

# Trademark management

## It's crunch time – are your IP assets ready?

**As IP budgets are likely to be cut along with the budgets of most other in-house departments, it is time to review some key elements to ensure that the trademark department remains on top form**

In the current economic climate, chief financial officers (CFOs) will undoubtedly focus on cutting costs and stopping unnecessary spend. IP cost is not immune from such scrutiny. There are some strategic measures which fellow in-house trademark counsel can put in place to ensure that their business delivers efficiently through these tough times.

### The team

Ensure that you have the right individuals and teams in place to service your needs. Consider whether you can outsource more routine work at a lower cost without compromising the quality of the end result. Make sure that your staffing levels are no greater than required to deliver your objectives fully. Keep your team motivated and engaged with the challenges ahead to enable you to make any changes quickly and efficiently.

### The portfolio

Having an understanding of what you own, certainly for your core product range, and recognizing some key strategies which can be leveraged to extract value can prevent economic and competitive advantage from hemorrhaging outside your business. This will also serve as a practical basis for considering other options to enable you to achieve sustainability or even growth through sharing, trading or leveraging some of your intellectual property. In practical terms, you should have processes in place to:

- identify what intellectual property you own;
- prioritize your intellectual property in accordance with business structures;
- value the important intellectual property or its potential in the short term;
- consider ways of leveraging this intellectual property to add value to your business; and
- protect this important intellectual property with a wide fence.

This will involve having uncompromising quality standards in maintaining existing IP assets. Make sure that valuable intellectual property cannot leave your business as you restructure in this economic downturn. Look at your employment and consultancy contracts to ensure that they address IP ownership and confidentiality.

Consider obtaining less expensive forms of IP protection for new initiatives – for instance, registered design rights and/or US provisional patent applications which give you a year's worth of priority time to decide whether to continue the application process or let it go. Look at maximizing the efficiency and minimizing costs on routine activities such as renewals. Check you are getting appropriate volume discounts for the size of the portfolio and look at culling or selling off assets you don't use. Examine whether it is worth spending time and resources trying to sustain intellectual property that has already experienced significant compromise and/or devaluation, and whether this can still be leveraged through sale, transfer, licence and/or retention.

You obviously need to ensure that you have protected your assets from unauthorized use, keeping pace with or staying ahead of your major competitors in IP protection, defending against litigation claims and creating new revenue streams from existing IP assets or strategic acquisition of new ones.

Last, but by no means least, is the management and coordination of your portfolio. This is a proactive function which cannot be delegated to the inexperienced who lack the appreciation of intellectual property as a source of revenue, sustainability and future wealth creation for your business. This function should:

- assimilate best practices to make sure that use, control, monitoring and ownership of intellectual property are effectively sustained;
- put together awareness programmes linked to training and personnel requirements; and
- develop a clear view of intellectual property, prioritizing its importance for each business segment.

### External suppliers of legal services

Just as your supply chain is important to your business in meeting its customers' requirements, so are your external counsel to you. If your external counsel do not deliver, then you probably won't either. It is worth reviewing existing arrangements with critical outsourced IP services suppliers to ensure that any key provisions in those contracts are renegotiated as appropriate to meet your business needs. It is also worth considering the levels of comfort currently in place in those contracts regarding ongoing quality and delivery of work, as well as reviewing contingency arrangements in case important suppliers fail to deliver.

### The strategy

Now might be a good time to review your IP strategy as well. A unified strategy is a key ingredient to growing and protecting all your intellectual property successfully. This touches many different parts of any business and requires input from a vast range of people with diverse backgrounds and perceptions of what intellectual property actually is. Surveying all stakeholders in your business on what intellectual property is to them is the starting point, though. This might involve input from:

- patent and trademark counsel;
- general legal counsel;
- research and development engineers and inventors;
- executive managers;
- business development/commercial executives;
- chief technology and marketing officers;
- the CFO; and
- the chief executive officer.

Your IP strategy should also involve taking a look at your business goals and strategies to determine your preferred end state and then working backwards to determine what you need to do in the short, medium and longer term. [WTR](#)

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