



IPOTENTIAL NEWSFEED

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IP MONETIZATION

Intellectual Property (IP) has long been acknowledged as an asset of any enterprise but how often has that asset been put to full use in terms of monetizing it? As a form of proprietary technology, IP is worth protecting and safeguarding, the same as any other valuable corporate asset. But protection on one's IP isn't enough, it is also important to profit from that patent, making it generate income as any physical asset one may possess.

Monetizing IP is basically the process of deriving value from the process of development of the technology, a return on innovation so to say. In today's competitive market of ideas and developing technology it has become a standard practice for companies to monetize their most valuable assets of the knowledge economy.

How does one monetize their IP? The methods are varied and depends on the nature and business model of the company.

Operating companies can monetize their IPs by exploiting them via licensing to other entities that may require the use of the technology in their businesses. A company with a sizable patent portfolio can

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generate large amount of revenue from this method even without actually making use of the patent itself. Companies that hold patents but do not actually produce anything with it are called non-practicing entities (NPEs). Though NPEs have recently come to be viewed in a bad light due to unscrupulous business enterprises that have target all and sundry with lawsuits for infringements, it is still a valid method of monetizing one's intellectual property.

Other methods of monetization include enforcement action against infringers of their IPs, either taking it through the courts or settlements. Some companies, notably practicing entities, find that as changes in their business initiative occurs, its IP becomes less valuable but potentially valuable to others. Thus it may be more profitable and practical for these companies to sell off those patents that no longer directed to their core-technology area. Doing so may generate income to further develop other business areas and possibly reduce operational cost in maintaining the patents itself.

It thus makes it apparent that with the different methods of monetizing one's IP available, it is for the individuals, the inventors and entrepreneurs; the researchers and developers to ensure their ideas, their creativity and innovations are suitably protected in the first place so that they may then monetize on their intellectual property. Ensuring a return on their intellectual investments.

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