

Using IP Searching to Augment Market Research

In a marketplace such as New Zealand, we are physically isolated from most of our international competitors and therefore need to utilise every tool at our disposal to ensure success in the global marketplace.

Strategic use of Intellectual Property

One such tool is the strategic use of intellectual property (IP) information, which can supplement your own market research. While many businesses are usually well informed as to the current state of the market and what their competitors are presently doing, it is difficult to ascertain what the future may hold, and thus your research focus. The use of IP information can provide you with the leverage to make informed business decisions regarding your current and future research focus.

The filing of a patent application represents the culmination of the research and development efforts of the inventors. Regardless of whether the application is part of an ongoing project or not, it does represent a snapshot of the current research being undertaken by a company.

Indication of future market direction

The current state of research (as exemplified by a patent application) is not always indicative of a company's current market output. It is very rare that the technology that is the subject of a patent application is ready to enter the market once the patent application has been filed. It usually takes several months or even years before the company is ready to launch their product.

Thus, by closely reviewing the particular details of a patent application by a particular company, it is possible to get an indication of the future market direction of that company. You may be able to position yourself accordingly, whether by commencing a research program of similar focus to your competitors, or by avoiding that particular market altogether.

Available information

So what information about the patent application is readily accessible? As a matter of course, in most countries, including New Zealand, basic bibliographic details associated with the patent application are published upon filing.

It is important to appreciate that in most countries the contents of the patent application, the "complete specification" [the document that fully describes the invention], is not usually available until at least 18 months after filing. New Zealand is a little different, in that the complete specification is not available until the patent application has accepted by the Intellectual Property Office of New Zealand.

Nonetheless, the basic bibliographic details of the patent application can be a treasure trove of useful information, and provides a degree of knowledge as to the intentions of competitors.

Probably the single most valuable detail that can be extracted from the information that is publicly available is the International Patent Classification code or IPC. The IPC is a classification system used by Patent Offices worldwide to classify the invention according to its technology. In many respects, it can be a particularly detailed breakdown of technology. While it may not be able to provide an indication

as to the particular details of the technology, by knowing the IPC of a patent application, one can determine its approximate subject matter. The bibliographic details also list the inventors of the patent application. With a little research, it may be possible to determine their research speciality and thus the potential nature of the patent application.

Some countries make correspondence between applicant and their respective Patent Office publicly available. Examining these allows you an insight into the important aspects of the invention being patented, and how the patent office is treating your competitors' patent application.

Where you should focus your research

The judicious use of this IP information allows you to make informed decisions as to what and where you should focus your research. In many instances, it may not be beneficial to invest research and development funds into a technology area into which your competitor is already devoting some effort.

Instead, you could identify and potentially exploit a new technology area that has been overlooked by your competitors. This not only makes your spending on research and development more efficient, but potentially allows you to identify technology that may become your edge in the market by virtue of being the first to exploit and possibly protect the technology.

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