

# IP infringement risk management

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How can a  
business manage  
IP infringement  
exposure?

# Key areas

- Intellectual property – how does it work?
- Know your market place
- Freedom to operate
- Contractual risk management
- IP insurance

# Intellectual property – how does it work

## Patent

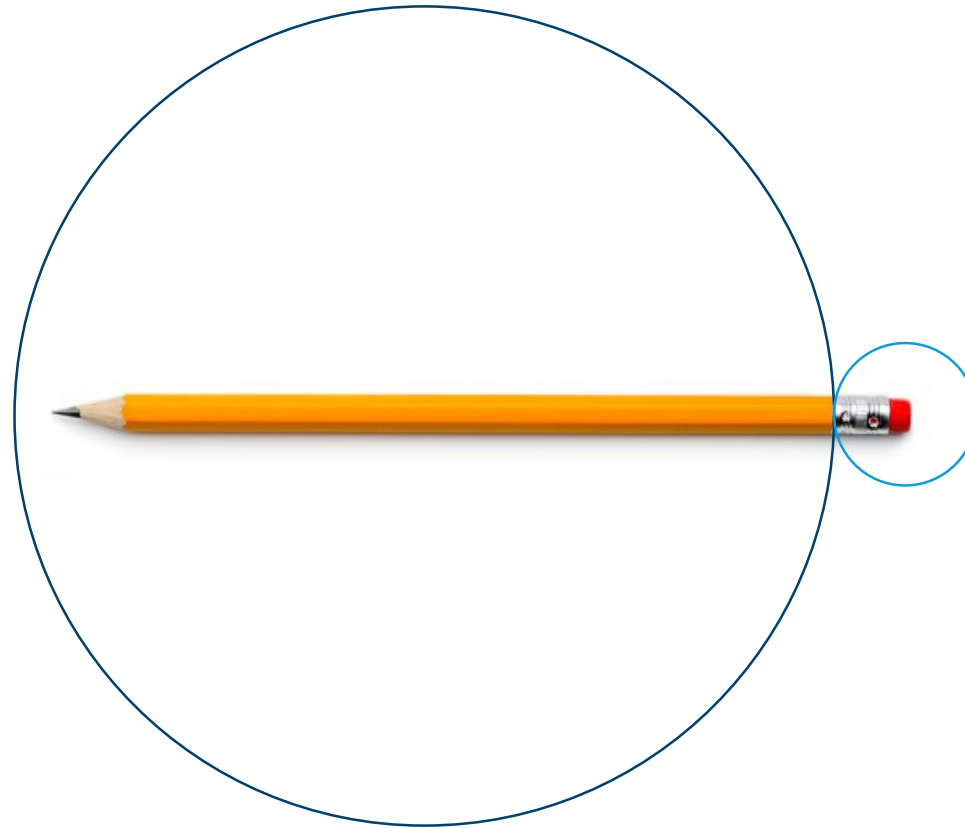
- Exclusive rights to make, use or sell an invention
- Therefore excluding others from making, using or selling an invention

# Traditional pencil



- Your patent rights
- Other patent rights

# Traditional pencil



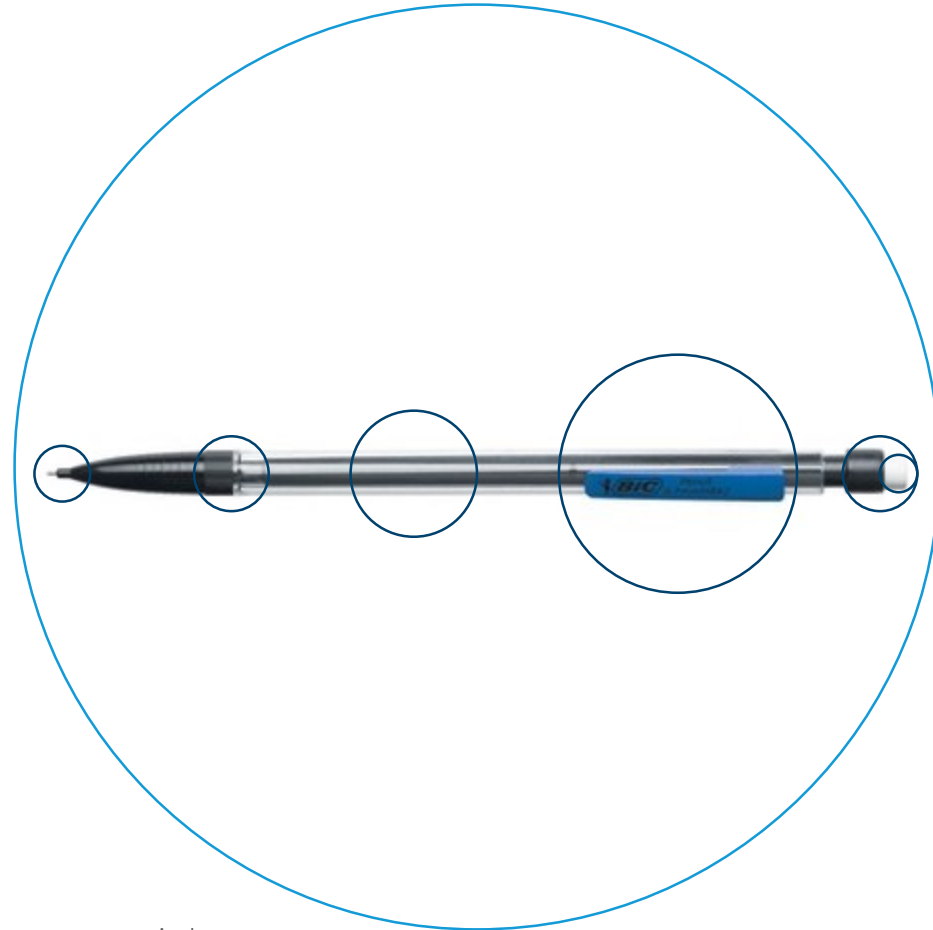
Your patent rights     Other patent rights

# Mechanical pencil



- Your patent rights
- Other patent rights

# Mechanical pencil



Your patent rights     Other patent rights



# Know your marketplace

- The 'landscape'
- Who are your competitors?
- How do you monitor your competitors?
- Which IP rights exist in your technology area?
- What is your IP registration strategy?

# Freedom to operate (FTO)

- An analysis carried out by a patent attorney / law firm
- Do you have 'freedom to operate'?
- Analyses a technology area

# Freedom to operate

## Example

- The Kids Toys and Games Company want to launch a new children's toy in three countries
- They approach a law firm to perform an FTO search for them
- The law firm looks at the patents that are active in these three countries
- The FTO search reveals patents which could be infringed by the proposed new product. They have a few options:
  - Design around
  - Purchase the patents
  - Licence the patents

# Contractual risk management

- IP ownership clauses
- Warranties and indemnities for IP infringement
- Technology licences – Standard essential patents

# IP insurance

- IP insurance can form part of the client's IP Risk Management
- Contractual indemnities can be insured
- Access to experienced claims handlers and lawyers

# Summary

- Risk management reduces likelihood of IP infringement
- Risk management cannot prevent IP infringement:
  - Sheer volume of IP rights
  - Spurious allegations

# Please contact us if you have any questions

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We are planning more webinars over the next few months. Please let us know if there is a topic or terminology that you would like us to explore in these webinars.

