Foreword

The Covid-19 pandemic caught the world by surprise with such force that it briefly fell into a state of shock. It quickly became apparent that we would only survive the global crisis through the active involvement of the entire population. While there is arguably never an ideal time for a global crisis, some would contend that today’s innovative and digital companies are well placed to address the unique challenges we face. Never before have innovative start-ups joined forces with both investors and established companies to have such a dramatic impact on world affairs. Together, the advances they have achieved in medicine, technology and cybersecurity are charting a course out of the pandemic with extraordinary speed.

The recovery in the venture capital space has been particularly evident. Despite the significant uncertainty initially experienced in the market, transactional interest in highly innovative technology businesses quickly resumed across all sectors. The volume of invested capital in specialized funds is once again rising rapidly. Established companies are also increasing their investments in (disruptive) start-ups.

For individual start-ups in the process of raising capital, innovation has taken centre stage. However, other factors can attract investors and reduce the high risks that come with investing in a start-up. Protecting existing technology and intellectual property (IP) through copyrights, patents, licences and trademarks plays a prominent role in this regard. IP rights can help to make the value of a business more apparent to investors. They also create new tangible assets that can be independently valued by investors.

This book illustrates how IP protection – especially in the early stages of a business – helps to create both competitive advantages for start-ups
and security for institutional investors and investment firms. The authors draw on many years of experience from their own start-up, consulting and supervisory board activities. They not only raise awareness of IP, but also give clear instructions on how to build an IP strategy. To this end, various categories of IP – in particular, the different types of IP rights (eg, patents, trademarks, designs) – are described. Later in the book, the hypothetical example of a medical technology start-up is used to demonstrate how young companies can implement IP strategies to protect them against loss of rights and loss of control and financial damage. Other examples – including the influence of employee inventions and a spin-off from a university – are shared to further explain the development of IP rights. Finally, recommendations are given on how start-ups can value and account for IP rights and position them as additional assets in negotiations with investors.

I wish all founders, investors, lawyers and interested readers much enjoyment in discovering how IP strategies can be successfully integrated into start-ups.

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