

# FOLEY & LARDNER

## *Perspectives on Growth*

IP Growth Strategies  
Breakout Session #2 – Session B

Dr. Jan Jaferian  
Sr. Vice President  
UTEK Corporation

November 12, 2008

jjjaferian@msn.com  
mobile: 585-750-0672

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Efficient management of IP portfolios  
is the result of purposeful decisions and actions

**GOAL:** A strategically aligned,  
competitively & cost-effectively tuned  
set of working IP assets that  
protect freedom to operate and  
generate returns on R&D and patenting investments

jjjaferian@msn.com  
mobile: 585-750-0672

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		BUSINESS STRATEGY		
		MARKET SEGMENTS		
		Market A	Market B	Market C
		X	Y	Z
PRODUCTS	A	A		
	B	B		B
	D	C	C	C
	C		D	
	E		E	
	F			F

**Phase 1: Align Product Strategies with Customer Requirements**

Business Units assess customer requirements to develop product specifications and determine product mix needed for each market segment

jjaferian@msn.com  
 mobile: 585-750-0672

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		PRODUCT / TECHNOLOGY ALIGNMENT					
		PRODUCT STRATEGY					
		A	B	C	D	E	F
TECHNOLOGY STRATEGY	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1
	INC - 2		INC - 2	INC - 2	INC - 2	INC - 2	INC - 2
	INC - 3			INC - 3			INC - 3
	INC - 4					INC - 4	INC - 4
	INC - 5			INC - 5	INC - 5	INC - 5	INC - 5
	BKT - 1					BKT - 1	BKT - 1
	BKT - 2						BKT - 2

**Phase 2: Align Product & Technology Strategies**

R&D determines which incremental improvements (INC) or innovative breakthroughs (BKT) are needed to meet Business Units' product specifications and product launch plans

jjaferian@msn.com  
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		CORPORATE BUSINESS STRATEGIES: Develop Innovative Products - Grow Market Share - Protect & Generate Revenue										
		Market Segment X			Market Segment Y				Market Segment Z			
TECHNOLOGY STRATEGY		PRODUCT A	PRODUCT B	PRODUCT C	PRODUCT D	PRODUCT C	PRODUCT E	PRODUCT F	PRODUCT B	PRODUCT C	PATENTING STRATEGY	
Technology	SM										Filing Quota	
INCREMENTAL IMPROVEMENTS	INC - 1	\$89	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	12	
	INC - 2	\$45		INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	11	
	INC - 3	\$8			INC - 3		INC - 3		INC - 3		7	
	INC - 4	\$24							INC - 4	INC - 4	4	
	INC - 5	\$48			INC - 5	INC - 5	INC - 5	INC - 5	INC - 5		9	
INNOVATIVE BREAKTHROUGHS	BKT - 1	\$150						BKT - 1	BKT - 1		34	
	BKT - 2	\$136							BKT - 2		23	

**Phase 3: Further Market, Product & Technology Strategic Alignment**

Through dialogue and trade-offs, the business and technology strategies are refined, adjusted and aligned into a coherent corporate strategy, including determining a protective patent filing strategy

jjafarian@msn.com  
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**5 STRATEGIC IP THRUSTS**

- **CREATE** the IP portfolio (patents, copyrights, trademarks & trade secrets) that can be used to **PROTECT** the revenue streams, provide freedom to operate, and can be further commercialized
- **CALIBRATE** the patent portfolio for cost effectiveness and competitiveness
- **DEFEND** the patent portfolio when attacked to preserve both freedom to operate and revenue streams
- **ASSERT** patent claims to enforce rights and generate return on technology and patent investments
- **LEVERAGE** the portfolio through licensing, strategic alliances, etc. to generate revenue and return on technology investments

jjafarian@msn.com  
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		CORPORATE BUSINESS STRATEGIES: Develop Innovative Products - Grow Market Share - Protect & Generate Revenue										PATENTING STRATEGY
		Market Segment X			Market Segment Y				Market Segment Z			Filing Quota
TECHNOLOGY STRATEGY		PRODUCT A	PRODUCT B	PRODUCT C	PRODUCT D	PRODUCT C	PRODUCT E	PRODUCT F	PRODUCT B	PRODUCT C		
Technology		SM										
INCREMENTAL IMPROVEMENTS	INC - 1	\$89	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	INC - 1	12	
	INC - 2	\$45		INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	INC - 2	11	
	INC - 3	\$8			INC - 3		INC - 3		INC - 3		7	
	INC - 4	\$24						INC - 4	INC - 4		4	
	INC - 5	\$48			INC - 5	INC - 5	INC - 5	INC - 5		INC - 5	9	
INNOVATIVE BREAKTHROUGHS	BKT - 1						BKT - 1	BKT - 1			34	
	BKT - 2	\$136						BKT - 2			23	
ASSERT / LEVERAGE											CREATE & CALIBRATE	
IP DISPOSITION STRATEGIES												DEFEND

**Phase 4: Align IP Strategy with Corporate Business Strategy**

Ensure that the IP Strategic thrusts align with and advance the overall corporate strategies to ensure freedom to operate and protection of revenue streams. Augment revenues with additional IP strategies (assertion- or leverage-based) for monetizing the IP assets.

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SUPPORT the Strategic Thrusts with  
 OPERATIONAL INFRASTRUCTURES

- **ASSIGNMENTS** to technical, legal, business and IP staffs
- **PROCESSES** to mine the portfolio, target and notify potential infringers, develop technical proofs and legal claim charts; or identify and market to potential licensees / partners
- **DELIVERABLES** – value propositions; proof packages; marketing collaterals; deal structures; negotiation strategies
- **DATABASES** – IP taxonomies; lead generation; contact records; contract administration; encumbrances; keepers' lists

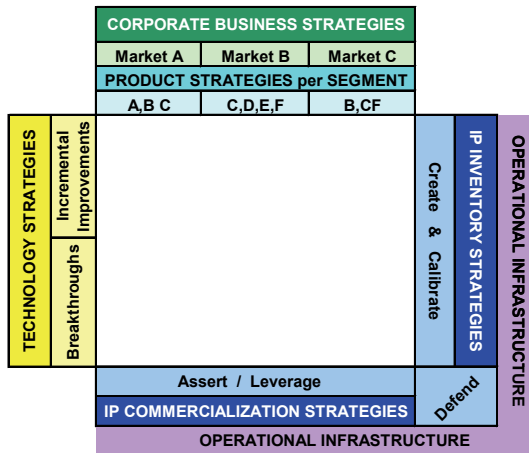
jjafarian@msn.com  
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		IP STRATEGY MATRIX			
		OPERATIONAL INFRASTRUCTURE			
		ASSIGNMENTS	PROCESSES	DELIVERABLES	DATABASES
STRATEGIC THRUSTS	CREATE	Cross-functional Teams (Legal, Technical & Business) review & score invention disclosures & potential patent applications Patent Attorneys draft and prosecute patent applications on behalf of inventors	ID Assessments Patentability Assessments	Invention Disclosures Trade Secret Designations Patent Applications	Invention Disclosure Scoring Invention Disclosure Log Trade Secret Log Patent Application Scoring Prosecution History Database Keeper List
	CALIBRATE	Technical & IP Business conduct maintenance reviews; make renewal/ abandonment decisions IP Business with Technical portfolio competitor's portfolios; assess competitiveness of own and others' portfolios	Maintenance Reviews Competitive Analyses	Renewals Abandonments Competitive Profiles Replenishment Recommendations	Maintenance Data Patent Keepers List
	DEFEND	Patent Attorneys review claims & prior art / assess legal merits; coordinate discovery/negotiate legal portion of settlements Technical staff investigates products; provides data to attorneys IP Business analyzes potential exposures & develops business negotiation strategy; negotiates business portion of settlements	Infringement analysis Invalidity analysis Prior Art Investigation Business risks & revenue exposures	Defense Value Proposition Defense Claims Charts Rebuttals Defense Business Case Defense Disposition Strategy Defense Negotiation Strategy Defense Litigation Strategy Response Correspondence	Defense Archives/Prior Art Repository Defense Investigation Results Defense Proof Packages Defense Correspondence
	ENFORCE	Technical analyses targets' products and publicly-available documents; conduct teardowns & tests Legal interprets claims & summarizes; prepares & presents proof packages; utilization IP Business develops business case; issues notice; conducts settlement negotiations	Target Identification Product investigations Claims analysis & interpretation Business assessment	Offense Investigation Proof Packages Relevant Offense Correspondence Contract Database	Offense Investigation Results Offense Proof Packages Relevant Offense Correspondence Contract Database Enforcements Database
	LEVERAGE	IP Business identifies & qualifies market opportunities for licenses, strategic alliances, or joint venture partners; develops marketing materials, value propositions, & deal structures; conducts negotiations Technical mines portfolio; refines the scope/depth of benefits provided by the IP	Portfolio Mining to find & assess licensable technologies; patents, copyrights & trademarks Business Case Development Target Identification Marketing programs	Opportunity Value Proposition IP Offerings Target Qualification Marketing Collaterals Deal structures Negotiation Strategies Strategic Alliances	Licensable IP Taxonomies Portfolio Mining Results Lead generation Contract Records Contract Database Enforcements Database

ijaferian@msn.com  
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IP Portfolio efficiency and effectiveness comes from competitively and cost-effectively aligning IP strategies and supporting infrastructures with the company's market, product and technical strategies.

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