

# THE SECRET OF OUR SUCCESS

FORWARD-LOOKING LAW FIRMS ARE USING COMPETITIVE PATENT INTELLIGENCE TO PROACTIVELY UNDERSTAND THEIR PROSPECTIVE CLIENT'S PATENT PORTFOLIOS. **MARC KAUFMAN**, PARTNER AT NIXON PEABODY LLP, EXPLAINS HOW A PATENT ANALYTICS REPORT FROM CPA PLAYED A KEY ROLE IN HIS FIRM ACQUIRING THE IP WORK FOR A LARGE NEW CLIENT, WORTH ALMOST ONE MILLION DOLLARS A YEAR

**W**ith offices in 15 cities and more than 600 attorneys collaborating across 15 major practice areas, Nixon Peabody LLP is one of the largest multi-practice law firms in the US. Its Technology and Intellectual Property group ('TIP') includes 80 IP attorneys and registered patent agents. Marc Kaufman heads up the Software and Digital Technology team within TIP, counselling clients on all aspects of IP Rights and strategies, and procuring and enforcing patent rights.

'We serve companies at every stage of development, including start-ups and Fortune 500 companies,' says Marc. 'Our approach is solutions-driven: we invest time and effort into understanding our clients and their industries, enabling us to provide advice that is relevant, practical and valuable.'

In May 2005, Nixon Peabody used a tailored CPA patent analytics report to research a prospective client's status in its industry sector. 'We were called into a large fastener manufacturer,' he explains. 'They held a handful of patents, but felt that the advice that they were receiving from their current counsel was not aiding their overall business strategy. We asked CPA to prepare a patent analytics report that assessed the market trends and the practices of their five biggest competitors. We discovered that the patents they held protected those products that sold least, whereas the products that were actually making them money had not been protected at all. Their competitors, on the other hand, were protecting their own rival products, a strategy that looked set to edge our prospective client out of its market.'

'The client was so impressed with our assessment of their market positioning and business strategy,

## **KAUFMAN'S CV IN BRIEF**

**1984 Mechanical Engineering, Boston University, B.S.**

**1992 The Catholic University of America, Columbus School of Law, J.D.**

**1992 Attorney, Sughrue, Mion, Zinn, MacPeak and Seas**

**2001 Software and Digital Technology Team leader, Nixon Peabody**

**2005 Recognised by his clients as a Client Service All-Star in a national survey by the BTI Consulting Group, Inc.**

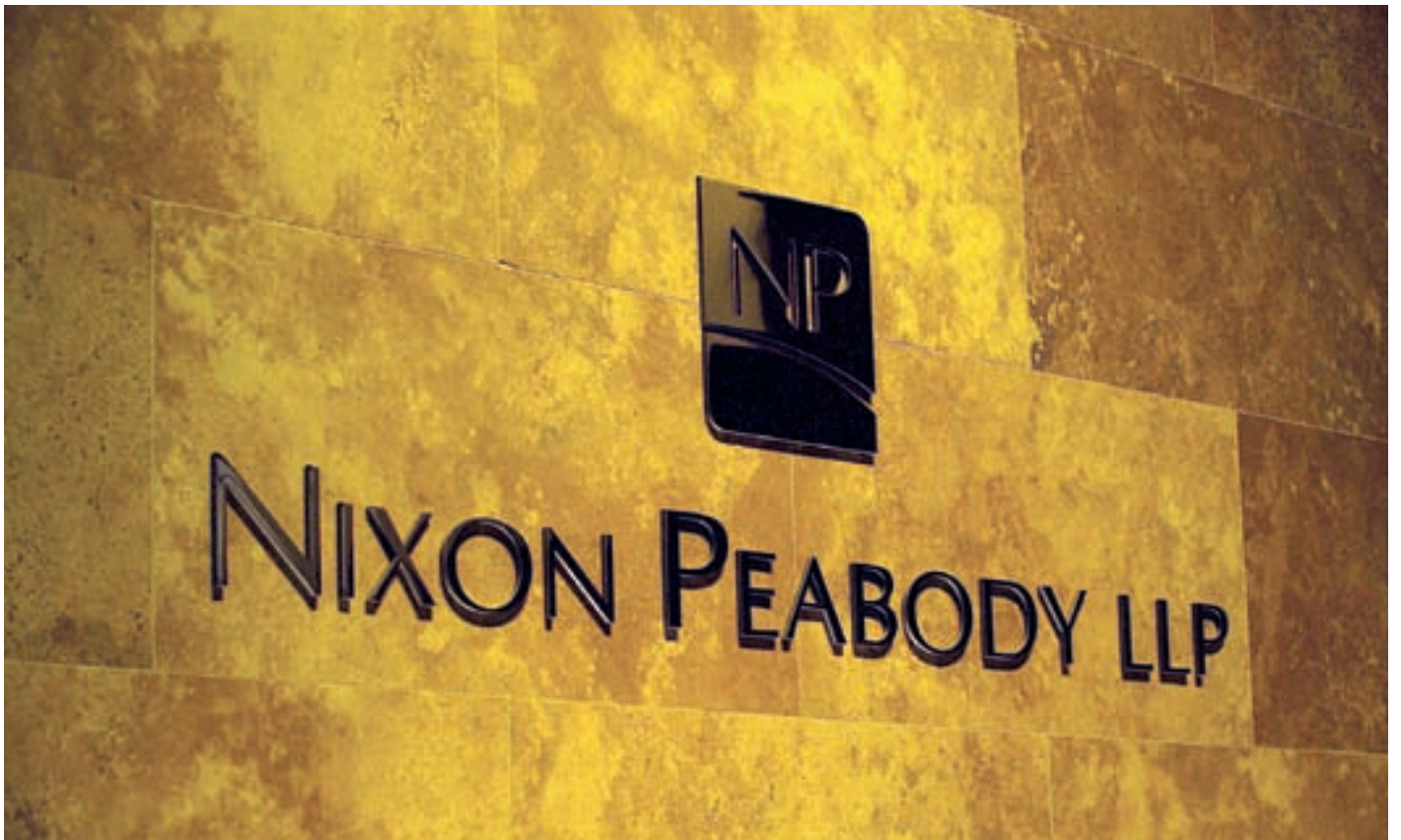
they awarded us their IP work, likely worth almost one million dollars a year. Essentially we had provided them with an effective audit of their IP portfolio and its value in the marketplace, something that the previous firm had been unable to do. We are now running a full patent analytics report and plan to do so every year to chart the company's growth.'

## **Why invest in a prospective client?**

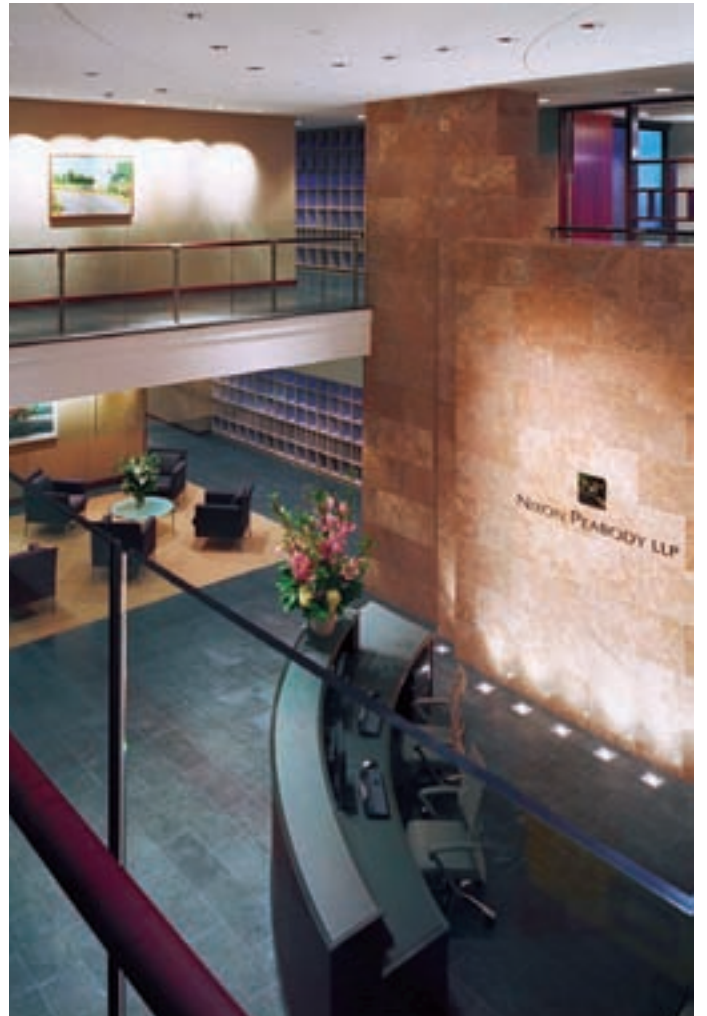
'The IP industry is changing,' explains Marc. 'Clients and prospective clients are now demanding better insight into how their IP portfolio fits in with their overall business and IP attorneys are increasingly being called upon to provide strategic business advice.'

'Using patent analysis allows us to advise current and future clients in areas relating to market activity, new technological developments and improved business intelligence. It can also reap dividends when it comes to winning new business. Visiting a prospective client with such industry knowledge not only benefits the pitch process, it also shows them that you care about their business and understand the marketplace that they operate in. After all, clients are looking to us to provide them with effective advice tailored to their needs. In order to do that, you first need to invest time and money into understanding the background of their business.'

With such an approach, it is no wonder that Nixon Peabody has grown steadily in the past five years, building itself a strong reputation for in-depth industry insight in the process. 'We consider patent prosecution to be only one small piece of the puzzle for a client's IP strategy,'



'OUR COUNSEL IS INFORMED BY OUR CLIENTS' BUSINESS OBJECTIVES. WE DON'T SIMPLY RESPOND TO THEIR LEGAL NEEDS; WE ALSO LOOK FOR WAYS TO PROVIDE STRATEGIC AND PRAGMATIC BUSINESS ADVICE.'



Marc offers as an explanation for this success. 'Our counsel is informed by our clients' business objectives. We don't simply respond to their legal needs; we also look for ways to provide strategic and pragmatic business advice. After all, what is the value of registering and enforcing patent rights for an innovation that does not pay dividends for the company's bottom line? IP protection and business development should be a parallel process, but that is all too often far from the reality.'

### Informing business strategy

As senior management and even shareholders become increasingly aware of the value of corporate IP, the need to account for and to exploit the value of intangible assets becomes paramount. But while IP may have earned itself a role in the boardroom, Marc believes that far too many companies fail to align their IP strategy with their overall business goals. 'In the software industry, for example, the challenge for most companies is to find those all-important technological advancements that will develop their business and guarantee their market share,' Marc explains. 'As a result, investment is driven by innovation and product development, with patents obtained and even enforced almost as an afterthought. The IP department is often left playing catch-up in terms of IP protection and forward planning.'

'However companies should seek to align their IP strategy with their overall business aims. Otherwise

#### WHAT IS PATENT ANALYTICS?

Patent analytics provides fast, easy access to corporate patent information through statistical analysis of a company's patent portfolio. CPA provides two patent analytics services: company and competitive patent intelligence reports. The reports outline the role of IP Rights in a competitive environment, providing an insight into unlocked or untapped commercial patent potential – vital information for those making critical business decisions or involved in R&D programmes. The service enables companies to align their IP strategy with their business strategy and also helps law firms provide a value-added service to their clients and prospective clients.

#### HOW DO THE REPORTS PRESENT THE INFORMATION?

Patent intelligence reports are developed to have a broad appeal and are easily interpreted by anyone with a minimal knowledge of IP. Extensive use is made of charts and graphs to demonstrate trends and simplify comparison. These graphs offer important insight into the marketplace through the identification of patent portfolio growth rates and geographic coverage, as well as the competitive landscape of an industry area.

#### WHAT IF I WANT TO RESEARCH A SPECIFIC INDUSTRY?

In addition to the company and competitive patent intelligence reports, CPA offers tailor-made reports to meet specific client needs. For example, if a client wishes to undertake an in-depth analysis of a specific subset of patents as part of a licensing evaluation exercise. CPA also provides industry-specific intelligence reports which provide essential, commercially relevant information on an entire industry. To find out more visit [www.cpaglobal.com](http://www.cpaglobal.com) or e-mail [jresnick@cpaglobal.com](mailto:jresnick@cpaglobal.com).



## CPA'S PATENT ANALYTICS SERVICE ENABLES NIXON PEABODY TO ANALYSE ITS CLIENTS' POSITIONING IN THE MARKETPLACE, IN COMPARISON TO ITS KEY COMPETITORS AND INDUSTRY TRENDS AS A WHOLE.

Marc Kaufman, left

they may miss the opportunity to protect IP as an integral part of their growth, and could be leaving themselves open to problems further down the line, not to mention the risk of missing potentially lucrative licensing opportunities.'

### Assessing market positioning

But how easy is it for companies to develop an IP strategy that aligns with their business goals? 'Many companies often perceive it to be a challenge,' concedes Marc. 'But it really isn't as difficult as it first appears. To develop a viable strategy, the first step is to gauge the status of a company's current portfolio of IP, charting its place within the market and comparing it to how the company plans to develop its business in the future. After all, you need to know where you are before you can make plans to reach where you want to be.'

CPA's patent analytics service enables Nixon Peabody to analyse its clients' positioning in the marketplace, in comparison to its key competitors and industry trends as a whole. 'Originally, we would assess the IP portfolio of our clients in-house,' adds Marc. 'But CPA provided us with a much more efficient alternative. Their research is presented in an easily digestible format with graphs and charts showing industry trends. We can take this research and use it to help our clients make informed decisions about the registration and enforcement of their IP, to highlight any gaps in their strategy and to chart future growth in line with overall business aims.'

'As we have shown, the knowledge provided by the reports is incredibly powerful in terms of client counsel and can play a major role in the client pitch process. In the next few years, I think the industry will see more and more use of patent analytics in this way.'

● To find out how CPA's patent analytics service could help your law firm in its work, please e-mail [jresnick@cpaglobal.com](mailto:jresnick@cpaglobal.com).

