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Total Asset Management
by Ryan Carson

Did you know that companies like Michelin, Levi Strauss and Intel consider their intellectual property their most valuable business assets? Further, the President of Coca-Cola has stated that the corporation's buildings, machinery, equipment, vehicles and physical property could all be destroyed, but that the business would have no trouble getting back on its feet, provided the intellectual property survived. And that according to the International Trademark Association, the average person sees or hears more than 1,500 trade-marks every day. Therefore the question business men and women need to be asking themselves is: are you capitalizing on total asset management?

Most business men and women recognize that a key to success is good management of their business' assets such as inventory, equipment and buildings. Unfortunately, many of the same business men and women neglect to manage the other intangible assets of their business such as corporate brands, product designs and manufacturing processes.

As you can well imagine there are many ways to protect and manage intellectual property assets but one simple and effective way to manage these assets of a business is by trademark registration. A trademark is a word, phrase or design that identifies and distinguishes a product from goods or services developed by other companies. The business product or service does not need to even exist to have a trademark registered. Two requirements of a trademark are that it must be i) distinctive and ii) not be confusing with other existing marks. The benefits of filing a trademark are many, but some of the most prevalent are as follows:

1. National Protection

A registered national trademark holder has priority nationwide when there are any conflicts between businesses with similar or the same names.

2. National Notification

When you file a federal trademark registration, all companies in Canada are considered on notice that you are using the trademark. They cannot claim ignorance once this application has been issued.

3. Increased Value for your Company

Trademarks are "intangible" assets that build the value of your company. If you decide to sell your business or to take it public, a trademark will add to your company's value.

4. Internet Web Address Protection

If someone tries to register a web address (domain) that infringes on your trademark, you may be able to shut down the website much more easily than if you did not have a trademark.

We encourage all our clients to look at their business assets, both tangible and intangible, and assess whether they are properly secured and managed so that they minimize their vulnerability and maximize their profits.

The foregoing is provided to you for information purposes only. We caution you to obtain legal advice specific to your situation in all circumstances.

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