Intellectual property and your business: What you need to know

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Intellectual property (IP) comes in many forms, including trademarks, copyrights, industrial designs, trade secrets, plant breeders rights, and patents.

With IP rights, an idea can be turned into a business opportunity that generates value, creates employment and enhances the market by offering consumers more choice of innovative products and services. Patent rights also encourage publication of the latest research, which serves to further collective knowledge.

IP rights also serve a defensive purpose by allowing companies to protect their businesses and research and development activities, while creating a stronger negotiating power for licensing opportunities and counterclaims. They also allow companies to block competitive products, dissuade potential entrants and clear a technological path for future market share. IP rights serve both as a protective tool and generate value.

SMEs and intellectual property protection

While large businesses often create and maintain a large IP portfolio, many small- to medium-sized enterprises (SMEs) often wait too long into the development process before acquiring or paying attention to IP protection.

It is important for SMEs to leverage IP ownership and licensing at an early stage. This helps SMEs protect themselves from other companies using something identical or similar to their creations, brands or products. IP can also create new sources of revenue should businesses decide to license goods or services to third parties.

Without such protection, SMEs could end up spending a lot of time and resources defending against third parties or even rebranding, rather than focusing on business growth opportunities. Further, if the opportunity arises to sell the company or seek investment, not owning or having valid and enforceable protection of company IP can negatively affect a transaction; it can even prevent the transaction from moving ahead altogether.

SMEs play a critical role in the economy. By acquiring IP rights they can build stronger, more competitive and resilient businesses. It is important for companies to identify, protect and leverage IP assets for business growth, for the business opportunities that can flow from IP licensing and to increase the range of options available to finance innovation. Without IP protection and enforcement, companies take on a greater business risk - in terms of IP infringement, for example - and may run the risk of not actually owning the IP assets they have created.

For additional information on IP rights and strategy, take a look at our recent content below.

If you have any questions, or would like to discuss how IP might apply to your specific business circumstances, please reach out to BLG's Intellectual Property Group or any of the contacts listed below.

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Expertise

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