

# Let's get started: IP Strategy Roadmap

Your IP works hardest when its **aligned with your business strategy**. Understanding how you compete, deliver value and differentiate yourself will help you find your IP that can help you most. An IP strategy roadmap (a.k.a. IP strategy plan) links your business goals to the IP that supports them, so that you can find and focus on the right stuff.

## (Incorrect) reasons you don't need an IP strategy roadmap

There are 5 common reasons why people mistakenly believe they don't need one:

1. **"I don't have any IP."** An IP strategy roadmap will either prove you right, or expose important IP you didn't realize you had. Either way, no guessing is required.
2. **"I don't believe in IP."** Regardless of your beliefs, infringing someone else's IP can put you out of business fast. An IP strategy roadmap, together with a freedom-to-operate (FTO) review, helps you reduce that risk.
3. **"I can't afford IP."** It's not as expensive as you think, and you can control your spend. But for your IP roadmap, you actually do most of the work yourself, and it can even save you money by avoiding spending resources on the wrong things.
4. **"I plan to open-source my IP."** Even here, managing your IP wisely improves your odds for success. Your roadmap can help you decide what to open-source, and – just as importantly – what not to.
5. **"I don't know how."** That's OK. You know more than you think, and you'll get the hang of the rest. Keep reading.

## How does an IP strategy roadmap work?

A good strategy requires that you define your objectives and then align your resources to meet them. Concretely, for your IP this involves 3 essential steps:

- (i) **What IP is important to you?** IP that supports important business objectives is usually the most important IP. Which IP does that for you?
- (ii) **What are the characteristics?** IP tools have pre-requisites, such as old ideas can't be patented, and published information can't be a secret. What are the IP-relevant characteristics of your important IP?
- (iii) **What is the desired outcome?** Different IP tools provide different possibilities. What do you want your IP to help you achieve?

The intersection between these three helps you narrow the focus and converge on a plan.

## How do I determine my IP's value?

Unless you're selling or licensing your IP, its monetary value usually isn't important. Instead, think of IP "value" in terms of the role it plays. The more important the business goal it supports, the more valuable (important) the supporting IP probably is to you.

## Who should be involved?

You know your business best, so you need to be front and centre. As long as you understand your IP at a business level, and are able to communicate using basic IP terminology, that's all the IP expertise you need.

Other key people in your business also should participate – your strategy, technology, engineering and marketing leads will ensure you have a broad focus - and involving finance will help you factor in cost implications.

Tackle this in sprints. It will take a few, but eventually you'll gain confidence in your roadmap. Then, it's time to engage an IP professional.

## Why do I need an IP professional?

An IP professional understands how IP tools can amplify your opportunities or mitigate your risks. You need this second set of eyes to make sure your plan is robust and actionable.

If you've done the recommended legwork beforehand, it should not require a lot of the IP professional's time to validate your work and help plan next steps. The overall cost will depend on the complexity of your business and the IP professional you choose, but for startups think of this as comparable to the cost of a laptop or two. You can manage the budget to stay within reasonable goal posts that you negotiate with your IP professional. Not everyone needs the Ferrari!

Good preparation is the biggest thing you can do to help manage cost. The more information you provide in an organized way - about your business, your technology / IP, and your competitors - the faster your IP professional can get to the high-value-added tasks.

And don't forget - this is an investment in your future. It will form a foundation for everything you do from here. You want to build your business on solid ground.

## Practical tips.

This is a journey. Anything you do to begin incorporating your IP into your business strategy will begin improving your odds for success. The important thing is to just get started.

- ❖ **Start simple.** It can start as a one-pager, and grow with your business.
- ❖ **Start with the business, not the technology.** The only real mistake you can make is to focus first on your technology. IP is a business tool. Focus on how you make money, or drive adoption or earn revenue, and look for the technology / IP that support those.
- ❖ **Sprint, not marathon.** Initially, the task will seem daunting. Tackle it in regular sprints and start with low expectations. Your sophistication will grow naturally over time.
- ❖ **Consider all angles.** IP has more than just technical benefits – it can generate customer interest, or position your brand as innovative. Involve a diverse team to see all possibilities.
- ❖ **Investigate competitors.** Study a competitor or other business to see what you can learn about their strategy. Take inspiration, but also question whether their strategy is right for you.

## IP Strategy Roadmap Brainstorming Guide

It's not something you can just download. You have to create your own, based on your business realities. But that's also good news because you can take an approach that seems most natural for you.

The process for creating your roadmap is just as important as the final product, because it will get you thinking about your IP differently.

### Steps To Create your IP Roadmap:

There are four steps:

1. Summarize your business context
2. Identify your important IP.
3. Define characteristics of important IP.
4. Identify desired outcomes.

What follows are possible considerations for your IP sprints. Not all will apply, and maybe relevant ones are missing. These are just to get you thinking about your own situation.

### Step 1. Business context

#### (a) Your market segment

Summarize your market segment, such as:

- ❖ what is the relevant market segment
- ❖ where do you fit within the industry or market (lead/lag, etc.)
- ❖ how crowded is the space, and are there IP disputes already
- ❖ have there been other successful exits in the segment
- ❖ are there regulatory or legal factors affecting the industry
- ❖ any other details that are relevant to understanding your market

#### (b) Your business

Summarize your business, such as:

- ❖ the ideal customer and their needs
- ❖ what customer "pay" (money, data...)
- ❖ your new technologies / ideas you
- ❖ near-term objectives (financing, defense, grow share, earn revenue...)
- ❖ long-term objectives (scale, exit, etc.)
- ❖ if exiting, who are potential acquirors and what is their IP approach

#### (c) Competitors (current, potential, future)

Summarize the competitive landscape:

- ❖ how does their product/service differ
- ❖ how does customer base differ
- ❖ how does their size compare to you
- ❖ how does their technology compare
- ❖ do you serve the same customers
- ❖ do have common vendors
- ❖ does talent move between you
- ❖ what seems to be their IP strategy

#### (d) Your key players

Who the key players in your business, such as:

- ❖ who creates customer value
- ❖ do external players (partners, vendors) develop your product/service
- ❖ do non-executive key employees contribute significantly
- ❖ do you use independent contractors
- ❖ what IP arrangements are in place with each key player

### Step 2. Identify important IP

IP importance depends on the role it plays. So, first we define our business process, then we consider where IP plays a role.

#### (a) Business process & objectives

Mapping your business visually helps brainstorming, and later makes it easier for your IP professional to understand. The visual can be anything, such as a flow chart or value chain. Consider:

- ❖ your core business activity
- ❖ activities that add value
- ❖ how do customers receive value
- ❖ what drives customer engagement
- ❖ activities that lower costs
- ❖ activities that differentiate you
- ❖ activities difficult or costly to imitate

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## (b) Roles played by IP

Now, mark on your visualization where IP plays a role. If in doubt, include it. Your IP is your ideas, information, data, technology - anything proprietary you control.

Once you've identified all the IP, rank it by importance of the business goal it supports. The rank helps you flag the highest-value IP.

As you brainstorm, don't discriminate against IP because it's not cool or brilliant. Mundane stuff can turn out to be important IP.

**Example:** In the hardware world, OEM equipment like inkjet printers earn significant revenues through replacement components like ink cartridges. If an OEM wants to make it harder for aftermarket competitors to copy and make non-OEM replacement components, a patent on an OEM cartridge design feature could be a very effective approach. The cartridge design may not seem like cutting-edge technology, but patenting it could be a very powerful tool to slow copying by competitors to help the OEM meet its business goals.

## 3. IP characteristics

In order to select the right IP tools, you need to assess fit. For example, you can't patent something that is already known in the industry, and you can't protect as secret something you already made public.

Starting with your important IP, consider the following (create a chart or spreadsheet):

### Scarcity

- ❖ is it rare or hard imitate?
- ❖ difficult / expensive to develop a substitute
- ❖ would the substitute be as good

### Secrecy

- ❖ is it already available publicly
- ❖ will it become discoverable or reverse-engineerable through your product/service
- ❖ can you keep it secret even from partners, customers and vendors?

- ❖ was it created internally, or by a vendor or contractor
- ❖ is it technologically simple or complicated

### Novelty

- ❖ others already using same/similar IP
- ❖ differences compared to theirs
- ❖ do the differences differentiate you or improve customer choice

## 4. Desired IP outcomes

Almost there! To choose the right IP tool, you first need to know what you want to achieve with that IP.

For each piece of IP in your chart, what is your desired objective?:

- ❖ exclusivity (no one else can use);
- ❖ right to use (not blocked; okay if others use);
- ❖ derive value (earn something from others' use)
- ❖ drive adoption (encourage customers to choose you)
- ❖ enhance your brand (increase goodwill, discourage brand copycats)
- ❖ position yourself as innovative
- ❖ attract talent
- ❖ attract investment / exit interest
- ❖ leverage in a collaboration to get access to the partner's IP

## 5. Next steps

After building your roadmap and iterating until you're satisfied, it's time to discuss with an IP professional.

You also want to define and track your "next steps" actions of what's needed to make your IP strategy a reality. Track these like any other project, by assigning owners, milestones, deadlines and conduct reviews.

## 6. A final word

As you begin, you may feel like a fish out of water. But if you commit your full effort and attention in regular sprints, your sophistication will inevitably grow. And that can only have a positive impact for your business.