



## Can employees be trusted with company IP?

*Research by the UK's innovation directory has found that over 40% of business owners are unsure whether they can trust employees with their company's intellectual property. The most common fear is that staff may try to use it for their own financial gain.*

As the Government continues to review the role that intellectual property (or IP) plays in promoting the economic growth of businesses, research by the UK's 'innovation directory' has highlighted company fears that staff may not respect the ownership of these valuable intangible assets.

[www.inngot.com](http://www.inngot.com), which helps organisations define, promote and value their intangible assets, polled a sample of 1,003 business owners in the UK and asked questions to determine how far they trusted employees with the intellectual property within their various firms.

When asked, 'Do you completely trust your employees with regards to the intangible assets within your firm?' a fifth, 21%, said they did not. A further 22% stated that they were "unsure" whether they could trust their staff entirely.

When those who said they mistrusted their employees were asked to expand on these concerns, the majority (54%) felt their employees could potentially 'use the intangible assets for their own financial gain.' For example, customer databases could be taken and used for their own benefit.

8% said they had concerns about employees taking the intangible assets to 'set up a rival business,' whilst 11% simply felt that their employees could 'give away trade secrets'.

The survey, conducted at the beginning of January 2011, also found that more than two-thirds of respondents (69%) were not convinced their employee contracts provided 'watertight' protection against IP being stolen or misappropriated.

Separately, to find out whether business owners had reason to be concerned by these findings, Inngot also polled 902 employees across the UK. When asked, 'If you left your current place of work, would you take company data or intellectual property for your own benefit?' over one-third of respondents - 38% - actively said that they would.

Martin Brassell, co-founder and CEO of Inngot, commented on the findings:

“Businesses may be surprised – and worried – to know that a significant proportion of their employees might have no qualms about taking valuable company property with them when they leave.

“The ‘intangible’ nature of these assets is part of their appeal, as it means they are highly portable. In general, the more you use IP and intangibles, the greater their value. However, this is only true if a company can exercise proper control over its own property. Many organisations don’t have policies in place to identify what assets they own, let alone safeguard them properly.

“We would recommend businesses ensure they keep proper records of all their key intangibles, so that these can be clearly referenced in company policies and employment agreements. This is particularly important where items are commercially sensitive, like trade secrets or customer records.”

LINK <http://www.inngot.com> that provides the structures needed for businesses to define their intellectual assets and ‘unlock’ their value through fundraising,

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If you require any further information please contact Shannon Haigh of 10 Yetis Public Relations on [shannon@10yetis.co.uk](mailto:shannon@10yetis.co.uk).

#### Editor’s Notes

- Inngot is based at Technium Digital in Swansea with a sales office at Milton Park in Abingdon, Oxfordshire.
- The website offers a service licensing, collaboration and sale.
- Basic membership is free: full membership costs £60 per annum: a Sollomon indicative valuation costs £195 (all prices exclude VAT).
- Inngot launched its first pilot programme in the South East in mid-2009 and added the Sollomon IP value indicator, developed with specialist input from leading business advisers Grant Thornton UK LLP, at the end of 2009.
- Inngot, Goldseam and Sollomon are all registered trademarks of Inngot Limited.
- ***Testimonial** - "The valuation process with Inngot was remarkably smooth and straightforward, especially given the number of variables in an IP valuation. This was in large part because of the excellent telephone support. The valuation we received tallied reassuringly closely with previous valuations we had already made and was extremely useful as an independent second source. I would therefore recommend Inngot to any firm looking to quantify the value of their IP assets." Peter Brewin, Director, Concrete Canvas*  
[www.concretecanvas.co.uk](http://www.concretecanvas.co.uk)

Case studies are available on request.