

# IP Strategy: Company Perspective

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# Innovation

- *“Innovation is trying to figure out a way to do something better than it’s ever been done before.” David Neeleman, Founder and CEO, JetBlue*



# Stakeholders



- Shareholders and/or Owners of the company
  - Monopoly pricing
  - Higher margin products introduction
  - Brand/Vanity Value
- Employees
  - Publications
  - Recognition
  - Professional Advancement
- Customers
  - Fulfilling unmet need, e.g., Improving duration of flavor in chewing gum from 3 to 15 minutes.
  - Reducing sugar by addition of sweetness enhancement agent, e.g., Senomyx compounds

# What is IP for a Company?



- Copyright, Trademark
- Trade Secret and Patents
- Manufacturing processes
- Transactional processes
  - Pricing strategies
  - Customer service/Sales process
  - Tax sheltering strategies
- People/Employees: Brain power and experiential based competencies
- Customer list
- Creative Ideas
- Brand

# How IP translates into value?



<p><b>I Recognition</b></p> <p>Trademarks, logos for public identification. They carry the informational value of recognition.</p>	<p><b>II Desirability</b></p> <p>Patents, secrets to let companies deliver improved performance, new features, extended product life that boost their product's competitiveness and desirability.</p>
<p><b>III Form</b></p> <p>Copyrights and related protection for literary and visual creations. They add value by lending an inherent desirability to the form of a communication.</p>	<p><b>IV Emotional Connection</b></p> <p>Brands. They stretch margins to the extent that they make an emotional connection with customers.</p>

# Aligning IP Strategy with Company Strategy

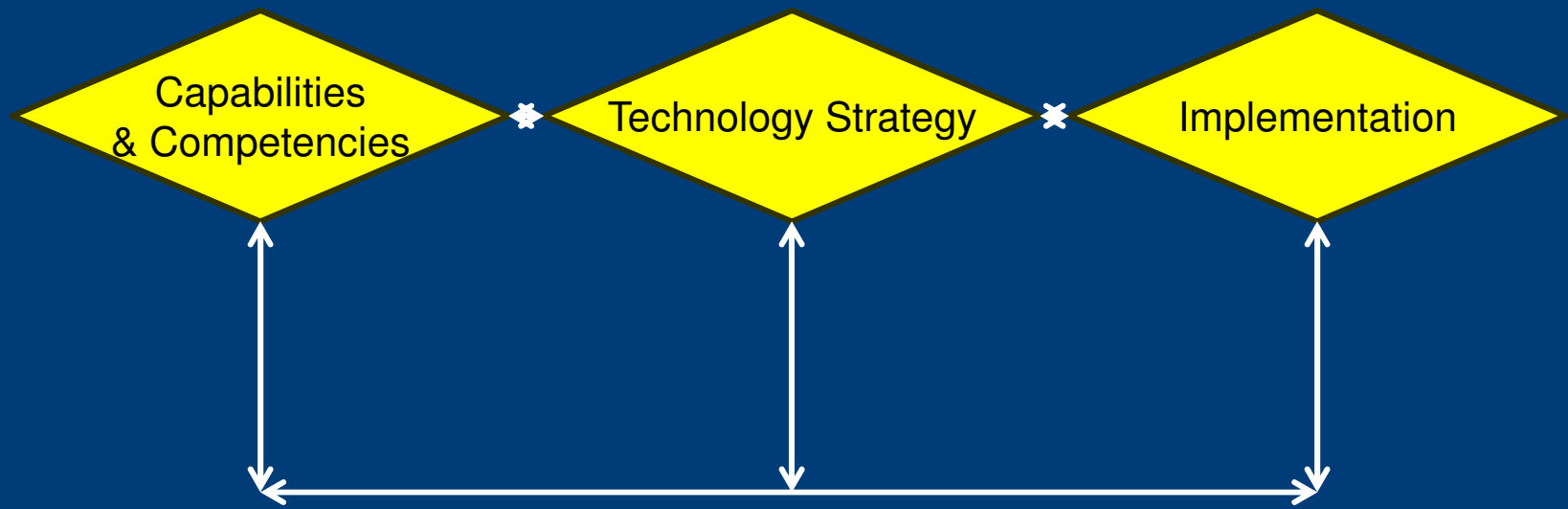


- To meet company's strategic goals, define unmet needs clearly
- Translate unmet customer needs into tangible project objectives
- Develop a project plan which should include the following:
  - Goal statement
  - Business Case
  - Scope: SWOT Analysis
  - Plan
  - Team
  - Customer & Stakeholders
- Technical Feasibility Assessment
  - Quantify the risk of the project. (New to the world, New to Company, Me Too)
  - Best in Class Benchmarks
  - Competitive landscape assessment
    - Patents
    - Scientific Literature
    - Products

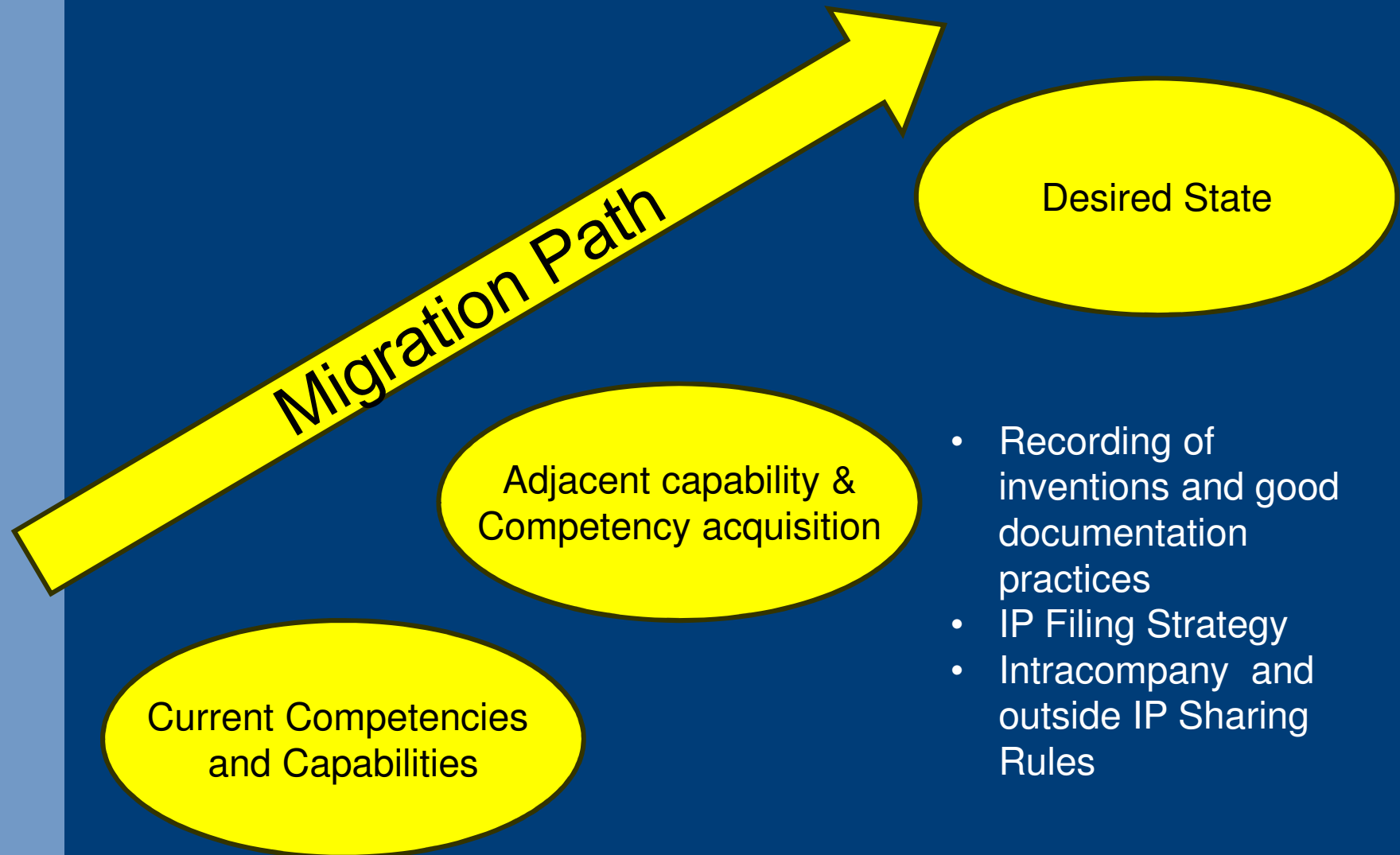
# Framework for IP Strategy Implementation



- Capability based learning organization
- Capability and competency are complementary to each other
- Feedback Loop with experiential learning

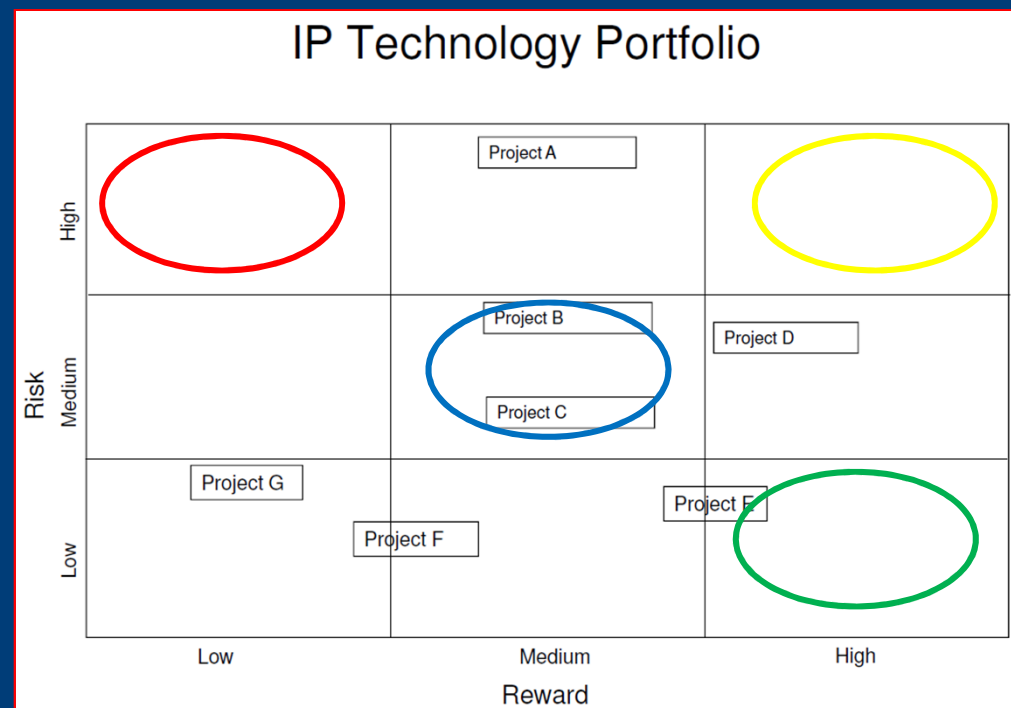


# IP Strategy Implementation



# Development of IP and Portfolio optimization

Description	Time to Market	Cost	Risk
Development of IP internally within the company	High	Low-Medium	High
Buying IP which is well developed and protected	Low	High	Low
Licensing with a early stage technology company and/or university professor	Medium	Medium	High



## Key Success Factors to consider for IP Strategy Implementation



- Keeping key management champions in the loop with honest and factual information
- Continuous Customer feedback and use trials
- Managing expectations of all the stakeholders (Management, Customer and Team members)
- Cross-functional team approach to IP generation and execution towards product development
- Patience

- Open Innovation Process
  - <http://www.ninesigma.com/>
  - General Mills Worldwide Innovation Network (G-WIN)
- IFT IP Exchange
- Licensing Executive Society
- University Technology Transfer Offices
- Consultants

# Examples of IP Strategies in Food Industry



- Leveraging adjacencies
  - [PureCircle Announces New Breakthrough Natural Flavor Modifier](#)

**2-Jun-2011** PureCircle, the world's leading producer and marketer of high purity stevia products, announces the launch of a new natural flavor modifier under the trade name NSF-02. The technology for the new product is patented and proprietary to PureCircle Limited.

- Platform Technology: Firmenich's Durarome Flavor Encapsulation Technology
  - Confections
  - Dry Mix Beverages
  - Snacks
- Industry segment: Chewing Gum Composition patents by Wrigley and Cadbury Adams LLC
- Ingredient suppliers:
  - Sucralose patents by Tate & Lyle
  - Sweetness enhancers, bitterness blockers by Senomyx

# Summary



- Well developed IP Strategy and its implementation will help companies reach their new product development goals more cost effective and efficient manner.
- Incorporation of IP know-how and protection early on in the projects will lead to reduction in the overall project risks.
- Appropriate business model for IP strategy implementation need to be chosen to increase the chances of success for the strategy.

# Thank you!

# Questions?

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