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## IP Opportunities and Options for Small and Startup Businesses

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Business owners and founders face a mountain of decisions and needs in the early days of their company. Infrastructure, supply chains and personnel issues often attract the lion's share of attention, in part because of their immediacy, but also because they are easy to see and relate to. Resources are often tight and already stretched to cover the myriad necessities required by a growing concern.

Against this backdrop, it is easy to understand why questions about intellectual property (IP) are often relegated to the backburner, with the vague hope and assumption that patent, trademark and trade-secret issues can be successfully dealt with later, when resources and attention may be more available. In reality, however, delaying decisions related to IP protections can leave a company without rights to key innovations, bound to a hobbled brand or needlessly mired in years of expenses attempting to clean up early oversights.

Taking time early on to develop an IP action plan with qualified, experienced counsel can instead put your company on a clearer path while simultaneously removing the mystery out of protecting your IP. Several key steps belong in most IP plans and can be beneficial to many companies:

**Secure the rights you need to operate successfully.** Most small businesses would benefit from an IP review very early on to ensure they secure the IP rights needed to operate smoothly. In some cases, this might be as simple as conducting trademark searches to check their corporate and product names and slogans for conflicts. In others, filing to register trademarks in their respective state or with the U.S. Patent and Trademark Office will help to develop a valuable intellectual asset as they develop goodwill around their brand. Early action helps build goodwill around your names and products, and avoids the damage, expense and confusion that being forced to change your brand mid-stride can bring.

Other companies need to similarly evaluate the technology behind new products or services to ensure they have the patent rights they need to operate. In some cases, your company may have the opportunity to protect your own innovations by patent, giving you the right to exclude others from making, using or selling your key technologies. In others, you may need to secure the rights to use patents owned by others by purchase or license to allow you to operate.

Skipping either of these steps can put your company at risk of accusations of infringement of another's rights or can leave you without the ability to prevent others from using or copying your technology, diminishing your company's value and distinctiveness.

**Build healthy IP practices and protocols.** As your company begins to build momentum, keeping an eye out for IP issues as they arise can help keep IP in your assets column and out of your liabilities. Take steps to ensure ownership of your key IP is never in question. For many, this may include developing employment agreements and policies that use legally current and consistent language to ensure that IP developed by your employees is owned by your company, enabling you to retain ownership of valuable innovations. For some companies reliant on the steady flow of ideas, it may become important to incentivize submission of invention disclosures to ensure management is aware of new developments early to allow them to be protected. Seeking signatures on needed inventor declarations and assignments early helps to avoid disputes later.

Next, watch for information that should be kept as confidential and make sure that policies and practices maintain that confidentiality. Many technologies rely on techniques developed as your product is produced or designed that give you an advantage over others. Some of these could be protected as trade secrets to help you retain that competitive benefit. Working with IP counsel to develop appropriate trade secret agreements and policies can leave you with yet another source of IP value.

Lastly, watch for promises you make about IP owned by others in the agreements that you sign as you contract or collaborate, and ensure they are honored to avoid disputes and conflicts that could limit your IP protections and rights.

**Carefully manage your IP assets.** Having built a pool of trademarks and patents that protect your goodwill and your ability to stave off copycats, it is important to review them on a regular basis to keep them in good standing, and to ensure your IP resources are focused on those assets that are most important to your business. Consulting with your IP counsel to discuss the directions your company is moving in often results in identifying significant opportunities to refocus your IP dollars from irrelevant technologies or trademarks toward emerging projects and technology portfolios that will be your company's core in coming years. Such reviews also can lead you to opportunities to license or sell non-strategic rights to others, monetizing the value locked in your intellectual assets.

Similarly, keeping your IP assets in view can help you to successfully monitor the activities and products launched by competitors to make sure your rights haven't been infringed. If you have concerns, seek out the advice of qualified IP counsel to evaluate your options for enforcing your rights and protecting your business.

Although IP may lack the physicality and immediacy of real property or other company assets, it is nonetheless a valuable core to your business. Developing an IP action plan early in your company's life cycle can help position you to create a valuable brand, keep the benefits of exclusivity afforded by patent protection and develop a pipeline of valuable ideas and innovations to pave the way for a strong future for your enterprise.

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