

Putting your intellectual property to work — how to trim costs and improve your company's bottom line

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Effective management of your intellectual property can positively impact the profitability of your organization. Improved margins can be achieved by reducing costs and streamlining processes. Enhanced productivity can be realized by effectively sharing information, so you can make better business decisions, faster. This article examines how two world-class organizations have applied Thomson scientific solutions, putting their intellectual property (IP) assets to work and directly improving the bottom line return for their stakeholders.

Challenges

As the old Yorkshire saying has it, "Where there's muck, there's brass". Unfortunately, intellectual property management can be a messy, complicated business. But, it can also be a profitable one, if you are able to overcome the common challenges faced by many IP-holding organizations, challenges such as:

- Managing a global business with global IP
- Accurately tracking and maintaining all your IP rights
- Identifying IP that is germane to your business versus that which has the potential for licensing, acquisition, or divestiture — and then properly managing all the related contracts and information

Today's competitive business environment means that decisions have to be made ever faster and better. This requires streamlined processes that ensure the best information is available to decision makers in the shortest time. IP assets are a critical part of that information.

Strategies

There are a number of strategies available to address these challenges:

- IP asset management requires the implementation of a robust and scaleable IP knowledge management system
- Global communication between groups requires a system that can provide access to the same information any time, any place via a secure central repository
- Information should be consistent, accurate and timely, and there should be provision to incorporate internal classification schemes already used within the organization

Solutions

Avery Dennison and Honeywell International are two organizations which have recognized the potential of effective IP management and, in partnership with Thomson, have identified solutions that address their particular challenges.

Avery Dennison

Avery Dennison is a global leader in pressure-sensitive technology and innovative self-adhesive solutions. The intellectual property activities of Avery Dennison are managed by an IP Management (IPM) group, who face the task of managing IP decisions across different business units, multiple geographies, and a wide variety of technologies.

Avery's IP program reflects the global nature of the company, with sales in 89 countries and several billion in annual revenue. Avery's R&D efforts are tied directly to the strength of its intellectual property portfolio: it maintains over 740 U.S. patents, and is one of the top 300 IP filing firms in the United States.

Making well-informed patent portfolio management decisions is extremely important in such a technology driven marketplace. One of the main challenges is to streamline Avery's labor-intensive, manual, paper-heavy patent review process so they can make more efficient business decisions. In addition, communication between the IPM group and decentralized areas in the organization (Intellectual Property, Legal, R&D, Administration, and General Management) needs to be optimized.

Avery's Chief Intellectual Property Officer is Arthur Moore. His IP strategy is directed to address these business issues:

- Provide different functional areas and business units with consistent, accurate, and up-to-date patent information for their respective portfolios
- Integrate key technology classifications created by Avery Dennison with public patent information, to more effectively understand the competitive environment
- Streamline the administratively burdensome patent review process including compilation of cases, printing of documents, and coordination of on-site review sessions
- Create a secure, central repository for Avery Dennison's technical and business employees to access IP information
- Manage the corporate knowledge of intellectual property, especially as related to changes in management and turnover

Thomson Aureka solution

A long-time *Aureka* customer, Mr. Moore recognizes the value of the functionality provided by *Aureka* in addressing critical business issues for Avery Dennison's IP professionals. With the ability to add Proprietary Fields (company defined data elements) to their patent and corporate documents, Avery Dennison can now group, store, search, analyze, and review patent information by technology segmentation, case number, or any other segmentation important to management.

Information can be stored, managed, and shared across the enterprise within a secure environment behind Avery's firewall, ensuring the highest level of protection surrounding its intellectual property portfolio. *Aureka* provides a central repository with easy web access to business units around the globe, without sharing sensitive IP data outside the legal and IPM groups or requiring additional Avery Dennison resources.

Mr. Moore concludes: "We are recognized around the world for our technology and innovations and it is important that we make 'well informed' intellectual property decisions regarding our technologies. We have received tremendous value from using the *Aureka* application over the past several years; new enhancements to *Aureka* will allow Avery Dennison to further meet its goal of an integrated IP management solution with secure access across the enterprise. I am convinced that we will significantly streamline our patent review process – allowing for improved productivity, reduced costs, and quicker decision making."

HONEYWELL

Honeywell International is a \$23 billion diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services, control technologies, automotive products, specialty chemicals, and advanced materials.

The intellectual property activities of the organization are managed by 25 IP lawyers located in various business units across the US, Europe, and Asia, with a central patent services staff dedicated to managing the Honeywell docket and coordinating international filings. As Chief IP Counsel, David Hoiriis faces the task of coordinating and managing roughly 13,000 issued patents on a global basis.

Honeywell's portfolio has grown over the years through both M&A activities and internal product development. Furthermore, with approximately 500 new USD patents per year, the portfolio goes through near constant changes.

With over 10,000 technical employees across the globe in four separate Strategic Business Groups (each with their own level of IP business processes and requirements), providing IP services to this community is a daily challenge for Mr. Hoiriis.

Thomson Aureka/MDC solution

Mr. Hoiriis turned to a combination of the *Aureka* IP management and MDC's *PCMaster/ IPMaster* offerings for a solution to meet his needs. In particular, *Aureka* provides Honeywell the ability to integrate information from the in-house docket management system (MDC's *PCMaster/IPMaster*) with patent research and analysis data, providing global access to this information across the enterprise. With *Aureka*'s web-based architecture (minimizing the need for IT investment), Mr. Hoiriis has given his business units access to a system that links ideation/creation, invention disclosures, IP filings, and docket/portfolio management in an easy-to-use interface that's integrated with Honeywell's IP intranet web pages.

Furthermore, *Aureka*'s flexible license arrangements allow Mr. Hoiriis to cost effectively meet the needs of his user community. He can provide global access to the entire organization with a standard license (particularly important to his R&D community in managing the stage gate review processes), while providing enhanced access with increased analysis and portfolio management capabilities to his attorneys and licensing executives.

Mr. Hoiriis concludes "Implementing the *Aureka* platform and MDC offerings has increased the productivity not only of my own department, but of all Honeywell users requiring access to patent information. As a result, we have been able to continue to grow and expand our services without adding additional headcount, resulting in cost savings across the company."

Conclusion

Individuals like Mr. Moore and Mr. Hoiriis bring tremendous value to their organizations through their leadership in effective IP asset management. Next time you meet with your Chief IP officer, perhaps you should ask how he/she is managing your IP assets to improve your organization's bottom line?

Additional information

Aureka: <http://scientific.thomson.com/products/aureka/>

MDC: <http://www.mdcip.com/>