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Texas – Legal Service Providers

Helping Intellectual Property Professionals Manage Their Spend

The Editor interviews Domenic A. Leo, Vice President, Intellectual Property Business Development, DataCert, Inc. Headquartered in Houston, DataCert serves more than 6,300 customers, many of them Fortune 500 companies.

Editor: What is your background and how did you get involved in the legal spend management industry?

Leo: My background builds on the depth

Domenic A. Leo has more than 20 years of experience in the intellectual property (IP) arena. As DataCert's vice president of intellectual property business development, he is responsible for creating IP functionality for DataCert customers and developing long-term strategies for the company's IP efforts. Previously, he served in various senior management roles at Master Data Center, a unit of Thomson Scientific Healthcare. Most recently, he served as the vice president of professional services and best practices and was responsible for overseeing the intellectual property management firm's professional services and best practice organization. He is a member of the Michigan Bar and American Bar Association and serves as chair of IP for the Uniform Task-Based Management System (UTBMS). He also participates in the International Trademark Association (INTA), the American Intellectual Property Law Association (AIPLA), the Intellectual Property Owners (IPO), the Licensing Executives Society (LES) and various other intellectual property organizations.

and breadth of my experiences related to the legal profession and intellectual property management. I began my legal career in private practice and then worked as an in-house counsel for a large savings and loan association. I also worked for an IP software and services provider for 17 years overseeing the firm's professional services and best practice organization. I advised clients – many of whom were *Fortune* 100 corporations – on how to gain more value from their data. As a matter of fact, several of my clients who were looking for electronic invoicing solutions to integrate with their IP management databases introduced me to DataCert.

Editor: How does the process for IP electronic invoicing differ from other legal electronic invoicing processes?

Leo: The management of intellectual property entails more matters, more invoices, more firms and a greater geographic spread than other legal functions. On average, for every firm advising a company on legal functions there are eight firms advising that same company on IP functions. For the number of matters, the multiplier often exceeds a ratio of 25 to 1. From a geographic standpoint, a large corporation will proactively work to protect its intellectual property in all of its global markets unlike most other legal functions.

In a corporate environment, managing an IP portfolio entails filing and formalizing intellectual property protection, as well as litigating enforcement actions.

The preparation, prosecution and maintenance of IP are a very different process than litigation. When you manage an IP portfolio, you are creating and maintaining assets on behalf of the corporation. The manager in charge of an IP group is responsible for not only maintaining the IP portfolio but also managing the costs associated with maintaining that asset.

The IP manager has two responsibilities related to electronic invoicing for IP matters. First, all invoice amounts need to be reviewed for accuracy based on the performed tasks. Second, companies can derive information by aggregating invoices as part of the IP portfolio's cost-benefit analysis. For example, has preparation of patent filings cost more for one type of innovation within the company than others? Invoice data can be analyzed electronically to help the IP portfolio manager determine what type of costs the company wants to incur to protect and cultivate its IP assets.

Editor: What are a few features that DataCert's Advanced Invoice Management System (AIMS) offers for intellectual property business management?

Leo: AIMS IP includes automated invoice workflow, financial reporting, multiple currency capability and integration with IP management and matter management systems, accounts payable and other home-grown systems. Most importantly, AIMS IP can accommodate multiple business workflows and integrate with multiple matter management systems – all in a single installation. AIMS IP also

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places all invoice data securely behind the corporation's firewall, which reinforces a compliance process.

Many lawyers perceive invoices as being simply a process of payment for legal services rendered. An invoice is received, it is paid and that's the end of it. This antiquated perspective focuses on the efficiencies of replacing paper with electronic processing, but it doesn't contribute to meaningful management of legal spend.

Invoices are received for a great variety of legal services. To gain more value from the data embedded in the invoices, workflows need to be segregated and handled individually. This is one of the many things that AIMS does remarkably well.

Editor: Can an IP portfolio manager tailor the AIMS IP fields to reflect his or her company's e-billing and workflow preferences?

Leo: Yes. The AIMS IP fields can be customized with great ease. Data can be presented on invoices or analyzed based on the business units responsible for a particular IP asset, the type of IP asset, the date or numerous other criteria. We also offer IP experts who are dedicated to working with each company's global network of IP agents and law firms. Our sophisticated implementation team helps companies transition to AIMS IP's automated invoicing system. We then provide recommendations on how to effectively assign fields based on best practices and the company's specific needs. I am not aware of any other electronic invoicing and legal spend analysis provider offering this type of implementation service.

Editor: Why is it important to pay close attention to the type of information being gathered in the invoicing process?

Leo: Many problems that I have seen with legacy or first-generation e-billing solutions are a result of an incorrect implementation. In the absence of a sophisticated implementation team, the solutions were implemented without a comprehensive understanding of the IP environment. These facets include understanding the relationships between parent-child records in the IP matter management database or properly accounting for multiple filings in a single

jurisdiction.

DataCert helps our clients understand their electronic invoicing solutions from inception. We advise them on how to best proceed and then incorporate solutions for their particular needs.

At the inception, software applications and databases need to be scrutinized in three ways. First, they should be looked at from the perspective of the company's business needs. Second, the business processes associated with those business needs should be considered. Third, you should ask about what tools you need to streamline those processes to make them the most efficient. Selecting a tool without properly understanding the company's needs or processes increases the likelihood of a failed or ineffective solution.

At DataCert, when a client indicates an interest in the electronic invoicing solution, we first talk about the client's business needs. Once we understand the client's business needs, we help develop the associated business processes so that the business needs are addressed. As a final step, we help the client implement the appropriate tools.

Editor: How does data synchronization add value over time?

Leo: Many lawyers review invoices on an ad hoc basis. If they have implemented their electronic invoicing system correctly, they can synchronize the data in their IP management system with the related costs so they can analyze trends over time. One of the beauties of AIMS IP is that the cost-benefit data will be available when it is needed, where it is needed.

Editor: Does DataCert have extensive experience in electronic invoicing and legal spend management solutions?

Leo: Yes. We understand complex integrations and have gone to great lengths to configure legal spend management solutions with each law department's unique needs. Since 1998, we've completed more than 80 corporate implementations – most of them with *Fortune* 500 corporations. Counting 99% of the AmLaw 200 in addition to our corporate clients, DataCert has more than 6,300 customers around the globe.

Editor: You mentioned that Data-

Cert's customers are located around the globe. What features help a legal department deal with foreign currencies?

Leo: AIMS IP features a foreign currency capability, which permits in-house counsel to view, edit and approve invoices in more than 100 different currencies. By providing conversion into multiple currencies, AIMS IP allows corporations to accurately examine and process invoices on a worldwide platform.

Editor: What are some add-on capabilities that a company could consider to enhance the value of its electronic invoicing and legal spend management solution?

Leo: AIMS IP Analytics provides a business intelligence tool that extends beyond your run-of-the-mill report templates. Based on online analytic processing (OLAP) applications, the reporting supports multiple data sources and field types. Ultimately, it enables law department staff to receive detail-specific reporting that identifies financial, operational and firm-transaction billing trends.

AIMS Guide is another option for add-on capabilities. AIMS Guide provides an advanced rules and compliance engine that automates actions based on pre-determined client business rules.

Editor: How flexible are the reports generated by AIMS IP?

Leo: Reports are delivered either on an ad hoc basis or by scheduled automatic generation and delivery. The reports can incorporate a variety of options such as invoice charges, hours billed, docket budgets and general legal spend parameters.

We designed AIMS IP Analytics so that reports can also be distributed to individuals or designated groups both inside and outside of the corporation. This allows staff to share actionable legal spend reporting with senior management and outside counsel. Reports can be created in common formats such as Microsoft Word or Excel.

When managing a global IP portfolio, it is often helpful to compare prosecution costs from country to country. AIMS IP enables users to include foreign filing designations so that they can adjust their portfolio based on their cost analysis from jurisdiction to jurisdiction.