

GJE is a top-ranked firm of intellectual property attorneys helping clients of all sizes to identify, protect and manage their IP assets.

Investors

RESEARCH shows that carrying out good due diligence results in fewer failed investments. For many companies, IP contributes a significant amount to their valuation, so understanding the IP prior to making an investment is critical. We have substantial experience in advising investors who are evaluating investment targets. Having acted for many successful companies during IPOs or trade sales, we understand the requirements at later stages of funding and exit, and so are well placed to offer continuing IP advice to maximise the value of an initial investment.

GJE has a dedicated investor group, focused on understanding the needs of today's investors and developing services to meet those needs. We are members of BBAA, BVCA, IoD and numerous business angel and business incubator networks.

WHAT WE DO

- Development of IP strategy and "investor readiness" aligned to an investee's business or exit plan
- IP due diligence for transactions/fundraising
- Competitor landscaping, IP searches and freedom-to-operate opinions
- IP audit to clearly identify IP, its ownership and value
- Brand and domain name protection

IP DUE DILIGENCE – CLIENT EXAMPLES

The following are just a few real-life examples of IP issues which had a significant impact on the investment process:

- The importance of the IP to the future success of the company was oversold leading to a significant devaluation of the company when it became clear the IP was not as strong as first asserted.
- The IP was not related to the current business plan and therefore of no apparent value (despite assertions to the contrary to support the valuation of the company) but still represented a significant ongoing cost.
- The company had no coherent internal policy for identifying and protecting innovation at an early stage. As a result, the opportunity to protect a particular innovation said to be key to the success of the business had been missed.
- No international novelty searches were conducted on new patent applications within the first year and so the investors had no evidence to support the assertion made by the company that strong patent protection was available for the technology – a key factor in the pre-money valuation.
- Unsophisticated patent filing strategy effectively delayed the grant of any US patents, to the detriment of the ability to attract US-led investment.



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- The patent applications were not written with the business plan in mind so the patent claim structure was inadequate to support the planned exploitation of the technology.
- No on-going watch of published patent applications or patents by competitors had been put in place to give an early warning of risks. A simple infringement search revealed several infringement risks. This held up the investment process for several weeks and seriously undermined the value of the company.
- Plans to exploit the IP were incompatible with existing agreements with third parties involved in joint R&D on key aspects of the technology. Joint ownership of inventions can limit the ability to fully exploit the IP. In this case, the planned trade sale to a major company was a wholly unrealistic exit strategy.
- The company was not free to use its trade marks in the US so a new name was required. This arose from a failure to check at an early stage whether the trade mark could be registered and used in the US. Where branding is important it is not sufficient simply to obtain a UK registered trade mark and assume you can do the same elsewhere. Getting the trade mark strategy wrong can be very costly and disruptive.

All of the above should have been foreseen by the companies involved but were overlooked, largely because they didn't have a systematic approach to the development and implementation of IP strategy.

GET IN TOUCH

The hidden risks of IP can have an enormous commercial impact for both investors and companies alike. Managing IP risks and developing an explicit IP strategy that deals with these risks in a cost-effective and responsible manner, will repay itself in the longer term. Please get in touch to discuss your business and its IP.

WHAT CLIENTS SAY

Struan McDougall
CEO, Cambridge Capital Group

“As GJE are one of the leading international patent attorneys we are very pleased that they have agreed to be one of our core corporate partners. Our investor members appreciate the IP insights we derive from their active involvement and our investee companies are getting the best advice on securing their patent portfolios”.

Alastair Morrison
previously Director,
South East Asia, 3i Asia
Pacific plc)

“GJE assisted in a complex patent assessment for a young SE Asian company. Their work resulted in a re-organisation of the patent strategy and a more coherent approach by the company to its future patent applications.”

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The logo for Gill Jennings & Every LLP, featuring the letters 'GJE' in a bold, white, sans-serif font on a dark blue background with a white diagonal stripe.