

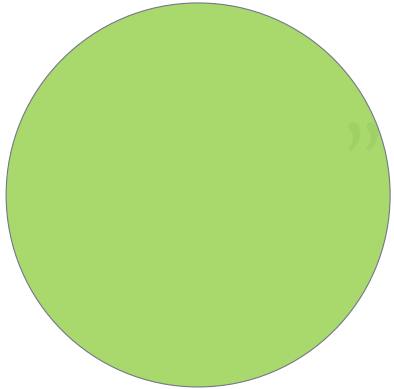


ROTHWELL FIGG

Mitigating Risks through
IP Innovation Management Training

IP • LITIGATION • TECHNOLOGY

Washington, D.C. | Boston | New York



**“Innovation is change that unlocks
new value.”**

Jamie Notter, author
Future of work consultant

Discussion

WHY (challenge)

IP related legal risks in the Life Sciences and technology sectors continue to grow.

WHAT (opportunity)

IP innovation management can help mitigate risks while capturing & protecting asset value.

HOW (getting there)

Developing and deploying a program to achieve desired IP Innovation Management goals.

Why

IP INNOVATION MANAGEMENT

Definition, facts, & figures



(IP) Intellectual Property

patents, trade secrets,
copyright, trademark and
associated goodwill

“IP Innovation Management”

DEFINITION



Innovation

Something new that
creates “value” & desired
outcomes



Management

A repeatable system or
process from ideation to
implementation

WHY

IP Innovation Management

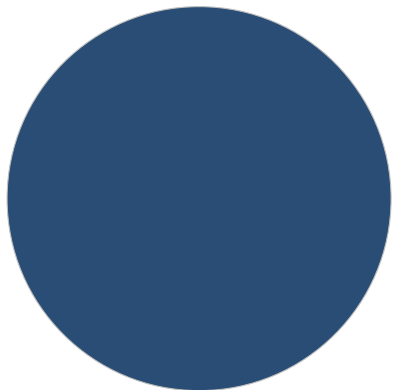


SMEs that own IP rights have a
68 percent higher revenue per employee
than those that do not own any IP rights.

Source: *WIPO Magazine*, March 2021

WHY

IP Innovation Management



79% of global companies rank innovation as a top-three priority in 2023.

source: BCG *Most Innovative Companies 2023*
(survey of over 1,000 innovative companies' executives)

IP Value Trends

SMEs that obtain IP protections have a greater likelihood of being high-growth firms (HGF).

Source: *High-Growth Firms and Intellectual Property Rights*, EUIPO (2019)

110%

Greater likelihood of high growth for SMEs in high-tech industries that have filed one or more patents

33%

Greater likelihood of high growth for SMEs that file for IP “**bundle**” protection (patent, trademark, copyright) over SMEs who just file for one type of IP protection

IP Innovation Management

Skills Gap

While more than 60% of executives plan to boost investment in innovation, there is still a challenge in achieving process management goals.

74%

of companies are not prepared to scale innovation

1 Skills Gap

innovation management practices

Source: BCG – Most Innovative Companies 2023

IP LITIGATION

Risk Trends

Trade secrets litigation is on the rise.

Awarded Damages

\$ 3 Billion

Success rate

68% for Plaintiffs

Top RISK sectors

Health, IT, & consumer

IP LITIGATION

Risk Trends (cont).

Global life sciences and biosimilar litigation risks are on the rise.

#1 sector for

Published patents worldwide
(over \$700B US Market alone)

Major litigation areas

Patent

Trade Secret

Product Liability

FTC

FDA

Privacy

Digital Health - AI/Machine learning

Benefits of IP Innovation Management

Asset Capture & Protection

- ✓ Build IP Portfolio
- ✓ Attract & secure investment
- ✓ Competitive advantage
- ✓ Enable collaboration
- ✓ Establish repeatable & sustainable routes to innovation

Mitigating Risks

- Freedom to operate
- Litigation avoidance
 - IP
 - Privacy
 - Security
 - FDA
 - Machine Learning/AI

What

ISO-56005
IP INNOVATION MANAGEMENT

ISO 56005- IP Innovation Management (Dec. 2020)

- ✓ is a process and quality framework
- ✓ to support and integrate the role of IP within innovation management
- ✓ for the purpose of identifying, protecting, and monetizing IP value; and
- ✓ mitigating IP legal and business risks ...

on an *ongoing, measurable, and repeatable* basis

Quality

ISO standards have been adopted by leading companies worldwide to ensure excellence in process and quality management.

Asset Protection

The intangible assets of innovative companies now account for **over 80%** of their book value. ISO 56005- IP innovation management programs can help **reduce the risks** inherent in the life sciences and health tech sectors.

Measurable and affordable

ISO-56005 programs can be customized to further IP monetization and risk goals while reducing business and legal costs of by creating efficiencies in processes.

Principles

- a) Realization of **value** for all relevant stakeholders
- b) Development of **future-focused** leaders
- c) **Alignment** of innovation strategy with management of business
- d) Promotion of Innovation **Culture**
- e) Identify **incremental** value capture opportunities; and
- f) Manage **uncertainty** (risk mitigation)

ISO 56005
IP INNOVATION MANAGEMENT

Scope

- ✓ **Create** an IP strategy to support innovation in an organization
- ✓ **Establish** systematic IP management within the innovation process
- ✓ **Apply** consistent IP tools and methods in support of efficient IP

Management

THINK: Lean Six Sigma (Process Mapping)

Solution (“How”)

ISO 56005- IP INNOVATION MANAGEMENT

TRAINING & IMPLEMENTATION

Business, Innovation & IP Strategy Alignment

ISO 56005 merges:

Innovation Strategy

- ✓ Identify opportunities
- ✓ Create concepts
- ✓ Validate concepts
- ✓ Develop solutions
- ✓ Deploy solutions

IP Management

Research & Analysis
Generation
Acquisition
Protection/registration
Maintenance
Exploitation
Risk Management

SPOTLIGHT: IP RISK MANAGEMENT

Internal IP risks arise where the organization:

- lacks an understanding of IP management and risk assessment
- lacks adequate processes and controls for IP risks
- fails to understand the company's IP
 - - lacks relevant skills & training
- lacks appropriate resources

ISO 56005
IP INNOVATION MANAGEMENT

External IP risks arise where the organization:

- has not conducted a freedom to operate analysis
- has IP that is being infringed
- has vendors who are not complying with internal IP protection & risk guidelines
- is unaware of laws and regulations related to legal & risk compliance areas
- is at risk of IP theft, cyberattacks, patent trolls, etc.

ISO 56005: IP Innovation Management

Next Steps

Discover

Develop Charter Statement

IP innovation Management
Goals & Define "Value"

Map current state

IP Innovation Management
Capture & Processes
(internal & external, IP
capture & risks)

Identify inefficiencies

Waste, process gaps, etc.

Design

Create Future State Framework

(using 56005 Principles)

-Systems

-Processes

-Roles & responsibilities

- Tools & Methods
(human and digital)

- Measurement standards

Implement

Identify, Create, Validate, Develop, Deploy

IP innovation Management
Program

i. IP Risk Audit Remediation
(internal, vendors, third-
parties)

ii. IP Opportunities Audit
Solutions

iii. Education & Training

QUESTIONS?

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Primary Areas of Practice

Portfolio Management; Trademark Litigation;
Trademark Oppositions and Cancellations



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