



How SAP's IP Counsel Drives Strategic Decision Making Using LexisNexis PatentAdvisor®

The PatentAdvisor™ tool is allowing a global software leader to maximize the efficiency of its patent prosecution activities.

At a glance

Customer

SAP

Requirements

- Foster swift and cost effective patent prosecution process
- Monitor competitors and ensure portfolio is well managed and protected
- Steer applications into the right art unit to ensure a high likelihood of allowance
- Help attorneys understand when to stop and when to continue patent prosecution
- Measure performance of outside counsel

Solution

With PatentAdvisor, SAP leverages key insights to guide prosecution strategy, prioritize their prosecution spend and manage outside counsel more effectively, ultimately enabling them to maintain competitive edge through innovation and succeed in a rapidly digitizing business environment.





SAP

One of the world's leading enterprise application software providers, SAP has 105,000 employees from more than 140 countries and serves a global network of customers that collectively generate 87% of total commerce worldwide. SAP started life in 1972, when five entrepreneurs in Germany—Dietmar Hopp, Hasso Plattner, Hans-Werner Hector, Klaus Tschira, and Claus Wellenreuther—came together to explore the business potential of technology. In recent years, the company has ushered in a new era of cloud-based services, helping enterprises to become intelligent, networked, and sustainable by running integrated, digital business processes in the cloud. Today, with more than 400,000 customers, its advanced technologies—from machine learning, Internet of Things, and advanced analytics technologies to its end-to-end suite of applications and services—help companies of all sizes and in all industries run better, improving people's lives.

"We have over 100,000 employees so there are always a lot of ideas emerging—that keeps us busy."

Rob Chee, IP counsel at SAP

Innovating in a fast-moving digital landscape

On May 10, 2022, at its SAP Sapphire conference in Orlando, Florida, SAP announced a wave of innovations in four key areas of business: supply chain resilience, sustainability, business process transformation, and no-code application development (which enables the creation of application software without coding expertise).

The innovations announced that day ranged from mobile apps—such as the SAP Warehouse Operator and SAP Direct Distribution mobile apps—to cloud-based tools that help customers reduce the carbon footprint associated with their products.

As the event demonstrated, innovation is at the heart of SAP's ability to maintain its competitive edge and continue to provide what its customers need to succeed in a rapidly digitizing business environment. "That's what keeps what we do pretty exciting, because things are changing constantly," says Rob Chee, IP counsel at SAP.

Since 1972, when SAP was founded, technological change has been constant, rapid and has touched almost every type of business—large and small—in every part of the corporate sector. "SAP has been on an accelerated path to transition to the cloud, which has meant development cycles are shorter and faster so customers can immediately realize the benefits of our innovations," says Chee. "That's the biggest thing that has been

going on over the past 10 years.”

For a company like SAP, rapid change means paying close attention to intellectual property. The company not only needs to keep an eye on what its competitors are doing but it also needs to ensure its portfolio of innovations is well managed and protected. “We file a lot of patents every year,” says Chee. “So, it is very important to ensure our resources are being spent in areas that are important to us and will be effective.”

A solution to patent prosecution challenges

Given the rate at which companies such as SAP innovate, ensuring that the patent prosecution process is conducted as swiftly and cost-effectively as possible is essential. Six years ago, when SAP started using PatentAdvisor, it had been looking for tools that could help the company do this.

“One of the challenges we were facing,” explains Warren Ma, IP counsel at SAP, “was that we wanted to make sure we were spending money in the most efficient way possible with regards to patent prosecution.”

This is not easy. Filing an application for a patent with the United States Patent and Trademark Office (USPO) takes a long time—often several years. Moreover, different art units (teams of examiners within the patent office) have different allowance rates (the rate at which they issue patents).

To give their innovations the best possible chance of being granted patents—without spending too much time and money—companies like SAP need to gain an understanding of why an application ends up in a particular art unit. This could have a significant impact on whether an application for a patent will ultimately be granted.

“Some art units have higher allowance rates than other art units,” explains Ma. “So it’s really important for us to steer our applications into the right art unit to make sure we’re more likely to get an allowance.”

For SAP, the solution was PatentAdvisor. With

the tool providing detailed art unit and examiner statistics, patent attorneys like Chee and Ma can quickly and easily see data on different allowance rates, prosecution lengths, appeal statistics, and other essential metrics. “If, for example, we know we are dealing with a difficult patent examiner with a really low allowance rate, we’re likely to cut prosecution off a bit earlier and not throw money at something that’s not going to end up in an allowance,” explains Ma.

The tool also helps SAP’s patent attorneys make more-informed decisions about strategies to take during a prosecution process. By integrating the PatentAdvisor solution with SAP’s database, the company’s patent attorneys can extend the tool’s search features using internal metadata. Using this information, the company might, for example, decide to extend prosecution or even file an appeal. Both involve additional costs and take longer. But by using PatentAdvisor, attorneys can decide whether the investment of time and money will pay off in the end.

“It takes so long and costs so much, and we all have a limited budget,” says April Meng, a legal operations expert at SAP. “That’s why we need access to data that helps attorneys know when to stop and when to continue.”

Tracking law firm performance

As well as giving SAP data on which to base patent prosecution strategies, the PatentAdvisor tool gives the company another data set that is particularly valuable: statistics on the performance of outside counsel. “Prior to using PatentAdvisor, we would try to pull up some of these statistics but PatentAdvisor has allowed us to look at many more things,” says Chee.

The data ranges from the number of interviews firms conduct with examiners and the percentage of cases firms get allowed to whether they submit items to the patent office in a timely manner, the percentage of cases they send to appeal and firms’ success for these appeals.

“Not only can we look at our performance outcomes for each outside counsel, but we can also use

PatentAdvisor to benchmark these results against the performance outcomes our outside counsel provides to their other clients. This comparison has helped us adjust our outside counsel guidelines,” explains Sunjay Mohan, head of patents and trademarks at SAP. Having access to this data and providing its firms with an annual service level report, SAP can keep outside counsel on its toes.

Finally, Chee says, SAP can use the data to analyze its own performance, helping the company do something it prioritizes across all its operations: to strive for continual improvement. “When we see our own prosecution examination statistics, it helps us put a number on these processes and see where we can do better.”

“Before, using analytics was seen as delivering a competitive advantage. Now it’s at the point where it becomes a huge disadvantage if you don’t use analytics.”

Rob Chee, IP counsel at SAP



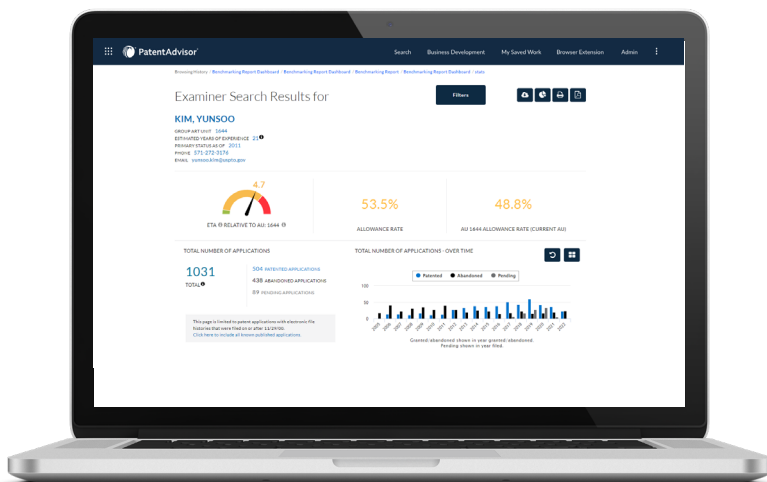
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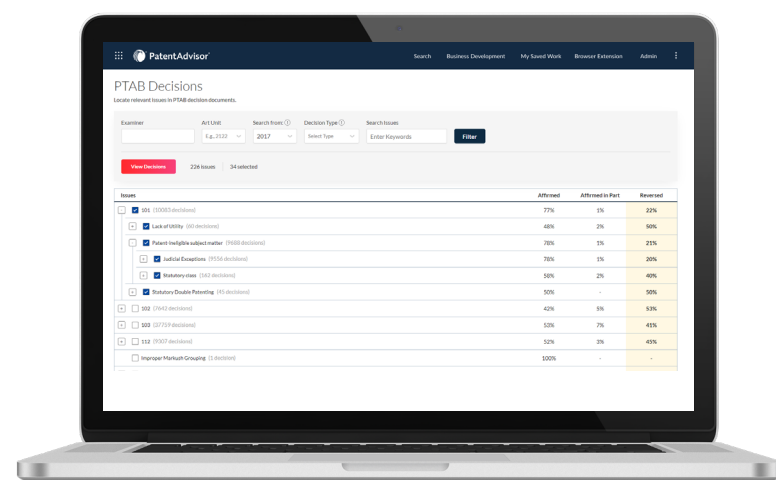
- Includes all pending applications
- Factors in how long the examiner has been at the patent office
- Is driven by the examiner's behaviors, not by the filer's actions



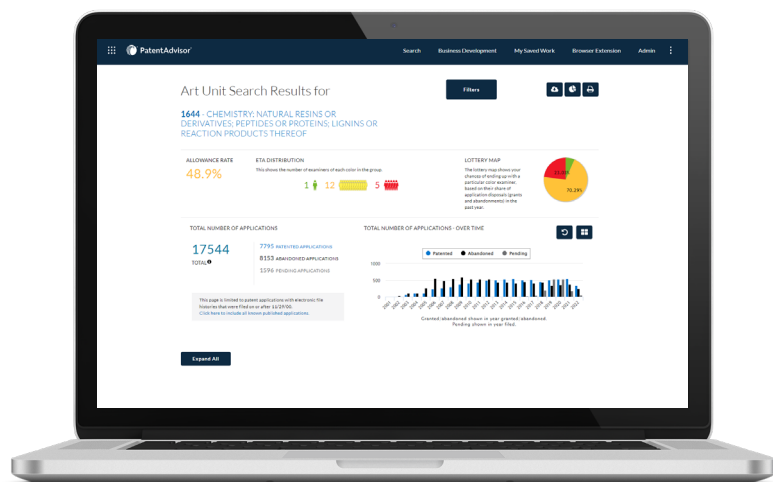
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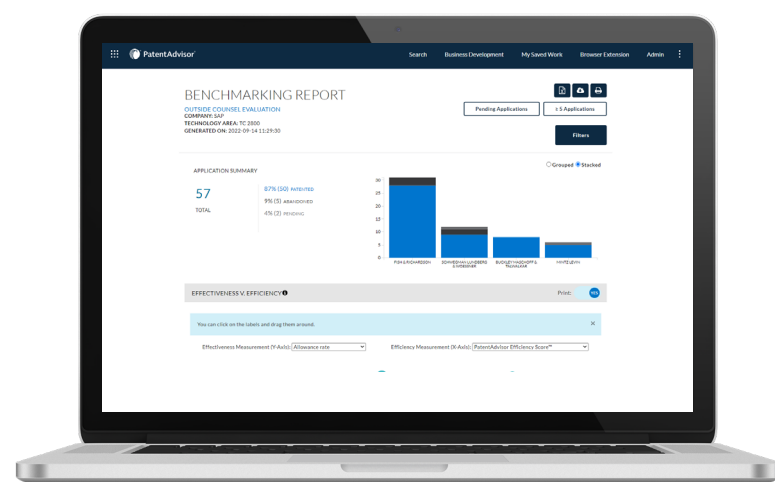
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