
3rd Annual Automotive Composites Conference

Sept. 9-10, 2003

MSU Management Education Center

811 W. Square Lake Road

Troy, Michigan

**STRATEGIES FOR INTELLECTUAL PROPERTY
PROTECTION AND ASSET MANAGEMENT**

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This memorandum relates to the management of all intellectual property (“I.P.”) aspects of a company’s operations. This memorandum briefly identifies:

A. The substantive tasks that are integrally involved in the I.P. aspects of a company’s endeavors;

B. The procedural and reporting tasks; and

C. A proposed model for allocating the substantive and procedural tasks.

In a short memorandum such as this, perhaps more questions will be provoked than answered. Should this be the case, or if amplification of certain areas is needed, the reader is invited to call so that we can have a follow-up discussion by phone or in person.

A. THE SUBSTANTIVE TASKS

Here is a cursory checklist of the substantive tasks that underlie many facets of I.P. practice in commercial, entrepreneurial endeavors².

a. Patent Preparation and Prosecution

- § Designing and adopting a form for an Invention Disclosure by the inventor to management
- § Thorough training in, assisting with, and completing the Invention Disclosure so that the gist of the invention is accurately and timely communicated to management
- § Sifting, preferably by a Technology Review Committee³, those Invention Disclosures for which a patent search appears warranted from those for which a patent search appears unwarranted
- § Formulating, executing, and evaluating search results arising from a patentability search
- § Preparing a patentability opinion based on the invention as disclosed and the search results
- § Deciding, based on the patentability opinion, whether the invention merits the preparation of a patent application
- § Preparing, filing, and prosecuting the patent application in the United States Patent Office and, where appropriate, abroad.

²The focus of this memorandum is mainly on the patent aspects of intellectual property matters. Many of the issues raised also apply to trademarks, copyrights, and trade secrets.

b. Patent Enforcement

§ Having one's ear close to the ground and otherwise monitoring the manufacture, use, importing and sale of potentially infringing devices, compositions, products, or methods

§ Monitoring competitors' patents and published patent applications

§ Formulating and implementing enforcement strategy, including the preparation of infringement opinions and "cease and desist" letters, invoking alternative dispute resolution procedures, or initiating litigation.

c. Licensing

§ Reviewing patents issuing in technical fields of commercial interest and evaluating licensing opportunities

§ Developing a corporate patent ownership and licensing policy, with the goal of facilitating technology transfer while maximizing individual portfolio, company, and market values

§ Drafting agreements

§ Reviewing and recommending approval or otherwise of agreements drafted by others

§ Negotiating agreements

d. Other

§ Preparing product clearance opinions

³The author stands ready to formulate and propose a standing agenda for consideration by a Technology Review Committee which would have as its overall responsibilities the monitoring, evaluating, and reporting of I.P. matters.

- § Drafting and negotiating employee, non-compete, and confidentiality agreements
- § Developing in-house I.P. seminars to heighten the sensitivity of all concerned to I.P. issues
- § Designing an employee incentive award and recognition system by which employees would be recognized and encouraged to submit Invention Disclosures.

B. PROCEDURAL AND REPORTING TASKS

The need arises for timely, thorough, and accurate reporting to management of all I.P.-related matters. This includes:

- § Designing a reporting format
- § Deciding on the frequency of reporting and to whom
- § Assigning the tasks of gathering information needed for, and generating the report(s)
- § Preparing an I.P. Policy and Procedures Manual
- § Identifying, avoiding and/or resolving professional conflicts of interest.

C. TASK ALLOCATION

The task of asserting effective control over all facets of I.P. matters as they relate to a company, if thoroughly and professionally implemented, is no small undertaking. The consequences of a failure to conform to reasonable standards may subject a company to assertions of negligence, misconduct, malpractice, and the like.

It therefore behooves a company to create a framework to accomplish these and related tasks in a cost-effective, yet thorough manner. One attribute of allocating many of the tasks to outside counsel is that the responsibility and accountability are also delegated therewith.

Outside counsel should be selected primarily, if not exclusively, to shoulder the responsibilities for all I.P. matters. As additional experience and sensitivity to I.P.-related matters are acquired, and as outside I.P. counsel's understanding of the company's operations and the relevant industry becomes sharpened, this overall proposal may become modified in either its substantive or procedural aspects.

Accordingly, the writer recommends that virtually all the I.P. tasks that need to be performed be delegated to outside counsel initially.

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