

# Advice for Streamlining Management of a Multi-Stakeholder IP Team

By Janis Acosta and Elizabeth Brock



## At a Glance

By unifying internal and outside partners under an articulated and focused global strategy, in-house counsel can lead an intellectual property team efficiently while also ensuring that the IP portfolio remains aligned with the company's business goals and strategy.

All companies own intellectual property of some sort — trademarks, copyrights, patents, and trade secrets — but many companies do not maintain an in-house team focused on IP protection. Streamlined companies increasingly require in-house counsel to take on several roles within the organization, including acting as IP counsel. This role, which can be one of many for in-house practitioners, usually involves managing an IP portfolio, serving corporate clients, and coordinating with outside counsel. By unifying internal and outside partners under an articulated and focused global IP strategy, in-house counsel can lead an IP team efficiently while also ensuring that the IP portfolio remains aligned with the company's business goals and strategy.

### Behind the strategy: business, IP, and budget

A global strategy can increase the efficiency of IP work by setting up a framework to guide decisions; accordingly, creating a global strategy requires an understanding of the business, the IP, and the budget. On the business side, at a high level, consider company history, what the business looks like now, and where it will be in the future. Then, drill into the details regarding the various geographic areas, business units, or products and consider issues such as revenue (which can guide the apportionment of the IP budget) and challenges, including countries in which the company manufactures or regions known for infringement. Understanding and analyzing the business in this manner will foster close working relationships with key people driving the business — such as C-suite management, marketing, and business-unit leadership — and facilitate the flow of information to ensure that in-house counsel is kept apprised of business developments that will guide IP strategy in the future.

The next step in preparing to craft an IP strategy is identifying the IP that supports the business. Even companies with a centralized warehouse of information may benefit from routine reassessment to capture all IP and determine where it is located. In capturing IP, consider patents, trade secrets,

trademarks, copyrights, domain names and websites, social media, and contracts with third parties. In locating IP, consider the company's business units (marketing, sales, talent acquisition), their geography, and their products. For example, marketing may have copyright-protected materials or domain names while business units may have developed trade names or brands particular to their regions. Sorting IP into groups for various business units and geographies or products creates a visual representation of the various uses of IP and ties IP to each unit's revenue or products. After sorting IP into groups, order them by product, importance or value, business unit, or geographic location. This analysis may identify gaps in coverage (such as an increasingly important geographic area missing trademark registrations for core brands) or areas where spending or coverage may appear outsized compared with business needs.

With knowledge of the business and revenue and how each aligns with the IP groups, in-house counsel can apportion the budget and create a global IP strategy, coordinating IP and spending based on where the company derives, and plans to derive, revenue or addresses risk. For example, if 80% of sales are in North America but 60% of the IP budget is spent overseas, there is likely an imbalance. With this knowledge of the business, IP, and budget, in-house counsel can develop a forward-looking global strategy and allocate the budget in a manner that supports the company's business goals and strategy.

### Drafting and maintaining an IP strategy

The global IP strategy should be a tangible, written document or set of documents that can be shared with team members and provide a road map to guide nearly every IP decision. IP decisions are long-term decisions — filing applications for copyright, decisions to patent, and keeping or abandoning brands and related trademark registrations, domain names, and even social media handles — that can have effects for decades. These decisions should not be made ad hoc but should

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be guided by an awareness of the company's goals: its global IP strategy. As an example, a trademark-focused IP strategy might be a spreadsheet with the following columns: region, revenue and IP budget, business unit/country, products/services offerings, key brands ranked by importance, trademark/domain watches, corresponding domain names and social media handles, "automatic" trademark registration renewals, gaps in coverage, trademark registrations to consider, trademark registrations to abandon, and costs.

Review the IP strategy with stakeholders at least quarterly and stay on top of the budget. Internal business partners will raise issues but may sometimes need to be prompted, hence the importance of fostering these relationships. Watch for discussions of mergers and acquisitions, new partners, or expansions into new markets (either geographically or with respect to new brands, technology, or products and services) as this may affect global IP strategy. Even seemingly small IP decisions should be made with focus, and IP coverage and spending should remain aligned with business goals as they evolve.

### External recommendations

As the global IP strategy is shared inside the company, share it with outside counsel as well and educate them about the business to ensure everyone on your team is moving in the same direction. In-house counsel should also decide how to manage IP work and how much should be directed to outside counsel. This work may include routine portfolio management and day-to-day issues that arise such as clearance searches and infringement investigations. Delegation to outside counsel can decrease the burden on in-house counsel and create efficiencies, especially as in-house and outside counsel are unified in following the global strategy.

Meet with outside counsel regularly as needed (such as quarterly, monthly, or even weekly) to review the business and any changes that may affect the global IP strategy and budget. The more outside counsel knows about the business and its goals, the better they can support in-house counsel and use that knowledge in routine work and decisions.

Coordinate the work going to counsel by designating one or two internal points of contact (people or departments) to

receive internal requests, decide what goes to outside counsel, and manage the information coming from outside counsel. For ongoing IP portfolio work, decide on a workflow and reporting/instruction mechanism. For issues that arise, decide what types of issues outside counsel should escalate to in-house counsel and which issues counsel can handle independently, armed with knowledge of the company's global IP strategy. This involves communication and trust. If in-house counsel feels the need to micromanage outside counsel, this is a sure sign trust or communication is lacking. Long-term partnerships with outside counsel can be extremely valuable and preserve ready access to a company's IP history, such as the strategy behind business decisions made decades ago affecting the business today, and give perspective to decisions made now that will impact the company for decades to come.

### Closing thoughts

Here are three key takeaways:

1. Decisions about intellectual property have long-term consequences. A global IP strategy ensures these decisions support the company's business goals and strategy.
2. The budget will always be limited, so make sure it is spent where the business needs it and supports the global strategy.
3. Foster trusted relationships and empower partners, both internal and external, to help manage work, protect IP, and keep the business on track to meet its objectives. ■

*Note: The views and opinions contained in this article are solely those of the authors and do not represent an endorsement by the State Bar of Michigan or the Michigan Bar Journal.*



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