

CLIENT SPOTLIGHT

To Innovation and Beyond...

Managing and Protecting IP in the Semiconductor Space

Headquartered in Wilmington, Massachusetts, **Onto Innovation** is the fourth-largest U.S. semiconductor equipment manufacturer. The company makes a breath of products that include tools for measuring transistors and semiconductor components, tools for detecting defects in bare wafers and substrates during the manufacturing process, and lithography tools for advanced packaging. Onto Innovation also has a software business unit that develops and delivers a suite of AI-enabled software solutions for semiconductor manufacturing. The company's offerings help semiconductor manufacturers solve their most difficult yield, device performance, quality, and reliability issues. Onto Innovation strives to optimize customers' critical path of progress by making them smarter, faster, and more efficient.

Not surprisingly, when it comes to its intellectual property management, Onto Innovation is also looking for smarter, faster, and more cost-efficient solutions. Anaqua spoke with **Benjamin Brown**, Chief IP Counsel, Assistant General Counsel, at Onto Innovation about how he and his team are going about that.

For many corporate IP teams today, there is increasing pressure to 'do more with less'. How does your team at Onto Innovation manage that and what are your priorities?

Benjamin Brown (BB): You're right. It's all about working smarter and more efficiently with the resources you have. I'm currently the only IP attorney, working with two paralegals - one dedicated to IP and a second who has shared responsibilities with the broader legal team.

Anaqua's **AQX® Corporate** IP management platform has been instrumental in enabling our lean IP team to work more productively and effectively. Much of our initial focus has been on docketing and making sure we got that right – the right documents, the right information, all in the right places, and with a robust system to keep it that way. That was our immediate priority. Now we are also focusing on better spend management, using the AQX finance module to help track how much we're spending and where. To further enhance this ability, we added Anaqua's **Global IP Estimator®**, which enabled us to generate future-cost estimates for our patent and trademark applications worldwide and made the budgeting process much easier this year.



Cost control and planning is a major issue for corporate IP practitioners the world over, and will continue to be so. That's why it's important to review internal processes and resources for cost efficiencies, as well as to review outside vendors to ensure they're delivering value. When I joined Onto Innovation approximately three years ago, I initiated a review to formalize all the processes for IP and looked for opportunities to reduce costs. We ended up reducing overall costs by over 20%. As part of that review, we switched our annuity work over to Anaqua, which brought us significant savings on our previous two vendors and was a big win.

A: With your depth of experience across the semiconductor industry - including seven-and-a-half years working in IP for global semiconductor manufacturer Analog Devices before Onto Innovation - what do you see as some of the particular IP challenges for the industry?

BB: At Analog, I was with a company that made chips; now I'm with a company that makes the equipment to make chips. So I have quite a broad view of the market.

For me, the biggest challenges, both on the semiconductor chip side, as well as the semiconductor manufacturing equipment side are around the detectability of the patent, infringement, and business value. In our industry, it can be very difficult to prove that a competitor is infringing your patents. It can also be very expensive to build a case, which can involve engaging more than a dozen people to work on reverse engineering in an attempt to show infringement. Companies also have so many patents that it is uncommon to launch a lawsuit without getting a lawsuit back.

However, as long as you have an established and well-managed portfolio, you can usually enjoy a more peaceful existence and a good degree of freedom to operate. Patenting is important to maintain that freedom to operate, and to ensure that competitors can't copy those unique aspects that drive sales. Since there can be difficulty in detecting infringement, you need to be strategic in how you protect, how you claim, and how you work with the inventors so you can obtain a high-quality detectable patent without giving away your trade secrets.

The other challenge, although not unique to the semiconductor industry, is around business value. It's always tough trying to predict what technology is going to pay off. Things always look great and exciting when you're in early-stage R&D. You need to be diligent in monitoring the IP through the lifecycle and making pruning decisions where appropriate. It's a long game, though. Sometimes it can take as much as 10 years to figure out the value of the patent to the business, but then it could be a billion-dollar patent for the rest of its life.

A: Talking about business value, you've been closely involved in the Anaqua client working groups, which is one of the ways in which Anaqua seeks to add value to our customers' businesses. What has been your experience with the groups, and what value have you derived from them?

The Client Working Groups are a great initiative. They provide clients with an important forum for providing feedback and contributing to ongoing product development. This helps Anaqua to understand and address our challenges, and better meet our needs – which, in turn, enables us, the clients, to work better and bring greater value to own businesses.

I've been mostly involved with the financial management group. As I mentioned earlier, a key focus for me is spend management, and Anaqua has made great progress in this area, building up the existing finance module to significantly enhance the cost-tracking functionality. Also, Anaqua's acquisition of **Global IP Estimator®** last year was a good move as it enabled them to accelerate the development of this capability for AQX.

One thing I've been pushing for is using both historical data and average data in estimating IP costs. This needs further testing, but I believe we could get even more accurate estimates if we use a greater data pool. I think that's the next step for forecasting, and forecasting is critical for being able to budget, which in turn is critical to the operations.

What I've found over the years is that, if you want to be able to show that you need a budget increase, having a tool that's based on data and best practices of estimation is the most effective way to get your budget request fulfilled. It enables you to go to the CFO and say, "Look, we've run these various simulations, and this is what we're seeing. So if you want to increase patenting by 15%, this is the budget that is needed now, and this is what we're going to need over the next five years to make it happen."

As I'm working on increasing our Company's patenting levels, having this forecasting module in place is going to be very important.

Are there any other areas you are excited about on the AQX roadmap that you've been working on with the Client Working Groups?

BB: Yes. Getting a better perspective on how outside counsel or even inside counsel are doing using quantified metrics - being able to dive down into cost, combined with other factors, like timing. That's an important area we've been focused on and some of it is now available in **HyperView™**.

We've also been looking at Portfolio Management and the user interface, to make it more adaptable to and tailored for different user groups. Right now, there is one interface for paralegals and attorneys and everyone else, so, depending on your role, you might see different buttons and windows, but you don't have different displays of data for different people. I think it's important to have that more tailored approach as attorneys focus on different things than say a paralegal, especially when making strategic decisions. By the same token, it is also important that paralegals have a tool that is optimized to their needs as well.

The workspaces that Anaqua has developed have been a big help in this regard, so good progress is being made and I believe further enhancements to the workspaces are a key focus for Anaqua going forward.

Could you share what you enjoy doing outside of work ?

BB: I am coaching my daughter's track and field team, which has been a great experience. I am a runner myself, so it's fun to see both my daughter (and increasingly her younger brother as well) getting interested in running and enjoying races.

I also recently received my MBA from MIT, which was not only an interesting and rewarding experience but has led to me supporting the business in new ways, particularly by becoming more involved with government affairs.

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