

INTELLECTUAL PROPERTY

COMMERCIALIZATION AND LAUNCH PLANNING

Bringing an offering such as a product or service into marketplace is a substantial business accomplishment. Making that accomplishment profitable however requires commercialization and launch planning. Commercialization and launch are different. Commercialization planning is for making the offering and increasing profitability, whereas launch planning is for increasing exposure of the offering after it is ready.

Commercialization includes conceptualizing and defining a clear and detailed idea behind the offering. Specifically, a commercialization plan provides a succinct description of the proposed offering, its market potential and commercialization options. This includes the strategy to generate revenue, business opportunities and needed resources to capitalize on the business opportunities. Evaluating and determining if the offering is within the main expertise of the business allows for better preparation and risk assessment.

According to Harvard Business School, important considerations in commercialization plan for a company include customer needs and what needs the company seeks to satisfy, company skills and special competence in meeting those needs, competition for the company in meeting those needs, collaborators who should be enlisted to help the company, and context including cultural, technical and legal factors.

The commercialization plan explains the place of the offering in the market, and a statement that summarizes why a customer would choose the offering. Other considerations include customer sensitivity to price, economies of scale, production capacity and addressing competition.

And, before disclosure to others, protecting the intellectual property associated with the offering. Any commercialization plan should include strategy for protecting the intellectual property associated with the offering. This includes procuring patents, obtaining trademark registrations, instituting trade secret protection procedures, investigating licensing opportunities, etc. Detailed intellectual property portfolio management, including ensuring proper ownership of inventions are key considerations.

The commercialization plan also identifies sources of funding such as Federal government funding, investment organizations, strategic alliances, angel investors, venture capital investors, joint ventures, and others.

The plan further addresses production, distribution, marketing, sales, and customer support for the offering. Key aspects are defining a clear and detailed offering idea, pricing, sales plans and forecasting such as sales, operating income, return on net assets, capital expenditures, sales volume, sales quantities, and margins.

What is the revenue stream generation model? How is the offering



Michael Zarrabian

Concept IP | LLP

The Intellectual Property Law Firm
for Innovators

11601 Wilshire Blvd., Fifth Floor

Los Angeles, CA 90025

310.409-9920

mzarrabian@conceptip.com

www.conceptip.com

generating revenue? Through manufacturing and direct sales, licensing, servicing, sales through VARs, sales through distributors, joint ventures?

Launch planning includes promotion and increasing exposure after the offering is ready. What is the promotion budget? Which are the target markets and who is the target audience of promotions? What is the goal of the promotion? What is the messaging in the promotion? Which communications channels/means are to be used for the message? How will effectiveness of the promotion be measured?

And then there is timing of launching an offering in a competitive market, and geographical locations given the target customer landscape.

Here we have only touched the surface of the complex world of commercialization and launch planning. Seeking advice of experienced IP counsel early and often, can simplify the process with a clear strategy and network of specialists and resources.