

# IP PORTFOLIO MANAGEMENT GUIDE

PATENT INFRINGEMENT COPYRIGHT TRADEMARK

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## WELCOME TO OUR IP PORTFOLIO MANAGEMENT GUIDE

For those who have attended our two-part seminar, you know that our strong conviction is that IP portfolio management should not be treated as an ad hoc legal function, but rather as a structured business discipline. The goal is to create and maintain a holistic intellectual property portfolio management program that drives shareholder value. We hope this quarterly newsletter will help guide you down the path of achieving this goal. Of course, the recommendations should be thought of as a menu—not every suggestion will apply to every company, and implementation will inevitably require nuance.

But the bottom line is that IP management needs to be a strategic concern that belongs in the boardroom, not just the legal department. Too often, companies treat intellectual property reactively—filing patents when something seems novel, registering trademarks when a new brand launches, or thinking about trade secrets only after a departure. We advocate a proactive, systematic approach.

## THE BUSINESS CASE FOR IP MANAGEMENT

The benefits to this approach are wide-ranging and compelling: protecting market share and blocking price-based competition, avoiding product commoditization, deterring new market entrants, reducing litigation risk, generating revenue through out-licensing arrangements, and creating valuable assets for strategic alliances, defense positions, and debt financing.

These benefits speak to multiple stakeholders. Revenue generation through licensing appeals to the CFO, competitive deterrence appeals to the CEO and board, and litigation risk reduction appeals to general counsel. A well-articulated business case is essential for securing the internal buy-in and budget that a robust IP management program requires.

## PATENT STRATEGY: THE THREE PILLARS

In this newsletter, we'll start with what is, for most companies, the biggest challenge: Patent Strategy. This component of a holistic IP management strategy can be divided into three pillars: Patent Incentive Programs, Patent Management, and Patent Procurement/Quality/Cost.

### PATENT INCENTIVE PROGRAMS

The first pillar focuses on capturing innovation from within the organization—the lifeblood of any company's patent machine. We recommend creating formal incentive programs that signal to employees how important innovation is to the company. This includes tiered rewards—movie tickets, monetary awards, sporting event tickets—for employees who disclose key innovations, whether destined for patent protection or trade secret status. A formal Invention Disclosure Form is recommended as the intake mechanism, capturing essential details such as the title, date, applicable products, contributors, a summary of the problem solved, distinguishing aspects, and detailed descriptions with figures.



## **PATENT MANAGEMENT AND REVIEW**

The second pillar addresses how to evaluate and manage innovations once they are disclosed. We recommend establishing cross-functional IP Review Committees comprising members from legal, technical, and sales teams. These committees should meet monthly or quarterly to review Invention Disclosure Forms, hear inventor presentations, and make filing decisions. A key tool is an Innovation Spreadsheet—a structured evaluation framework that scores proposed inventions across multiple dimensions including threshold considerations, marketing and business factors, engineering considerations, and legal factors. This objective approach is designed to bring consistency to what can otherwise be a subjective and politically influenced decision-making process.

## **PATENT PROCUREMENT AND QUALITY**

The remaining pillar deal with how patents are filed and how quality and cost are managed over time. With respect to procurement, we recommend foreign filing strategies and cost-modeling tools to help companies evaluate the economic benefit of filing in various jurisdictions.

## **RISK AVOIDANCE AND ENFORCEMENT**

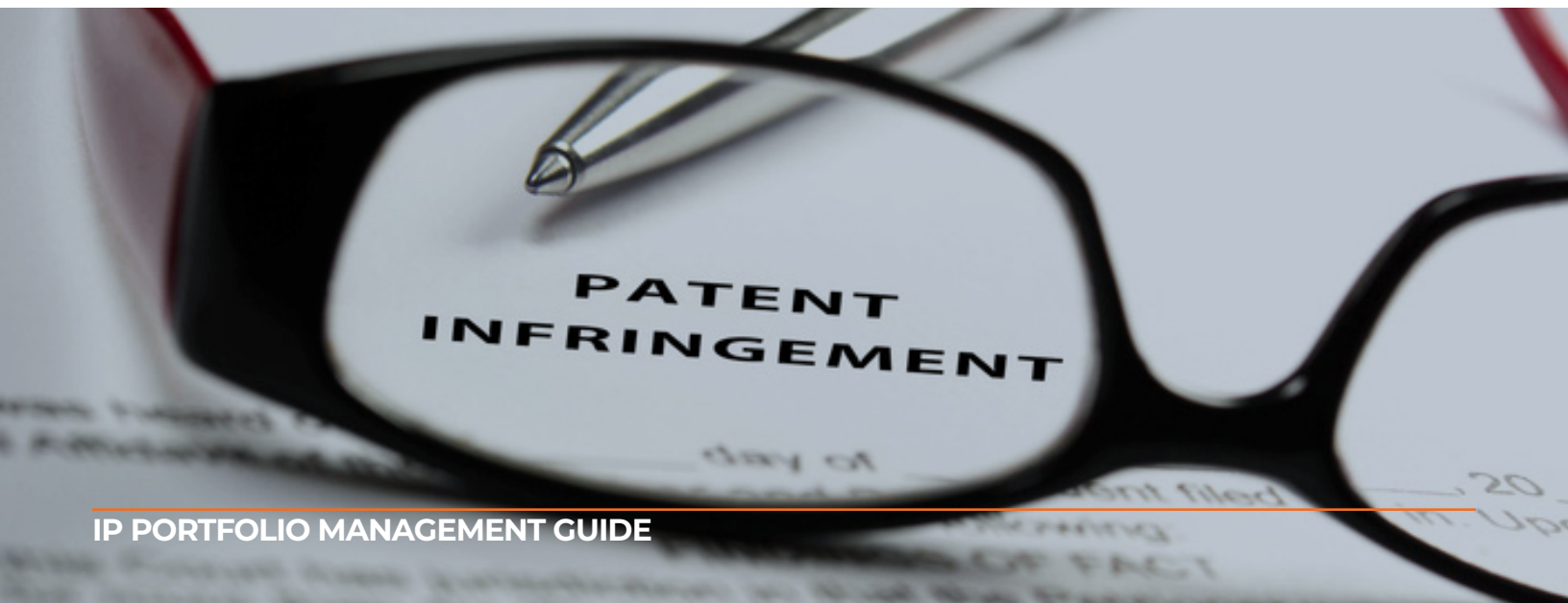
Beyond building a portfolio, companies should manage IP risk. This includes competitive monitoring—staying aware of what competitors are patenting and doing—and new product clearance, which involves conducting freedom-to-operate analyses before launching products. Again, tools should be developed that objectively score risk factors such as the strength of a noninfringement position, detectability of potential infringement, financial exposure, and the patentee's appetite for litigation.

## **BEYOND PATENTS: TRADE SECRETS, COPYRIGHTS, AND TRADEMARKS**

On trade secrets, companies should implement a Global Trade Secrets Policy that addresses employee responsibilities, document classification, training, and record-keeping. One cool trick is to rely upon the Department of Justice's Economic Espionage Guidelines to give you a broad understanding of the types of steps that can be undertaken, where appropriate, to inform your trade secret policy.

On copyrights, copyright protection is simple, inexpensive, and powerful. Consider copyright registration for materials created by outside consultants, website content, user manuals, labels and packaging, and work-for-hire arrangements. The key insight is that early copyright registration unlocks especially strong remedies—statutory damages (enhanced for willful infringement) and reimbursement of attorney fees—making it one of the most cost-effective forms of IP protection available.

On trademarks, adopt a formal Trademark Use Policy that covers proper usage conventions (using marks as adjectives, maintaining consistent form, identifying marks appropriately), guidelines for international use, rules for referencing third-party trademarks, and maintenance of a database of approved graphics. Do not forget the importance of policing trademarks and monitoring domain names, including filing under the UDRP proceedings where necessary.



## EMPLOYEE EDUCATION AND IMPLEMENTATION

We also recommend two critical operational topics. First, employee education: IP orientation programs for both existing and new employees (not just the legal department), ongoing education and updates as the IP landscape evolves, and post-termination interviews to protect company IP when employees depart. Second, implementation: develop an IP portfolio management presentation to secure management buy-in, form a cross-functional IP Portfolio Management Committee, set the committee agenda, and leverage AI tools and outside counsel to support the program.

An IP portfolio management program is only as strong as the awareness and participation of the people generating innovations day-to-day. Without broad organizational understanding of what constitutes protectable IP and how to disclose it, even the best-designed processes will fail to capture value.

## CONCLUSION

We have developed a practical and thorough playbook for companies looking to professionalize their approach to intellectual property management. The greatest strength of that playbook is its emphasis on process and objectivity—moving from ad hoc, gut-feeling decisions to structured frameworks. For companies at any stage of IP maturity, the menu-based approach makes it accessible: organizations can adopt the elements most relevant to their situation and build from there. In sum, intellectual property, when managed systematically, is not merely a legal expense but a strategic asset that creates measurable shareholder value.

## DO YOU HAVE QUESTIONS? PLEASE CONTACT US:



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