

Preparing for an IP Audit

Identification of Intellectual Property (IP) allows you to effectively manage and leverage it. Further, identifying risks or potential ownership issues allows for cost effective mitigation of the same.

During an audit we will discuss your technologies, methodologies and products from which you make your money, review the history of their development and discuss the future developments. It is therefore useful to have relevant staff members available to discuss the same. The aim is to uncover and list all IP and determine the ownership of the same. We will also look to identify any IP based risks to the business. Where possible we will also look to provide a qualitative valuation of the IP identified.

During the audit we will look at the following issues (as well as some others);

1. Patents and patentable technology in the business;
2. Branding and Trade Marks including domain names;
3. Designs;
4. Copyright;
5. Trade secrets and Know-how.

In advance of the audit it is worth thinking about a few things and pulling together any relevant documents. The questions on the following page can help provide some focus in advance of the audit, although it may be that not all of the questions are relevant to your business.

Do you have any Patents or Patent Applications? If so, please provide details.

Do you have any technology that you believe could be patentable? Are you working on or developing any new or add-on products or services?

Do you have any R&D or collaboration agreements? Please provide copies.

Do you in-license any technology? Please provide copies of the licenses.

Do you out-license any technology? Please provide copies of the licenses.

Do you have any registered Trade Marks? If so, please provide details.

Do you have a house brand?

Do you have any other brands e.g. product names, straplines, logos, service brands?

Do you have a website/domain names? Do you use any external suppliers for your website?

Do you use any software? Do you have any licenses to use any technology or software? Do you use any external developers? Please provide copies of any agreements/licenses.

Are there any relevant published papers, documents etc. that are pertinent to your proprietary technology.

Do you prepare your own marketing material/literature or do you use external providers? Are there any relevant agreements with such suppliers?

Do you have an IP policy? Is there an individual who has responsibility for IP?

How do you record your R&D work?

Do you have any reference to confidentiality or IP in your employee contracts? It would be useful to see a sample.

Do you have any reference to confidentiality or IP in your contractor contracts? It would be useful to see a sample.

Do you have any main competitors?

Have you been involved in any disputes?

Have you carried out any Patent searches or diligence? Please provide copies.

At the end of the process you will receive a report that will;

- Identify the IP in the business and ownership of the same.
- Determine what IP is core, and what is secondary or not directly business relevant.

- Allow active decisions regarding protection of IP on a timely basis to minimise risk and inadvertent loss.
- Enable more informed decision making by management because you understand what IP assets you own, or need to operate your business.
- Enable the capture of innovations (including incremental innovations) within the business.
- Potentially provide an opportunity to consider generation of cash from licensing or sale of non-core IP.
- Allow for future valuation of IP and inclusion of IP assets on balance sheet.

If you want to know more or to discuss this further, please contact us at Definition IP.

