
PERSPECTIVES

THE GROWING IMPORTANCE OF THE CHIEF INTELLECTUAL PROPERTY OFFICER:

A Strategic Imperative for the
Knowledge Economy



JS|HELD



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matter experts on current topics and emerging trends.

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Introduction

Discussion in the corporate boardroom is evolving rapidly. As the global economy has fundamentally shifted from one driven by tangible assets to one powered by intangible value, a new C-suite position has earned a seat at the table, a voice that is frequently regarded as essential for strategic leadership: the [Chief Intellectual Property Officer \(CIPO\)](#). This transformation reflects not merely a trend, but an economic reality demanding executive-level attention to [intellectual property](#) and intangible asset management.

The Economic and Strategic Need for CIPO Leadership

Ocean Tomo has been studying intangible asset value metrics in large cap size companies for more than a decade. Ocean Tomo's comprehensive [Intangible Asset Market Value Study](#) demonstrates that intangible assets command 90% of the S&P 500's total market value, a dramatic increase from just 68% in 1995.¹ This represents more than \$21 trillion in intangible value, fundamentally altering how businesses create, capture, and protect value.²

Our analysis at Ocean Tomo also reveals a similar trend among small and medium enterprises (SMEs), though SMEs typically follow slightly lower concentrations of intangible asset value. These findings demonstrate that the shift toward an intangible economy extends past technology giants to companies of all sizes across every industry.

Too many companies, however, fail to actively manage underutilized IP assets, especially patents, to capture economic or strategic benefit, remaining unaware of significant earnings potential within their existing patent portfolios.³ A [robust IP strategy](#) enables patents to serve as powerful financial assets beyond their traditional legal protection role – to establish proprietary market advantages, enhance competitiveness, and increase shareholder wealth.⁴

Evolution of the Chief Intellectual Property Officer Position

Historically, the CIPO position emerged in response to the described economic inversion between tangible and intangible assets. Early pioneers in the role included prominent executives like Marshall Phelps at Microsoft,⁵ Carl Horton at GE,⁶ and Ruud Peters at Philips IP & Standards,⁷ who recognized that intellectual property required strategic oversight beyond traditional legal department management.

In 2009, CIPOs and experts (including one of the authors here) participated in the first CIPO Manifesto Working Group meeting in Chicago to define the emerging role.⁸ Industry leaders concluded the CIPO requires business strategists, not just legal experts, who can [integrate IP into corporate strategy](#) and execution.⁹ CIPOs provide the advantage of balancing long-term IP development with the shorter timeframes of quarterly earnings reports.¹⁰

¹ <https://oceantomo.com/insights/ocean-tomo-releases-intangible-asset-market-value-study-interim-results-for-2020/>

² <https://www.aon.com/getmedia/60fbb49a-c7a5-4027-ba98-0553b29dc89f/Ponemon-Report-V24.aspx>

³ <https://hbr.org/2000/01/discovering-new-value-in-intellectual-property>

⁴ Id.

⁵ https://www.iphalloffame.com/marshall_phelps/

⁶ <https://www.iphalloffame.com/carl-horton/>

⁷ https://www.iphalloffame.com/ruud_peters/

⁸ Wild, Joff, and Sara-Jayne Afams. "Towards a CIPO Consensus." Intellectual Asset Management, Sept./Oct. 2009, pp. 19-27. This working group included James E. Malackowski.

⁹ Id.

¹⁰ Id.

The evolution from attorney-managed IP functions to strategic CIPO leadership represents a fundamental shift in perspective in the past 10 to 15 years – from viewing intellectual property as a legal right and defensive tool to recognition of IP as an asset class comprising a valuable business resource with derivative value.¹¹ This transformation acknowledges that effective IP management requires both legal expertise and business acumen.¹²

As corporate leaders become more aware of [intellectual property as a driver of corporate value](#), the CIPO position becomes increasingly necessary to provide a centralized overview and management of a company's IP strategy. Even so, the CIPO position remains overlooked in many large public companies as well as SMEs. CIPOs represent only a small number of S&P 500 companies.

CIPO as Strategic Bridge and Complement

The CIPO role serves as a critical bridge between multiple C-suite functions. Unlike the General Counsel or Chief IP Attorney, who focus primarily on legal protection and compliance, the CIPO brings a business-oriented perspective to intellectual property management.¹³ This role naturally complements and connects with the Chief Information Officer, Chief Technology Officer, and head of R&D through its emphasis on technology transfer, [licensing strategy](#), and innovation commercialization.¹⁴

CIPOs provide the unique advantage of bridging together legal, technical, and commercial domains – everything from patent

prosecution and trade secret management to [licensing deals](#) and IP considerations in M&A transactions.¹⁵ This holistic approach helps to ensure that [IP strategy supports corporate and executive strategies](#). The CIPO's responsibilities expand upon what we traditionally think of as IP management:

» **Strategic Planning and Portfolio Management.** Creating IP strategies aligned with corporate objectives, patent and trademark portfolio management, and competitive intelligence research.

» **Monetization and Value Creation.** Identifying [licensing opportunities](#), negotiating IP transactions, and exploring alternative revenue streams from intellectual property assets.

» **Risk Management and Enforcement.** Assessing IP-related risks, managing [litigation strategy](#), and implementing comprehensive IP protection protocols.

» **Business Integration.** Participating in M&A due diligence, supporting corporate development activities, and advising on IP implications of business decisions.

» **Innovation and R&D Collaboration.** Coordinating with research and development teams to secure IP rights for innovations and establish appropriate IP protections.

The foundation of effective CIPO engagement is reflected by Ocean Tomo's proven four-part IP management protocol:

» **Comprehensive Inventory.** Conducting a thorough assessment of company and competitive IP and intangible assets, establishing a baseline understanding of the intellectual property landscape.

¹¹ <https://adamsons.com/insights/so-you-want-to-be-a-chief-ip-officer>

¹² Wild, Joff, and Sara-Jayne Afams. "Towards a CIPO Consensus." Intellectual Asset Management, Sept./Oct. 2009, pp. 19-27.

¹³ <https://mmvpiplaw.com/2019/03/07/swiss-army-executive-the-chief-intellectual-property-officer/>

¹⁴ Id.

¹⁵ Id.

» **Guiding Principles Development.** Preparing a focused set of strategic principles for managing these assets, with full support and buy-in from the senior executive team.

» **IP Business Plan Integration.** Creating an IP-focused business plan that serves as an overlay to and support for the company's overall business strategy, [ensuring alignment between IP activities and corporate objectives](#).

» **Communication and Training.** Implementing comprehensive communication and training programs for senior and middle management, ensuring organization-wide understanding and execution of IP strategy.

This systematic approach provides CIPOs with a proven framework for delivering immediate value while building long-term IP management capabilities within client organizations.

Bridging the IP Leadership Gap in the Consulting Industry

There is an even greater CIPO gap in the consulting industry. None of the top 25 consulting firms – including industry leaders McKinsey & Company, Boston Consulting Group, and Bain & Company – have established dedicated CIPO positions. This oversight represents both a strategic vulnerability and an opportunity. These firms, which employ hundreds of thousands of professionals and generate billions in annual revenue, regularly advise clients on innovation strategy, digital transformation, and competitive positioning – all areas in which intellectual property considerations play a crucial role.

J.S. Held's appointment of a CIPO is particularly relevant given the firm's ownership of Ocean Tomo, the [leading intellectual property advisory firm](#), and J.S. Held's strong position servicing risk markets and major insurance businesses. With Ocean Tomo co-founder [James Malackowski](#) appointed as the first CIPO of a [global consulting company](#), the firm's collective combination creates unique synergies between IP expertise and risk management capabilities that enhance an ability to serve clients across multiple dimensions of value creation and protection.

Emerging IP Risks in the Insurance Industry

Insurance companies face similar challenges. Major insurance underwriters have yet to establish CIPO positions, despite the growing exposure to IP-related risks and opportunities throughout the industry. The market landscape is likely to evolve rapidly as insurers develop more sophisticated tools and business solutions to better serve customers and policyholders,¹⁶ and as technology-driven companies with substantial IP portfolios become acquisition targets for insurance conglomerates.¹⁷

The convergence of insurance and technology creates new categories of risk that require specialized IP expertise – from cyber liability policies that must account for trade secret theft to coverage for patent infringement claims in emerging technology sectors.¹⁸

¹⁶ <https://www.cflowapps.com/digital-transformation-in-the-insurance-industry/>; <https://agentblog.nationwide.com/agency-management/technology/how-ai-is-transforming-the-insurance-industry/>

¹⁷ <https://www.insurtechinsights.com/news-insights/acquisitions/>; <https://www.insurtechinsights.com/12-acquisitions-already-driving-change-in-the-insurance-industry-in-2024/>

¹⁸ <https://insurance-edge.net/2025/05/22/cfc-extends-proactive-cyber-response-coverage/>; <https://ipwatchdog.com/2025/03/18/make-sure-youre-covered-ai-copyright-fight-insurance-safeguards-thomson-reuters-v-ross/id=187101/>

The AI-Accelerated Future

The emergence of [artificial intelligence](#) agents is accelerating the pace of innovation across all industries, making effective IP management even more critical. AI-driven innovation cycles are shortening the time between invention and commercialization,¹⁹ while simultaneously creating new categories of intellectual property that require sophisticated management strategies.

Without proper IP governance, companies face significant risks to their competitive advantages, heightened litigation exposure, and missed opportunities to [monetize their innovations](#). AI-related complexities, ranging from training data rights to algorithmic patents, require executive-level attention and strategic oversight.

Conclusion: The Decade of the CIPO and IP Portfolio Management

The evidence is clear: the modern economy runs on intangible assets, and intellectual property serves as the legal framework that protects and enables the [monetization of these assets](#). With intangible assets commanding 90% of S&P 500 market value and similar patterns emerging across all business sectors, the strategic management of intellectual property has become a board-level imperative.

Accelerating innovation cycles, emerging AI technologies, and mounting IP complexity have created an environment where intellectual property decisions carry both immediate and long-term strategic consequences.

Organizations that acknowledge this shift and implement appropriate IP leadership will be better positioned to gain an advantage in navigating competitive challenges and capitalizing on innovation opportunities.

We predict that most well-managed companies will have a designated full-time or fractional CIPO before the end of the 2020s. The organizations that act first will gain competitive advantages in IP strategy, risk management, and value creation that will compound over time. The question is not whether companies need strategic IP leadership, but rather how quickly they can implement it.

The age of the CIPO has arrived. The only question remaining is whether your organization will lead or follow in embracing this strategic imperative.

Acknowledgements

We would like to thank our colleagues, James Malackowski, CPA, CLP, and David Ngo, for providing insight and expertise that greatly assisted this research.

[James E. Malackowski](#) is the Chief Intellectual Property Officer (CIPO) of J.S. Held LLC and the firm's Intellectual Property (IP) Practice Leader. He is a Co-founder and Senior Managing Director of [Ocean Tomo, a part of J.S. Held](#). Ocean Tomo provides Expert Opinion, Management Consulting, Advisory, and Specialty Services focused on matters involving intellectual property and other intangible assets.

In 2025 the Licensing Executives Society International (LES) recognized Mr. Malackowski with its highest honor in the business of intellectual property – the LES Gold Medal. Mr. Malackowski is only the 31st recipient of the LES Gold Medal, first awarded in 1971.

¹⁹ <https://www.pwc.com/us/en/tech-effect/ai-analytics/competing-in-age-of-ai.html>; <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/how-an-ai-enabled-software-product-development-life-cycle-will-fuel-innovation>

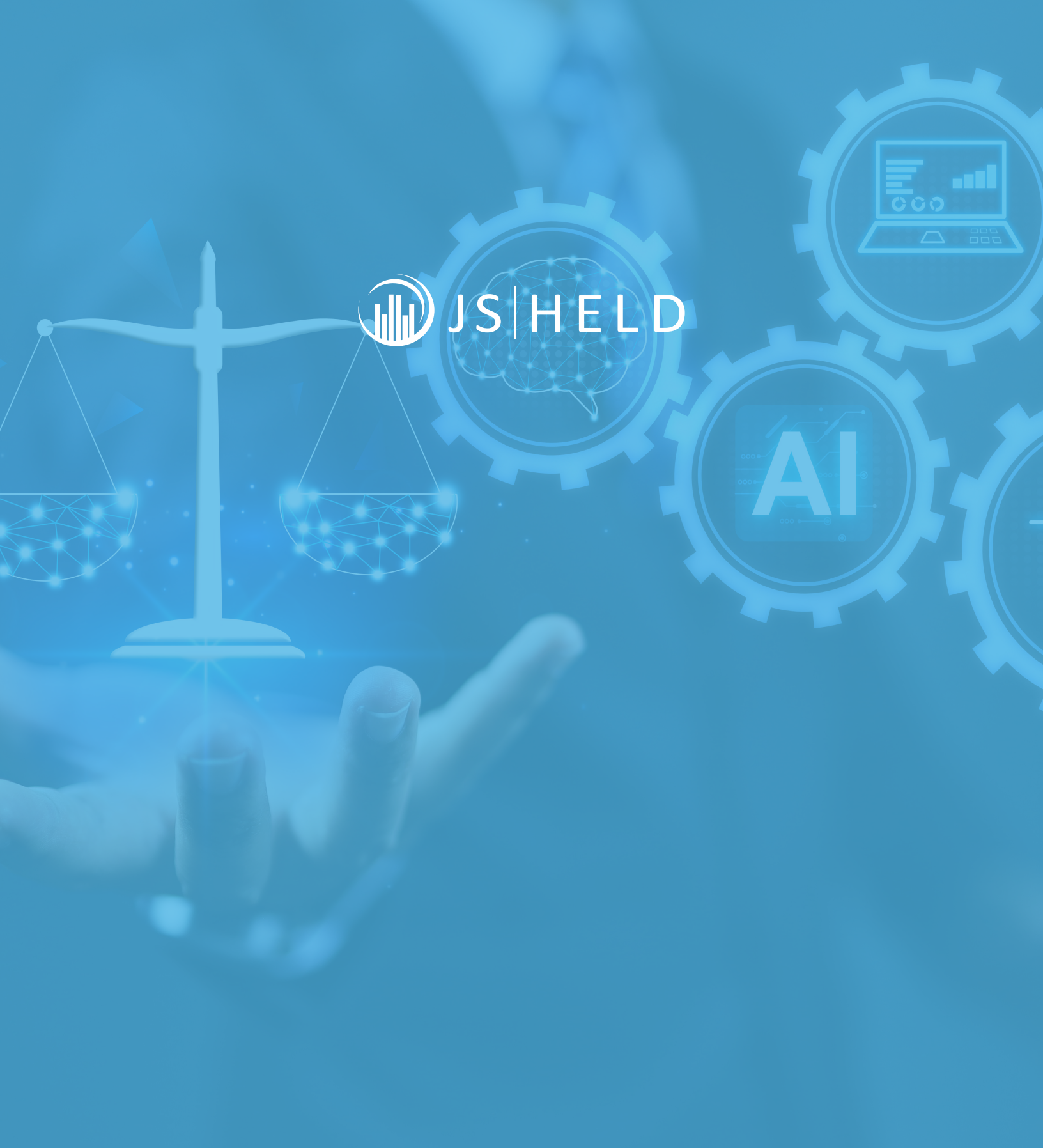
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In 2022, along with Supreme Court Justice Stephen Breyer, Mr. Malackowski was inducted as the 87th member of the IP Hall of Fame, chosen by the IP Hall of Fame Academy from a long list of nominees put forward by the global IP community. Mr. Malackowski was further recognized by the Academy with the Q. Todd Dickinson Award, which honors those who have made significant contributions to IP as a business asset. Notably, Mr. Malackowski is only the seventh person to be recognized both with the LES Gold Medal and inclusion in the IP Hall of Fame, a combination generally regarded as the ultimate recognition in the IP services industry.

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