

Intellectual Property and Why It Matters to Your Business

Presentation Roadmap

Introduction to Intellectual Property (IP)

IP Protection using Patents and Trade Secrets

Enforcement of IP Rights

Introduction to Intellectual Property (IP)

“IP is intellectual property, which refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.”

- World Intellectual Property Organization [WIPO]

What is the value of IP?

Intellectual Property (IP)

- ... grants exclusive rights that let you prevent others from operating in the same market space
- helps safeguard your company's brand and identity
- when managed well, can boost your company's overall value
- supports revenue generation through sales, licenses, or franchise agreements
- may serve as a valuable asset to attract investors
- can serve as a barrier to new or existing competitors.

Registered forms of IP



Patent



Trademark



Copyright



Industrial
Design



Trade Secret



IP rights are territorial, based on national and regional law.

Trademarks



A trademark is IP for your brand.

- **Brand Identity** – Trademarks protect words, phrases, symbols, designs, and even colours or sounds that identify and distinguish the source of goods and services. This includes brand names, product lines, and more.
- **Reputation and Goodwill** – Trademarks help preserve the brand's reputation by ensuring that only the trademark owner can use the distinctive signs, maintaining the level of quality consumers expect.
- **Business Value** – As a brand gains recognition in the market, its trademarks can become increasingly valuable and represent a key component of the company's intellectual property portfolio.

Copyright



Copyright is IP that can protect creative works.

- **Automatic Protection** – Copyright automatically applies when a work is created and fixed in a tangible form. No formal registration is required.
- **Legal Advantages** - Registering a copyright can offer legal benefits in enforcement situations.
- **Broad Range of Covered Works** – Copyright applies to many types of creative content, including literary, musical, dramatic, and artistic works, as well as computer programs and films.

Industrial Design



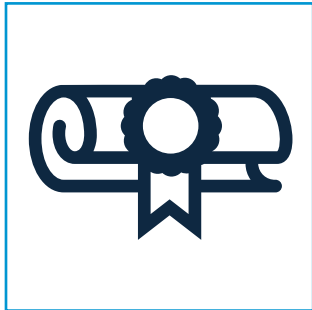
Industrial designs protect the aesthetic aspects of an object.

- **Shape** – Refers to the three-dimensional structure of a product.
- **Configuration** – Describes how the various components of a product are arranged or organized.
- **Pattern and Ornamentation** – Covers the decorative elements, images, or surface designs that are two-dimensional and applied to the product.
- **Visual Appeal and Marketability** – Relates to the overall look and design that make the product attractive to consumers and help set it apart in the market.

Question & Answer

IP Protection using Patents

Patents



A patent is a bargain made between an inventor and a government.

The government grants the inventor the exclusive authority to produce, use, sell, and distribute the invention for limited time, usually 20 years from the date the patent application is filed.

The inventor can manage how the invention is commercially used, which is often essential for recouping development costs and generating profit.

In exchange, the inventor agrees to teach the world how to use the invention.

Requirements for patents

A patent is a type of intellectual property that safeguards inventions or distinctive processes. To qualify for patent protection, an invention must meet three main requirements:

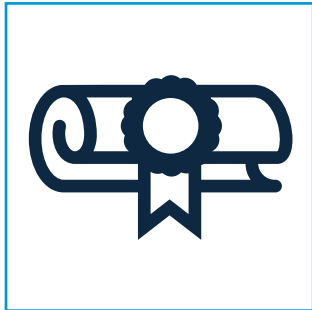
- **Novelty** – the invention must be original and not previously disclosed or used in the same way.
- **Inventive Step** – the invention should not be something that would be obvious to a person skilled in the relevant field.
- **Industrial Applicability** – the invention must have a practical use, be functional, and be capable of being applied in industry.

Patent prosecution

The negotiation with the government of what patent rights an inventor is granted is called “patent prosecution”.

- The inventor submits the patent specification, figures and claims to the Patent Office.
- The Patent Office searches for what was already known (“prior art”) based on the scope of the claims and writes to the inventor and may tell them their invention is not new, not inventive, or not useful.
- The inventor then refines the scope of their invention (claims) and argues that their invention with the updated scope is new, inventive, and useful.
- This cycle repeats until agreement is reached (which may take years).
- The Patent Office and inventor agree on the scope and the patent is allowed.
- The inventor may then enforce these patent rights against other parties.

Key characteristics of patents



Patent rights are country specific.

The patent claims define what you own.

You teach the world how to make your invention.

Exclusivity must be enforced.

Patents expire.

Patents are expensive to obtain and to maintain.

IP Protection using Trade Secrets

Trade Secrets



Trade Secrets protect confidential business information.

- **Must Be Secret** – The information must not be publicly known or easily accessible.
- **Must Have Commercial Value Because It Is Secret** – The information must provide an economic advantage to the holder because it is not commonly known.
- **The Company Must Use Reasonable Efforts to Keep It Secret** – The holder must actively protect the information through means such as security measures, non-disclosure agreements, or other protective actions.

Famous trade secrets

Original Coca-Cola Syrup Formulation

- The formulation for “Merchandise 7K” was created in 1886.
- The exact composition and ratios of flavoring agents is confidential.
- The original formula is stored in a secure bank vault.



<https://www.coca-colacompany.com/about-us/history>

WD-40

- The formulation for WD-40 was developed in 1953.
- The exact blend of lubricants, corrosion inhibitors, and carrier solvents along with manufacturing methods are confidential.
- The original formula is stored in a secure bank vault.



<https://wd40.ca/about-us>

Key characteristics of trade secrets



Trade secrets are internationally recognized but not globally uniform.

They are only useful if they cannot be reverse engineered.

Having a trade secret comes with an obligation to take proactive steps to keep the information secret.

There is no recourse if the information gets leaked.

Trade secrets do not expire.

Question & Answer

Patents and Trade Secrets

Why do they matter to your company?

Patents and Trade Secrets

- Why are these relevant to your company?
 - Differentiated features can help improve margins.
 - Patents and Trade Secrets can:
 - ... enable you to differentiate your products from your competitors.
 - ... be used to stop “me too” imitators.
 - ... can provide a barrier to entry to potential competitors.
 - ... offer the opportunity for revenue generation through outbound licensing whether you use them in your products or not.
- The reverse is also true, Patents or Trade Secrets that do not benefit your company are redundant assets.

Patents can protect competitive advantages ...

Example: Patents can be used to protect engineering designs.

- Some industries are very patent intense, e.g., telecommunications, pharmaceuticals, automotive, ...
- Patents are time limited, typically for 20 years.
- Patents can be expensive.
- The scope of protection the patent provides you is limited by the claims that are granted by the Patent Office.

Not everything merits protection.

- Enforcement requires knowledge that someone else is using your patent.
- Detectability is key.
- This is a major consideration for Software as a Service (SaaS) businesses.
- Patents are a national right, and it may not make sense to protect your invention in some countries.

... or you can give them away.



Nils Bohlin
Inventor Volvo 3-point Safety Belt

- The modern three-point seat belt was perfected by Volvo engineer Nils Bohlin in 1959 – and the right to use the patent given for free to the world. The invention has been credited with saving at least a million lives worldwide.

<https://www.volvogroup.com/en/about-us/heritage/three-point-safety-belt.html>

Trade secrets can protect competitive advantage

Example: Trade secrets can be used to protect chemical formulations.

- Trade secrets can protect chemical blends and processes without public disclosure.
- Use of a trade secret avoids time-limited patent protection, maintaining secrecy indefinitely.
- Reverse engineering risks can be limited through complex formulation steps.
- Use of trade secrets enables flexibility in modifying formulations without re-filing IP.
- They are low cost.

Not everything merits patent protection.

- Many aspects of your products and services are not differentiating.
- Identify why your customers choose your product over alternative solutions.
- Any aspect of your product that can be observed, can be copied.

The importance of IP Strategy

- “Good fortune is what happens when opportunity meets with planning.” – Thomas Edison.
- Setting out a clear IP Strategy before you start investing is critical to ensuring you protect the right assets, yield the benefits of that investment and spend your limited budgets wisely.
- Your IP is no different from any other asset in your business.

“Patents for a purpose”

Disclosure and IP Theft

Employees - biggest asset and greatest risk.

Risk exposure is great.

- Risk is heightened due to staff mobility and turnover in the workforce.
- Remote work including cloud tools, personal devices and distributed teams expand attack surfaces.
- Disgruntled employees or those headhunted by competitors may steal data or ideas.

Some of the unintentional ways employees leak IP.

- Sharing confidential information with vendors, customers and friends.
- Social engineering attacks.
- Accidental disclosure of trade secrets at trade shows, conferences or on social media.

R&D and Engineering know a lot

Employees are often the driver of innovative ideas.

- The same employees are also the highest risk for IP loss or leakage, whether intentional or unintentional.
- Proprietary knowledge held by employees differentiates your company from competitors.
- Lack of policies and employee ignorance of the importance of IP is immediately addressable.

Disclosure is usually not nefarious.

- Technical staff like to talk tech and share what they are working on.
- Staff may believe there are protections in place which remove all restrictions on sharing information.
- Consequences of disclosure are typically not well understood.

Mitigating employee IP risks

Onboarding and contracts are key.

- IP assignment agreements ensure all work created belongs to the company.
- All employees need IP and security training.
- Clear policies can cover data handling, publishing research, and social media use.
- Using Data Loss Prevention (DLP) and monitoring tools can identify risks.
- Access controls and exit procedures mitigate knowledge leakage.

Employees are the creators and custodians of most valuable IP assets.

- Awareness of IP is critical.
- While trust and empowerment are essential for innovation, robust IP governance, legal safeguards, and security protocols are critical to minimizing the risks employees pose.
- Establishing governance and creating documentation heightens awareness company-wide.

NDA's are not as good as they seem

They come with enforcement challenges.

- IP theft must be proven.
- A legally sound NDA is only one part.
- The scope of the NDA is critical.
- The disclosed materials must have been accessible to the thief – in practice this means tangible or in writing.
- Harm or damage must have been caused, which is harder to prove pre-revenue.

The remedy is often less than the consequences.

- Even if IP theft is ultimately proven, the damage is done.
- Large companies have deeper pockets and more resources for the legal fight.
- Prevention is imperative.

Disclosure prevents patenting and destroys Trade Secrets

- All publicly available information is prior art, so once something is disclosed, it cannot be patented.
- Once a Trade Secret has been shared, you don't own it anymore.
- Prevention is paramount.

Enforcement of Patent Rights

Patent Enforcement

- Evidence of use is necessary before accusing someone of using your patent - having a feeling that someone is infringing without proof is not sufficient
- The claims are critical – they define the limits of your property right – like a deed to a house. Each and every element of the claim has to be found in an infringer's product
- If your patents are used in your products, you should use patent marking to put everyone "on notice".
- A common first step is a Cease & Desist letter, when you inform the other party that they are infringing the claims of your patent.

Patent Enforcement

- Patent enforcement is national; you can only enforce the claims that you have been granted in a patent in that country.
- Litigation is expensive, costing many millions of dollars and taking many years.
- If it is possible to negotiate a license or a royalty or a settlement for the use of the patent claim, this may be the best outcome.
- Alternative finance options:
 - Some law firms will take on cases on contingency (getting paid only if you win).
 - Litigation finance can enable you to enforce your patents.

Patent Enforcement

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Patent enforcement

The bottom line:

If you are not prepared to enforce your patents, then the money invested in acquiring and maintaining them is wasted.

Question & Answer

Key Takeaways

IP Risk: The Startup Blind Spot

IP may often feel secondary to product development, and with limited resources, it is tempting to delay decisions on IP.

However, early choices can embed risks that surface only when the company is scaling, generating revenue, or preparing for investment or acquisition. At that point, the cost of remediation can be substantial—or the risk may be impossible to eliminate.

What could have been simply addressed early on can escalate into major engineering overhauls. IP gaps discovered during due diligence can derail funding, partnerships, or acquisitions, and force compromises on valuation or strategy.

Proactive IP management from day one is not optional—it is strategic insurance. A small investment now prevents financial and operational shocks later.

Educate.

Make IP protection part of the company culture.

- Add IP into every topic in the company.
- Educate the company and individual teams on their unique IP challenges and responsibilities.
- Include education when onboarding new staff and require regular refresher courses for existing staff.
- Create a single point of contact in the organization for all IP questions or concerns to ensure consistency of approach.

Differentiate.

Uniformity is not required.

- Set the expectation not all information is shared with everyone.
- Train teams on why differentiation matters.
- Use technology to make sure differentiation happens.
- Regularly review and update access permissions to reflect changes in roles or risk.

Manage.

Make IP a key part of your business.

- Invest in the management of IP policies, processes and technology to protect your technical innovation.
- Build internal awareness of IP through regular training and guidance.
- Clearly document who is responsible for invention disclosure, IP filing approvals, trade secret protection, external communications, and enforcement decisions.
- Monitor internal actions and adapt policies and processes to adapt to IP risks and business maturity.

Additional Resources

Additional Resources - Global

WIPO – What is Intellectual Property?

<https://www.wipo.int/about-ip/en/>

The World Intellectual Property Organization (WIPO) offers a clear and concise introduction to the core concepts of intellectual property (IP), including patents, trademarks, copyrights, industrial designs, geographical indications and trade secrets. It explains why IP matters in innovation, commerce, and creativity, and serves as an excellent starting point for individuals or businesses new to the topic.

WIPO – IP for Business

<https://www.wipo.int/en/web/business>

WIPO also offer advice tailored for small and medium-sized enterprises (SMEs), providing practical tools, guides, and case studies to help businesses use IP strategically. It covers how to identify, protect, and manage IP assets, with an emphasis on turning innovation into market value.

Additional Resources - Regional

CIPO – IP Education and Awareness

<https://ised-isde.canada.ca/site/canadian-intellectual-property-office/en#education>

The Canadian Intellectual Property Office (CIPO) provides educational materials for entrepreneurs, creators, and educators. It includes workshops, toolkits, and e-learning modules that explain the different types of IP, their benefits, and how to protect them in Canada.

USPTO – Learning and Resources

<https://www.uspto.gov/learning-resources>

The USPTO's education portal offers a wide range of resources for inventors, students, educators, and entrepreneurs. It includes online training tools, videos, activity kits, and curriculum materials that explain how the U.S. IP system works and how to apply it effectively.

Additional Resources - Regional

EUIPO – Knowledge Hub

<https://euipo.europa.eu/knowledge/>

The EUIPO Knowledge Hub is a digital library providing research, analysis, training courses, and publications related to intellectual property in the EU. It's designed for professionals and policy makers but also includes resources accessible to businesses and the public seeking to understand IP in the European context.

About QipWorks

QipWorks is a strategic intellectual property consulting firm dedicated to empowering businesses to secure, manage, and leverage their intellectual assets for sustained growth. QipWorks operates at the intersection of technology, business, and law, solving the toughest challenges with precision and purpose. We are data-led and purpose-driven, unafraid to ask tough questions and tackle complex problems. Our rigor and attention to detail we bring to every project sets us apart.

Our technical expertise spans wireless and cellular communications, video streaming, networking protocols, AI, cybersecurity, geolocation, satellite technologies, immunology, and protein engineering. The QipWorks team of engineers and scientists combines extensive business acumen with cutting-edge tools to deliver world-class solutions. We've unlocked over \$100M from neglected portfolios, partnered with startups to secure IPO valuations exceeding \$2.6B, and built the foundational IP portfolio for a company acquired for over \$4.6B. Whether your needs involve building a robust patent portfolio, effectively addressing competitive challenges, or equipping your organization with best-in-class IP practices, QipWorks offers the strategic guidance necessary to transform your intellectual property into a significant and impactful business advantage. For more information, visit www.QipWorks.com.

