

# Protecting your intellectual property takes a conscious effort

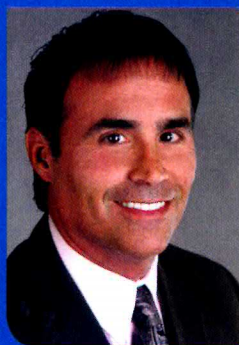
Many companies underestimate their risks in losing valuable IP. Here are some questions companies should consider asking themselves.

## **Q. What recent court cases or decisions are shaping the laws regarding intellectual property? How?**

**A.** Nonpracticing entity (NPE, aka patent troll) litigations are lawsuits that are affecting many companies. NPEs wait for technology to develop and then search for and acquire patents that need to be 'stretched' to cover the technology.

NPEs never make a product but only sue large entities seeking millions of dollars for infringement of patents. Their lawyers take the cases on contingent fees looking for a pot of gold. This forces companies to spend thousands and, sometimes, millions on legal fees fighting these cases.

These cases led Congress recently to pass a law attempting to make it harder for NPEs to go after these companies. This is becoming a substantial burden for companies, and Congress is looking for other ways to thwart this livelihood. A well-founded litigation strategy can be implemented to deal with these NPEs.



## **Q. What policies or procedures should a company put in place to protect its intellectual property?**

**A.** To protect its IP, a company should file patents, trademarks and copyrights to 1.) increase the value of a company, 2.) prevent competitors from copying or imitating a company's products or services, and/or 3.) create a branding for the company.

In considering the America Invents Act and its 'first inventor to file' provisions, companies should file their patents as soon as possible.

Companies should also use nondisclosure agreements when discussing their intellectual property externally. To guard assets internally, employees should be educated on what must be protected, and the company should implement a system for submitting invention disclosures.

Procedures, such as marking documents as confidential, shredding documents describing innovations and using software tools to track the company's information, also should be implemented to secure IP.



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