

The New GOLD INTELLECTUAL PROPERTY



Rob Gullette, vice president of Intellectual Property Management.

Intellectual Property Management protects and leverages what belongs to Boeing

By DOUG KINNEARD

Most people think of intellectual property (IP) as a scientific invention, a trade secret or a proprietary process.

According to Rob Gullette, intellectual property is the variety of ideas, inventions, discoveries, artistic works, trademarks, and other creative products of the mind that come from Boeing employees worldwide.

Intellectual property is like gold to a high-technology aerospace company such as Boeing.

It needs to be recognized as such and properly safeguarded, says Gullette, vice president of Intellectual Property Management, one of the three divisions that make up Engineering, Operations & Technology. The others are Phantom Works and Information Technology.

His job is to make sure that Boeing aggressively protects and leverages its intellectual resources worldwide, now more than ever.

Managing the vast world of intellectual property at Boeing is a considerable challenge for the IPM. It changed its name from Intellectual Property Business in March to highlight its management role strategically protecting and leveraging Boeing intellectual property through collaborative relationships with the business units. IPM also manages the company's patent portfolio.

Many employees could cite examples of intellectual property (IP) more easily than they could define the term.

Although it is often associated with engineers and R&D in Boeing laboratories, IP comes from many other sources, including sales and marketing, manufacturing, customer support, photo and video productions, and e-commerce business. IP rights subsist in engineering drawings, computer software, operator manuals, customer lists, images, motion pictures, sound recordings, logos and product icons, business processes, and even the very shapes of products and objects that are unique to Boeing. "Boeing's products and services cross so many diverse technology and process areas that the scope of its intellectual property is almost limitless," says Gullette.

IP interfaces with business units

Support for IP at Boeing evolved over the years. The IPM unit was formally created in 2001 to capitalize on competitive business advantages. IPM is engaged with the three business partner groups that support Boeing Commercial Airplanes; Boeing Engineering, Operations & Technology (EO&T), and Integrated Defense Systems.

"Our IPM teams partner with Boeing business units to complement and strengthen their business plans," Gullette explains. Chuck Cruit, based in Philadelphia, is the business partner to IDS. Luis Valdes, in Seattle, is business partner for BCA, and Bob Nadalet, in Irvine, Calif., is the EO&T business partner. Each director runs a virtual organization that draws on the resources of a common set of IPM functional partners that provide services across the company. These focus on patent portfolio management, internal and external awareness of Boeing IP, and compliance with IP contracts.

"Our business partner teams provide support to business units by helping them identify, protect and leverage their intellectual property to achieve their business objectives," says Cruit. He's been with IPM for eight years, and he has worked on IP issues in various contracts and government relations assignments since 1989. "Our IDS Business Partner program provides a variety of services to IDS, including technology, product, and aftermarket support; licensing; IP strategy consulting; and IP awareness training."

IPM recently helped IDS establish three new licensing agreements that will strategically support its products and provide \$9 million in royalties. These include an agreement for data needed to provide spare parts and maintenance services for Chinook helicopter landing gear, another for marketing next-generation parts-marking technology to the U.S. government and its commercial suppliers, and a third for a process to refurbish rotodomes of international AWACS aircraft.

"Licensing technical data has played an important role in BCA's strategy to provide operators of its commercial airplanes with competitive choices in the aftermarket," Valdes says. "Through established licensing programs, BCA facilitates use of Boeing IP by product and service providers around the world."

Other carefully chosen agreements are in the works with partners, suppliers and individuals.

In addition to technology licensing, the EO&T business partner is responsible for patent sales, consumer products, and image licensing. It works closely with Phantom Works. "Our group operates across the enterprise in many different venues. It often supports licensing arrangements that serve strategic rather than revenue purposes," says Nadalet.

IPM was formed to assist Boeing in becoming an IP-centered culture, Gullette points out. "We're increasing protection of Boeing IP through our patent application and awareness initiatives. We have a Web-based process for managing permissions to use the Boeing icon. We oversee licensing agreements with other companies that use our IP. We also are building a Web portal for easy access to a library of digital images and footage of Boeing products. That will enable us to track and pro-

tect these copyrighted assets when they are licensed to outside news, education, and commercial users."

What does protecting and leveraging Boeing IP mean?

For IPM, protecting Boeing intellectual property means strengthening the link between enterprise R&D spending and the management of new company patents. This closer examination helps IPM sift through Boeing inventions, patents, and trade secrets for intellectual property that can lead to new revenue streams. This is the financial leveraging of Boeing IP.

Jan Weiser, IP Protection and Training (IPP&T) manager, explains that by knowing the processes to follow, teammates can provide the first line of defense in protecting intellectual assets. IPP&T helps employees recognize the importance of Boeing IP. Training is provided to engineers, business management, and supplier-partners, both government and commercial.

An IP Enforcement and Audit group within IPM is stepping up efforts to detect and deter infringement of Boeing intellectual property, including trademarks and copyrights. Enforcement and Audit contributes to protecting the business units' IP assets, and it generates additional revenue.

"When a Boeing aircraft maintenance manual appears for sale on eBay, it may be an infringement of the Boeing copyright subsisting in those materials," says Bob Bush, IP Enforcement and Audit manager. This type of illegal activity is pursued by Boeing on many levels, he explained.

The leveraging of assets, for IPM, means finding new ways to capitalize on specific intellectual assets. IPM deals with such things as select licensing agreements and the seeking of patents in the United States and other countries. This involves the services of a broad array of patent professionals and outside legal experts who act as force multipliers. In some cases, leveraging Boeing IP includes selling the company's nonstrategic patents.

"Through patent portfolio management, we work with the business units to identify the technologies that will be important to the success of the company, and then obtain patents on key inventions in those technology areas," says Yen Yee, director of Patent Portfolio Management. "Patents are long-term enterprise assets. So we tend to look ahead five to 10 years to determine how the patent portfolio ought to be shaped," says Yee.

Licensing agreements – partnerships with companies outside of Boeing – develop and leverage select elements of Boeing's pool of intellectual property and generate new revenue. Licensing complements Boeing's core business and plays an important role in providing products and services to customers.

More about IPM is available at <http://ipb.web.boeing.com> ■



A licensing agreement between Boeing and FutureWorks Group for a Boeing-patented system allows the U.S. Government and others to track more than 7,000 CH-47F Chinook helicopter parts.

BOEING PHOTO