

Intellectual Property Magazine

Focus on software

Can software evolve the way companies use IP?

IP workers could soon be managing an astronomical influx of filings and the industry needs to react, **Joan Mill** explains



Most companies today are looking for a large share of IP portfolio ownership to control the verticals they operate within and are seeking to accumulate as much IP as possible to beat their competition.

Nowhere is this more evident than in the total number of patents granted across the globe. This number has been consistently rising year on year in many of the world's most developed countries. According to US Patent and Trademark Office statistics, the total

number of patents granted in 2014 reached a record high of 326,003, which was almost double the amount filed in 2006.¹

However, in China this growth has been even more accelerated. The 2014 edition of the *World Intellectual Property Indicators* revealed China's State Intellectual Property Office (SIPO) led worldwide patent application filings by a large margin for the third year in a row, with 825,136 filed in 2013. This figure is up by 26.4% on 2012's figures.

Intellectual property presents itself in a variety of different forms. Due to its complex

nature it is often the case that, for example, a patent is essentially a combination of data and one or more algorithms. This means that each patent action will be different. And, as we have seen above, the sheer volume means that it is doubly challenging to manage the validity of the ideas that go through an IP lifecycle. This presents process issues for often-underfunded IP departments.

It is clear that IP divisions have reached a tipping point. Currently data is flowing between enterprises so easily and in such large quantities that IP workers need to have

the means to effectively manage information. Managing such an astronomical influx of filings takes its toll and the IP industry is looking to react.

Time is an issue

Companies are required to make sure that there is no infringement of IP by ensuring there is no prior art before filing and also ensuring their patent is relevant when it is filed. Trademark and patent watching is proving to be challenging for many companies, though, as it is typically a manual task meaning it can be costly. Indeed, it is also tedious and in some instances impossible.

In response to this, businesses must wholly integrate all their data and all their processes so no time management effort is used searching for missing data or reporting across disparate systems.

The ability to do this effectively comes from having a robust IP portfolio management application. In essence, the use of modern technology is a key part of managing and retaining the value of your portfolio and handling the volume of patents. Efficiently managed IP not only increases revenue but also decreases costs and risks while eliminating duplication of effort and rekeying of IP data.

However, one of the most difficult aspects of managing an IP portfolio is being able to integrate and collate all the relevant IP data, internally and externally, in an efficient and secure way. The latest software allows you to ascertain the strength or value of your portfolio by geography, technology class or

even industry – as well as by the maturity of your claims and competitor analysis.

Human error: the problem of variety

Next a business must assess how to manage IP in the variety of forms it takes on. Arguably companies should fight technology with technology.

There is a lot that human beings can do. One option is enabling technology to do what we can do but faster and more accurately, resulting in more relevant correlations. Innovative technology is out there and has

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been for a while, however many companies are not accepting the invitation. The variety of ideas and inventions in IP means that to gain market advantage, companies need to be quicker and more nimble. This is impossible with cumbersome, slow legacy systems dragging them back. This leaves companies fearful of what their competitors are doing but without a dynamic system to propel them ahead of the competition.

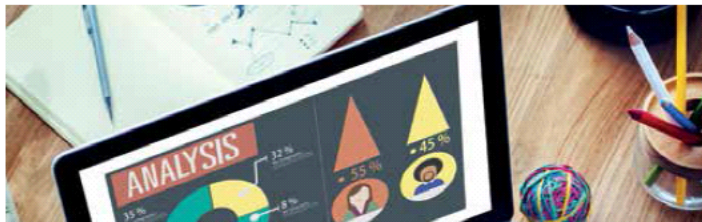
There are, of course, valid questions to ask about taking an exclusively technological approach. For example, will automating the patent review process render patent attorneys or agents redundant? Will an automated IP tool prove too logical and clinical and drive almost all ideas out at the beginning of the process? In the case of the latter, a system will always find a mere word match to existing patents that may reject the idea on the basis of prior art violation.

It is clear that there needs to be both technical automation and human intervention and it is up to businesses to find the right balance.

The value of IP

Often executives make the mistake of pigeonholing IP as a consideration or cost for the legal department. This is one of the perennial problems IP departments face. Most executives are unaware that their company's IP can help them attain a number of strategic corporate goals, from entering new markets to generating an additional revenue stream. This can only be done if IP is respected and managed as seriously as other company assets.

As the value of intellectual property is further understood and appreciated, its appeal is becoming more obvious. It logically follows that we are therefore set to see yet more record-breaking numbers of patent filings. As patents are no longer assets to be overlooked, their effective management requires the courage of some of custodians to invest in better technology and processes.



Footnote

1. http://www.uspto.gov/web/offices/ac/ido/oeip/taf/us_stat.htm

Author



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