be the most crucial.

The programme should be carefully costed so that you can use it as an input to budgeting. However, to work best as a strategic tool, it should also show what you intend to get back. If the IP to be developed and protected is intended to generate income on its own (for example via licensing), to support revenue generation through sales expansion or new product development, or to be used to support a business requirement for further investment, the plan should state this — it is a great way to show a direct connection between IP assets and business value.



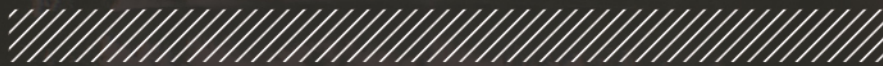
#### SUMMARY

The following checklist may help you to think about which elements are likely to be most important in developing your own IP strategy.





# Putting your IP strategy into practice



## 04

*How do I get everyone 'on board'?*

## 4. Putting your IP strategy into practice

### How do I get everyone 'on board'?

If the priorities identified within your IP strategy have been set objectively, their logic should be clear. However, having a sensible plan is not enough on its own; you need 'buy-in' from your stakeholders to implement it properly.

*“Your business will usually relate best to IP as an investment (rather than a cost) if you can demonstrate its link to income and profitability”*

This 'buy-in' is needed at all levels of the business. For example, if the team members who are devising your new IP (or potential IP) are not aware of its confidential nature, or do not know that copying needs to be avoided, your rights may be lost or compromised. Similarly, if senior managers do not appreciate the importance of IP rights, you will find yourself on the back foot talking about legal bills, when you really want to be discussing the next IP investment.

Your plan should have established a good basis for establishing buy-in, by linking the IP strategy closely to your company's objectives. However, you will need to show that your plan of action leads to quantifiable business benefits, and these should be expressed in commercially relevant terms.

As explained in the previous chapter, IP rights are worth little or nothing if they don't support a competitive advantage. That's why you should link your strategy to your products and services, and the goals you set for them. You need to demonstrate how your IP underpins your business model by helping you win more customers or make more money. This sets IP in its proper context — as a commercial enabler.



1.

Since many of the benefits that derive from IP will take time to materialise (especially if, for example, your strategy includes patenting), it is usually helpful to have one or two 'quick wins' that can be demonstrated via the successful implementation of your strategy.

2.

Buy-in is often improved when your staff can see there is something in it for them. It is worth considering an employee reward scheme as an incentive to get creative, report what has been developed, and co-operate in adopting good practices.



## What should I do as an 'IP champion'?

“Ensuring that your trade secrets stay confidential is likely to be an important area of an IP champion's responsibility”

**A**s with all other aspects of IP, there is no 'one size fits all' rule on what being a business champion for IP means. However, these general guidelines will apply in many cases.

An IP champion provides a visible first point of contact for any internal queries regarding IP. Accordingly, you will need to stay on top of your existing rights portfolio (you may use software tools and/or external advisers to help you do this). You will be closely connected to new materials being produced in your company, and making decisions about what needs to be protected and how. This might involve conducting periodic IP audits.

You should be at the forefront of any discussions regarding licensing of your company's IP rights (inbound or outbound), and the first to know if there is any suggestion of infringement — whether your company is the accuser or the accused! To minimise these risks, you will want to monitor your competitors' IP activity, and make sure that staff understand that other people's IP needs to be respected too.

As a champion, you should take a 'hands-on' role in confirming that correct procedures are being followed. For example, if your business uses notebooks to record new ideas, best practice dictates that these should periodically be inspected, countersigned and dated in case they ever need to be produced as evidence. This may involve training staff in good IP practice so they know what is expected of them.

You will also have an important part to play in ensuring that secret information stays secret. This is likely to have an internal and external dimension. Staff who are customer-facing, such as salespeople, will need to know what they are and are not allowed to disclose in conversations or sales presentations (this is a common way in which competitors can gather insights into your intentions, and might 'leap-frog' or design around what you are planning). Similarly, publications, blogs, web articles, newsletters and other marketing initiatives need to be 'IP-savvy' —especially if patents are important for your business (premature publication means that your own 'prior art' will prevent you from obtaining protection).

You may also need to ensure that where confidential conversations are to be held with suppliers, partners or customers, they are suitably protected by a Non-Disclosure Agreement (NDA) first. There is a wide range of contractual agreements that may have an IP dimension and require your oversight — such as research agreements, collaboration agreements, distribution agreements, licences and material transfers.

## 4. Putting your IP strategy into practice

### Do I need to implement an IP policy?

It is often advisable to document the IP principles that are most important to your business. The level of detail required will be driven by the size of your business, the type of activity in which you are engaged, and how much commercially sensitive information you use.

In a business of any size, it is always advisable to ensure that employment contracts clearly set out what is expected of your staff in terms of maintaining confidentiality and sharing information on new inventions or creations with the right person. It is usually helpful to define what you mean by IP and to set out responsibilities clearly, even if they duplicate what the law says (for example, the fact that the copyright in any new materials will be owned by the business, not the individual). In a small company that is not highly technical or innovative, this may be enough.

Once a business starts to grow, it is often useful to set out best practices more clearly and explicitly and provide examples that are directly relevant to your activities. This is frequently achieved through the introduction of an employee handbook. Unlike an employment contract (which may be filed and forgotten until a problem arises), a handbook should provide a convenient reference point for staff members if they are in any doubt regarding how to handle a particular situation.

For companies that are dealing with sensitive materials, highly innovative or just larger, the best course of action is to have a specific policy that is dedicated to IP matters. A policy will reinforce general matters such as confidentiality provisions, but also contain specific instructions regarding (for example) invention disclosure, and set out what checks should be made to investigate 'prior art' in order to prioritise IP filings and minimise infringement risks.

Supporting the policy, there will need to be additional documentation. These may include invention proposal forms, inventor acknowledgements, standard forms of assignment, status reports and bibliographic summaries. As well as making consistent internal procedures easier to follow, these can be very useful when responding to requests for information from board members and investors.

You can find more information on all of these aspects in a separate guide in this series — **Managing Your Most Valuable Assets**.

*“While an IP policy may be ‘overkill’ for a very small business, it is a vital resource for larger and R&D-centric companies”*

## How do I keep my IP strategy relevant and up-to-date?

“Once you have your IP support structure in place for your current business model, you can consider how to extend it”

In much the same way as your business strategy needs updating to reflect internal and external developments, so your IP strategy should continually be looking inwards and outwards to see if it needs to change and adapt, looking out for new opportunities to positively influence revenue and profit.

New technical possibilities are often a driver of change. To take an obvious example, ‘macro’ trends that have enabled the production of smaller, connected devices with greater capacity are finding their way into most industry sectors. These may have implications for styling, content, technical functionality and branding, each aspect of which can be protected by IP rights. However, they may also cause you to move outside the scope of your existing protection (for example, if you have a registered design for a product, will this still apply to the new shape you are now able to produce?)

Because such trends can be fast-moving, keeping pace with developments at your competitors is vital, and your strategy may well need to adapt to take account of what you find.



Making use of IP ‘watching’ services (explained in more detail in another guide — **Knowing Your Competition**) is especially important in highly competitive technical environments and can help you anticipate threats and opportunities. It may be a useful indicator to tell you which of your asset ‘families’ are generating the most value, and what this should mean for your product/service development strategy. It can also help you identify possible infringement.

Once you are on top of using your IP to support your current business model, it pays to consider new ways in which you could derive value from it. For example, you may identify applications for your technology in new industry sectors or gaps in new geographical markets that you could address.

As the **Going Global** guide in this series explains, there are many ways in which you can look to exploit opportunities like these.



IP licensing is one that is well worth considering because it greatly reduces the capital outlay required (especially if compared with setting up a new business) and provides a means to benefit from the market presence of an existing player.

It also has the attraction that you can divide up your IP rights by territory, applications, products and time periods and incorporate minimum performance criteria, all of which are valuable in managing risk.

## 4. Putting your IP strategy into practice

### What additional points do I need to bear in mind?

In today's globally connected marketplace, it is especially important that your implementation plans do not overlook the importance of your brands. These provide a means of 'harvesting' the goodwill that accrues in your products and services but is prone to imitation.

*“Don't forget to include the way you brand your products and services within your strategy, to defend your market reputation”*

Brands act as a 'short-cut' that help customers to identify the products or services they want to buy. If the customer experience is good, these positive qualities will become associated with the brand identity over time. The identity, in turn, is related to the overall 'look and feel' of a brand, and this may be made up of a complex set of complementary properties.

However, the easiest means of providing some protection for most of these properties is via the use of trade marks, which support the central asset (the name and/or logo).



Trade marks should be in place to support the company's overall sales and marketing strategy. If the brand 'stretches' to encompass new products, additional classes may need to be added; if your goods are sold in new geographic markets, then the scope of protection needs to be extended in other ways. Care should also be taken to secure other intangible assets that feature your brand names to ensure third parties do not obtain rights before you and create confusion in the marketplace. These may include domain names and social media account names (for example, a Twitter handle, accounts for Facebook, LinkedIn and Instagram, or a YouTube Channel).

However, marks also need to be responsive to changes in customer preferences and market trends. While names can be long-lasting, logos often need to be refreshed periodically, and can easily move outside of any associated image mark protection obtained. There has to be a regular dialogue between the IP and sales teams — assuming these are different people — to anticipate and deal with such situations.

Lastly, it is important to monitor the market for counterfeit goods. These will not respect the rights associated with your brands, and are simply trying to capitalise on your reputation, but they may do so by selling inferior quality products. Depending on the sectors you serve these may not only damage your profits but also harm the health and wellbeing of your customers.

Trade marks provide you with a number of effective rights to prevent the importation and sale of unauthorised copies and counterfeit goods — but only in the territories where you own them. It is important to have this in the back of your mind when deciding what to file and where.



## SUMMARY

*We ensure that core products and services stay well protected*

*We have a clear picture of how IP contributes towards our company goals*

*We have an agreed policy covering when we file for IP rights and where*

*We know what our competitors are doing with their IP*

*Our staff know how to use external IP legally and appropriately*

*We have a plan to exploit our IP as an asset in new ways in the future*

*All staff know who they can turn to if they have IP-related issues or questions*

*We take measures to ensure that IP does not 'leak' out of the company*

*Everyone knows what our IP strategy means for them*

*We always know who has invented what and when (and we have this documented)*

*Invention and creation are incentivised in our business*

*Staff IP obligations are backed up by employment contracts*



# Where do I get help?

## 05

### GETTING RIGHTS GRANTED

IPOS : [www.ipos.gov.sg/resources](http://www.ipos.gov.sg/resources)

IP ValueLab Directory :

[www.ipvaluelab.com.sg/news-events](http://www.ipvaluelab.com.sg/news-events)

### GETTING IP ADVISORY

- Intangible asset audit
- Intangible asset strategy and management
- Business and technology intelligence
- Commercial analytics on patents
- Due diligence on intangible assets
- Bespoke advisory services

### GETTING IP TRAINING

- Executive programmes
- Certifications
- Undergraduate and postgraduate courses
- Regional training

### GETTING PATENTS RIGHT

- Patent search and examination (for both national and international PCT applications)
- Patent analytics
- Customised search services

### DEALING WITH DISPUTES

IP Legal Clinic (IPOS) : [www.ipos.gov.sg/e-services](http://www.ipos.gov.sg/e-services)

### FOR INFORMATION AND ENQUIRIES

Website : [www.iposinternational.com](http://www.iposinternational.com)

Email : [enquiry@iposinternational.com](mailto:enquiry@iposinternational.com)

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