

## Whitepaper

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# Optimizing Corporate Intellectual Property Research

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## Overview

Today Intellectual Property (IP) departments in knowledge-driven companies have to take on multiple informational functions beyond the regular patentability and freedom-to-operate searches. IP Managers, who are already overloaded with the increasing volume of applications and interested in cost-effective approaches to resolve the problem, must look at analysis solutions that can increase the productivity of their IP research teams and optimize the overall research workflow.

## Increasing Need for Patent Intelligence

For many companies, Licensing, Marketing and Corporate strategy represent a growing class of consumers for analyzed patent information in addition to the existing class of R&D teams and Inventors. In many cases the information required is more of Business or Competitive Intelligence that requires analysis outputs above a regular search report or opinion.

The key factors driving in-house patent analysis above traditional patent searching are:

### *1. Increased M&A*

According to MergerStat, this year there has been roughly 3884 deals totaling 547 Billion USD in technology driven verticals. Financial advisors today are bringing more and more deals to management who in turn require a comprehensive assessment (strength, quality and validity) of target company's patent portfolios as part of their due-diligence.

### *2. Increased Pressure to monetize patent assets*

More than 40% of the patent portfolios of companies lie unused and require considerable expenses to maintain. Patent licensing has therefore become a popular trend in many industry verticals with IBM and Qualcomm displaying examples of successful out-licensing strategy. Licensing professionals within companies follow similar process like sales professionals and therefore require access to patent intelligence to locate the market opportunities and drive successful licensing strategies.

### *3. Open Innovation*

Companies are increasingly realizing that to stay globally competitive they need to leverage external R&D resources and look at strategies that allow them to profit by licensing, acquiring or partnering with the IP owners. Implementation of successful Open Innovation models requires implementation of a technology scouting and intelligence process which cannot do without patent research, mapping and technology landscaping.

### *4. Increased Assertion and Infringement notices*

Successful companies in each technology vertical receive multiple assertion licensing notifications that come with a threat of infringement. Evaluation of such letters and mining of patent portfolio is necessary to build a successful patent case against these letters. In-house analysis tools allow companies to quickly evaluate the validity and level of threat before deciding on how to proceed.

### 5. *Increased need for competitive tech-intelligence*

The only public information that comes out of competitors labs is Intellectual Property. Even market leaders are at risk of being blind-sided by newer competing technologies. In-house tools and processes to monitor and analysis competitor's patent and application portfolios are needed to know:

- What the competitor is up-to and where their research headed?
- What are the newer overlapping technologies that can affect market share?
- What inventors groups are most active in a technology space and how is their focus shifting over time?

## **Benefits of optimizing IP Research**

Analyzing IP can become a complex activity without any analytical tools and companies may end up wasting too much time and investment in understanding how to manipulate patent data to get their answers. Patent text is quite complex with the use of long sentences and obscure terminology and companies intentionally try to hide and disguise their core patents.

Given the constraints of time and the volume of work IP researchers need to look at the right solutions that can help them mitigate the problem.

Companies looking at optimizing their research workflow so as to cater to the increasing informational needs should consider adding patent analysis solutions to their patent database subscriptions.

A specialized patent analysis solution can complement a database and allow IP researchers to:

- Significantly cut down their time to conduct analysis and gather intelligence
- Standardize report creation and processing workflow for those analyses that repeat often or periodically
- Enhance the quality of output with deeper insights and better representation thereby making interpretation much easier for the recipient
- Use advanced text analysis options to locate non-obvious relationships and trends
- Get insights that are extremely difficult to gather without using any analysis solution

## **Selecting the right analysis solution**

Implementation of the right technology research and analysis process and defining a well-structured communication channel between researchers and the internal consumers of the research is critical to the overall success of the process. It is also critical to define what types of research will be conducted internally and what will be done using external help.

The increasing frequency and repetitive nature of IP analysis work, makes building internal capabilities a more cost-effective strategy for firms in the longer run. Firms serious about IP should look at building an internal IP research and analysis team right from the early stages of the product lifecycle.

Some of the important considerations when selecting an IP analysis solution are:

### **1. Does it understand Patent Data**

Generic business intelligence applications that are built to suit any document class require a lot of time to customize and train for patent data and suffer from lengthy learning curves too. Analysis solutions that are specialized for patent data make the overall task much easier and are easy to understand. These solutions support patent data from leading patent databases thereby making the data integration process (one of the most cumbersome procedures) very easy.

### **2. Type of User**

Who is the user of the solution is an important question to ask: Business Executives / VP / Department Heads or IP Professionals?

Online portals have advantages of speed and quick insights, but they may fall short when trying to dig deeper. Looking at key statistics such as Classification spread and Assignee activity trends, citation metrics is helpful to get a broad overview of a technology space. Such information is useful for Business Executives and Management to get a hint of the trends in a space.

IP professionals tasked with conducting advanced analysis such as white-space analysis, invalidity research, infringement analysis, portfolio mining and mapping, competitor profiling and technology landscaping require specialized analysis solutions that can help accelerate their time-to-analysis. They require solutions that give them flexibility and transparency in each step of the analytical process.

### **3. Depth of Analysis**

Anyone who has ever searched the patent database for a specific technology doesn't take more than 10 minutes to realize how many "noise" patents are out there. Text mining based solutions are best suited since Patent Classifications can be too broad to use as a hint towards white spaces, invalidity or infringement. In such situations semantic analysis of patent text must be used in context of classifications for finer discovery in each analysis activity.

### **4. Cost**

A popular complaint of large research and analysis teams is that it is difficult to justify ROI from some of the costlier research tools. Single license annual subscription costs for Patent Research and Analysis solutions can vary from 2500 USD to 50,000 USD. Companies should undertake a Cost-Capability Analysis for different solutions to understand which solution provides the highest Feature/Cost ratio. An easy method to evaluate each solution by is finding how much would it cost (including time and resources) to undertake the same analysis using alternatives.

## Conclusion

For technology-driven organizations, patents are becoming core to business strategy and companies must look at enhancing their internal patent research capabilities to meet the growing demand. To benefit from fast pace of global innovation, companies must have a well structured Intellectual Property mining and intelligence process. Using specialized IP analysis solutions, companies can meet their growing IP research needs, increase team productivity and facilitate faster decision making.

### About Patent iNSIGHT Pro

Patent iNSIGHT Pro™ is a comprehensive patent analysis platform that allows you to accelerate your time-to-decision from patent analysis activities. Designed from inputs by experienced patent researchers, Patent iNSIGHT Pro easily blends into your existing Research workflow. Patent iNSIGHT Pro is used by leading legal services, Pharmaceutical & biotech, electronics companies and research organization across US, Europe, South America and India with more than 150 end users. Patent iNSIGHT Pro is developed and marketed by Gridlogics, a research driven IT Company specializing in providing intellectual property analysis and visualization solutions to aid R&D and corporate strategy.

Gridlogics is headquartered in Pune, India and has a sales presence in Delhi, Mumbai and USA.

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