

3 KEY TAKEAWAYS

Best Practices in IP Operations – What’s That Got to Do with Licensing?

At the [Licensing Executives Society \(LES\) 2019 Annual Meeting](#) in Phoenix, [Kilpatrick Townsend’s](#) Global Patent Operations Chief [Stephanie Sanders](#) participated in a panel discussion titled “Best Practices in IP Operations.” The panel shared the [IP Proficiencies](#) model that panelists Stephanie Sanders and [Melanie Carmosino](#), Director of IP Operations at Microsoft, and moderator Sam Wiley, IP Solutions Architect at CPA, developed with others as part of a [Corporate Legal Operations Consortium \(CLOC\)](#) initiative.

Here is what every licensing professional should know about IP operations:

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Solid data is key. Incorrect or out-of-date data about your IP assets can easily sink a deal. The panelists shared an example where a company was several months behind in updating patent bibliographic data, including whether a patent was still in force. The company was actively negotiating a deal and, mid-stream, found out that several of the patents at issue were actually expired or abandoned. This was not a welcome surprise. Companies may resist committing the extensive resources required to validate data for an entire portfolio, but this approach is penny wise, pound foolish given the potential risks of basing a deal on bad data.

Process, process, process. Any hiccup—big or small—in the prosecution or chain-of-title of an asset can cast a shadow over that asset’s value. The moderator shared an example of a case that had to be revived for failure to pay a renewal fee, which is quite common and does not affect enforceability. When a party to the negotiation learned about this stumble in the process, even the simple act of asking questions about it reduced the value of that asset and disrupted the entire deal. Clear and well-documented processes, especially surrounding docketing and renewal deadlines (on top of validated data) can reduce these types of mistakes and ensure that licensing professionals can confidently bring any aspect of their portfolio to the negotiating table.

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Partnership is not optional. Outside counsel and third-party vendors have much to offer companies in the IP operations space. Had the companies described above partnered with a data validation service and/or relied upon an extended services team, with standard procedures, they would have avoided the negative effects of bad data on their licensing program. Even companies without extensive IP operations resources can reap the benefits of using third party vendors by engaging outside counsel with the IP savvy to provide such services directly or through their own partnerships. Law firms can help clients up their IP operations game by recommending that the clients review the materials on the [CLOC IP Proficiencies](#) initiative webpage and assess their current level of IP operations maturity with the [CLOC IP Proficiencies Scorecard](#). Once the client has their score, they can turn to their trusted outside counsel to help them fill any gaps.

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