



# Business Process Improvement

## Managing Intellectual Property

*The premise of business process improvement (BPI) is that any work an organization or individual performs is done within the framework of a process. To improve how work gets done requires improving the business process.*

For one consumer goods company, the process that needed improvement most was not in manufacturing, marketing, or another common business function, but in the procurement and maintenance of intellectual property (IP)—the management of intellectual capital, embodied in the organization’s trademarks, trade names, and copyrights.

### **The deficiencies of the process were raised during a review of the company’s business strategy.**

Key issues surrounding the existing IP management process included:

- The process was antiquated, and it required considerable manual processing of documentation.
- Senior executives spent an excessive amount of time reviewing and approving IP documents.
- No ownership of the process or documented roles existed.
- Cycle time to complete maintenance of existing and procurement of new intellectual properties was unknown, but it was viewed as “too long.”
- No clear decision-making criteria existed for selecting among IP alternatives.
- The strategic importance and risks of mismanagement of IP rights were not articulated.

### **The BPI project was defined as: Design and install a process for improved procurement and maintenance of intellectual property that results in measurable business results.**

A BPI team was assembled that included executive decision makers, subject matter experts, and a Kepner-Tregoe (KT) consultant who provided BPI and facilitation expertise. Team members included the vice president of marketing, vice president of administration, who was also the manager of IP, and several subject matter experts, including a board member, the internal corporate counsel, the outside legal counsel that handled the company’s IP litigation, and the KT legal counsel who provided current IP management best practices.



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In addition to the KT processes for Situation Appraisal, Potential Problem Analysis, Decision Analysis, and Project Management were used throughout the engagement. The BPI team focused on understanding how the work was currently performed and selecting how it should be performed from various alternative process designs. Metrics were embedded into the improved process to allow for continuous improvement based on specific metrics.

### **The new process realized a 38% reduction in IP processing costs and reduced risk to key assets.**

This was accomplished by shifting elements of IP legal processing to internal legal counsel, establishing more stringent criteria to evaluate which existing patents and trademarks to renew, and eliminating the renewal of those that offered no value. Other initial outcomes of the BPI included:

- Reduced senior executive review of IP documents by 75%
- Reduced IP management by the vice-president of administration by 89%
- Improved and automated IP management communications using a web-based system
- Established IP metrics for future improvements

When the new process is fully implemented, hundreds of thousands of dollars will be saved in recurring, annual, administrative costs. More important, since intellectual property is linked to an organization's competitive advantage—its brands and trademarks—the improved process will protect its most critical assets.

*Go to [www.kepner-tregoe.com](http://www.kepner-tregoe.com) to learn how other individuals and organizations achieve their objectives using KT processes.*

