



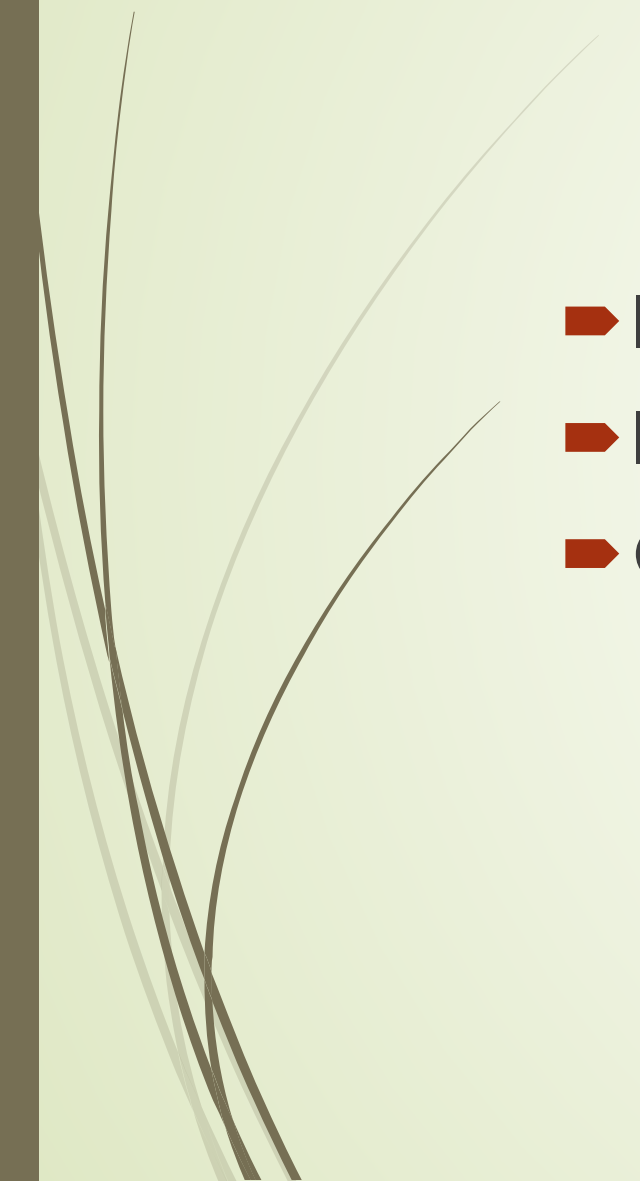
# Innovation Management by Small and Medium-sized Enterprises – The Importance of IP Audits

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# Presentation outline

- Intellectual property and Innovation
  - Intellectual property audit process
  - Conclusions
- 



# Intellectual Property and Innovation

**Innovation  
means  
doing something new  
that improves  
a product, process or service.  
Many innovations can be  
protected through intellectual  
property (IP) rights.**

# Intellectual Property and Innovation

Many times SMEs innovate without knowing

Lack of recognition of said innovation

Innovations not seen as IP

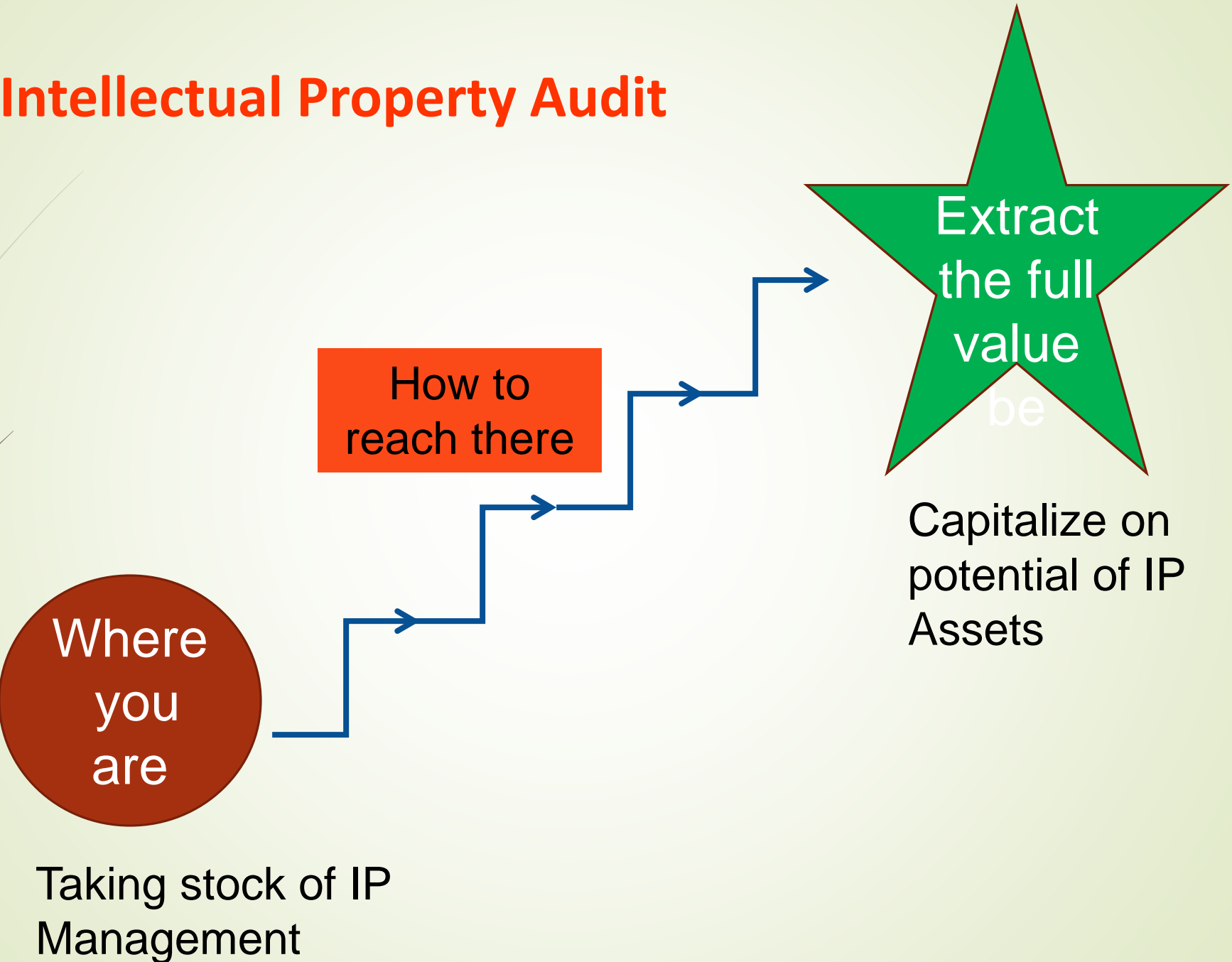
**VALUE NOT MAXIMIZED**



# How does an SMEs manage its IP assets effectively?

- (a). Must **Recognize** that IP assets are **business assets and must be**
  - accounted for ,
  - managed
  - effectively exploited
- (b). Must carry out **intellectual property audit (IP Audit)**

# Intellectual Property Audit



# IP Audit Process

## IP Audit Process includes

- 1 • Determining the **actual IP** assets owned by company
- 2 • Identifying **potential IP** assets for the company
- 3 • Examining **contracts and agreements** is IP included
- 4 • Reviewing **Policies**- is IP included, what of **employees**
- 5 • Formulating **business strategies** based on the findings



## i) Identifying Company's IP Assets: **List of IP Assets**

- ❑ **List down all the IP Assets of the company (Actual and potential)**
- ❑ **IP Assets are either technologically or institutionally based**
- ❑ **For each of the listed IP assets determine the following:**
  - a) Status of ownership**
  - b) Protection-level and type of protection given**
  - c) Value -Know the value so that you are not shot changed**
  - d) Commercialization**
  - e) Enforcement**





## i) Identifying Company's IP Assets: **List of IP Assets**

### **Technologically Based IP Assets:**

- Patents,
- Trade Secrets,
- Industrial Designs,
- Software,
- utility model,
- integrated circuits.
- New plant variety



## i) Identifying Company's IP Assets: **List of IP Assets**

### **□ Technologically Based IP Assets:**

- New product, process, or formulations, apparatus, unique package
- Small improvements to existing technologies, a new use to existing products
- unique shapes, patterns, packaging
- A variety of plant

## i) Identifying Company's IP Assets: **List of IP Assets**

### **□ Institutionally Based IP Assets:**

- Company's brand,
- product brand,
- trademarks,
- customers' lists,
- distribution channels,
- quality marks,
- Copyright
- Business method

**In general the value of intangible assets (IP) is underestimated by SMEs**



## i) Identifying Company's IP Assets: Current status of existing IP Assets

### IP Protection

- Are IP Assets already protected
- If **Yes**, through which IP right? **Are they still valid**
- In which **countries**?
- If **not** determine the best strategy for your company in protecting the IP Asset
- (patents, ID, Trademarks, copyrights, trade secrets etc)
- Protect it

## i) Identifying Company's IP Assets: Current status of existing IP Assets

Determine Current  
commercialization  
strategy

Being used  
By Who, how?

Underutilized, why?

Unused? Any potential?

Obsolete

## i) Identifying Company's IP Assets:

### IP Enforcement

Determine enforcement strategy in place

Is actions against infringers worthwhile

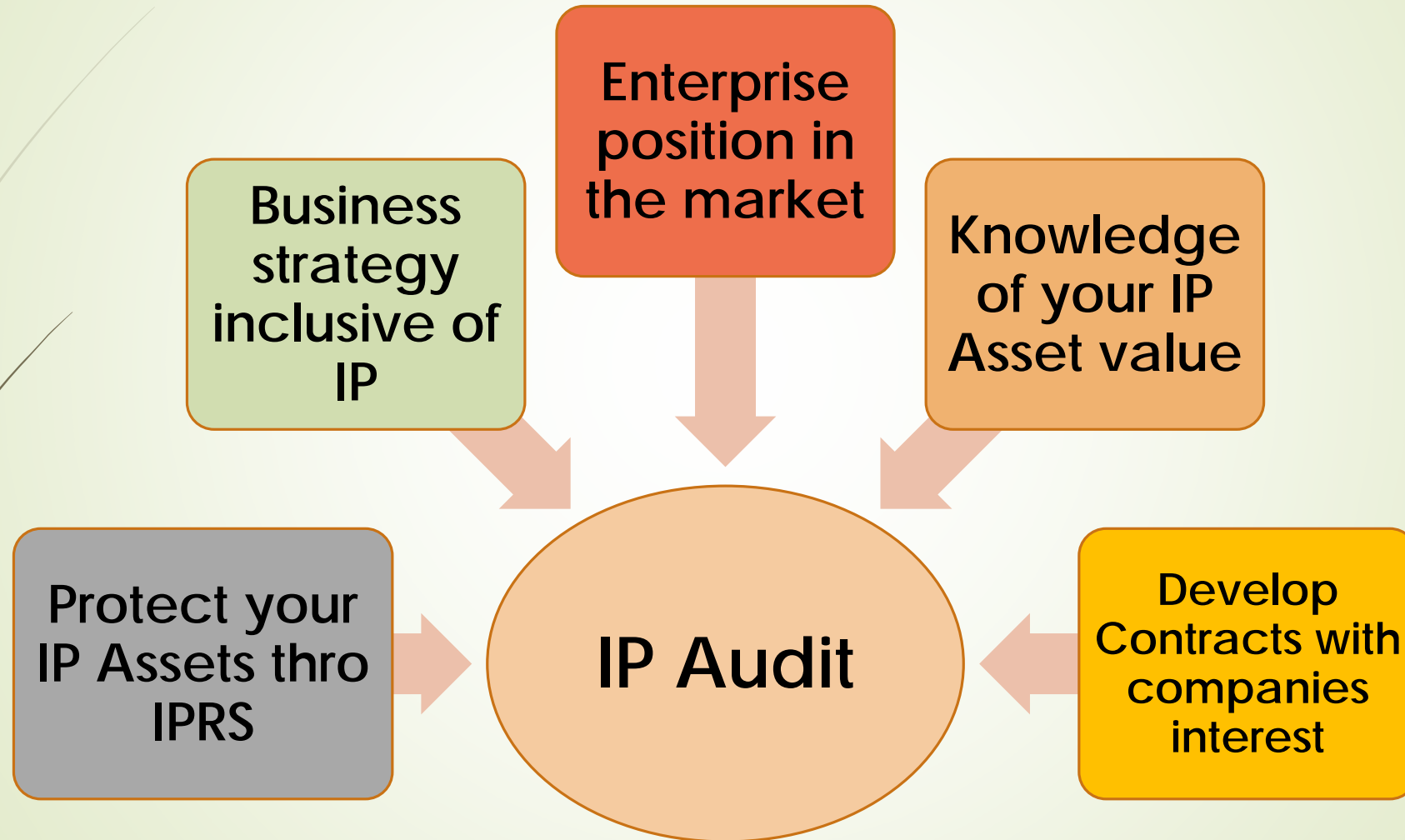


Identify possible infringer

**Need to develop a policy on IP enforcement**



# Positive Effects of IP Audit to a Company





# Positive Effects of IP Audit to a Company

