

# The IP Imperative in 2025



By Rachel Krug • September 2025

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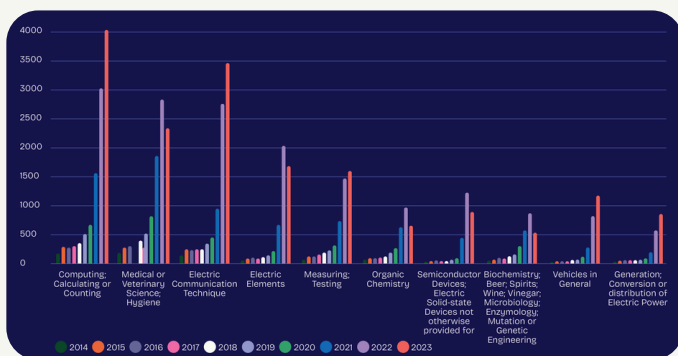
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## Introduction

Over the past year and a half, patent filings have climbed sharply in high-tech categories such as artificial intelligence, cybersecurity, enterprise software, and digital health. In 2023, global filings hit 3.55 million, a 2.7 percent rise from the previous year. In the United States alone, applicants submitted more than 598,000 patent applications.



This wave of patenting comes as capital becomes more selective in a tighter funding environment and as generative AI levels the playing field by making advanced capabilities widely accessible. Startups can no longer rely solely on speed or first-mover advantage. A competitor with similar technology can emerge rapidly thanks to open AI models and abundant open-source code.

Therefore, in 2025, a defining question for competitive advantage has become: “Can you protect what makes your product different?”

Startups are responding by front-loading their IP protection. Rather than waiting for an exit or acquisition due diligence



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to worry about patents, companies are securing patents early to accelerate go-to-market (GTM) efforts, reduce legal risk, and boost their valuation. In other words, defensible intellectual property is becoming as critical as product-market fit.

Below, we examine three signals of this new urgency around IP, what it means for investors and founders, and why the SenselP is gaining traction as the new way to ideate and file a patent.



## Three Signals of the IP Imperative

### 1. VCs Are Pressuring Founders to Lock In IP Earlier

Venture capital investors have sharpened their focus on defensibility from day one. Seed-stage and Series A term sheets increasingly probe beyond a cool demo or early revenues. Investors want to see that a startup's secret sauce is protectable and protected.



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Filing patents at the seed or early growth stage is statistically linked to higher funding success. One EUIPO study found startups that filed patents were 6.4 times more likely to secure VC funding than those without patents. Today's investors are examining whether a company's IP locks down competitive advantages and aligns with business goals and market opportunity.

This means companies are being pushed to file provisional patents or at least do prior art checks much earlier than before. It's no longer uncommon for Series A or B investors to require an IP audit, checking that core technology is patented or patent-pending, that founders have signed over invention rights to the company, and that no glaring infringement risks lurk. Incomplete IP ownership or undefined inventorship can sink investor confidence and valuation. Conversely, a well-structured patent portfolio can meaningfully raise a startup's valuation.

Recent PitchBook data shows companies with patents achieve exit values ~155% higher on average than peers without IP. Venture firms have noticed: some now provide portfolio support for patent filing (either via legal counsel or SenseIP) to help their startups lock in IP quickly, without derailing product development.

Investor sentiment is shifting toward patents as a must-have for many technology startups. As [one deep-tech VC](#) put it, "Patents give VCs higher conviction in the uniqueness and long-term value of a startup's technology". Another



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[climate tech and cleantech investor](#) noted that “Ultimately, investing in patents is not just about legal protection; it's a strategic move for value creation.” In summary, VCs are asking about IP earlier and more often, expecting founders to articulate their defensibility beyond just brand, speed, or superior features.

## **2. Enterprise Buyers Are Asking About Patents in RFPs**

It's not just investors asking about defensibility. Customers in sectors like finance, healthcare, and defense, have begun treating patents as a proxy for reliability and innovation of vendors. In procurement processes and RFPs, startups report that enterprise buyers' legal and procurement teams increasingly inquire about the vendor's IP: “Do you own the technology you're selling? Do you have patents or proprietary rights protecting it?” This line of questioning reflects buyers' desire for assurance that adopting a new solution won't invite legal troubles. A vendor with patent ownership can signal that its product is unique and here to stay. Some companies are even publishing sustainability reports that prove they have the IP, revenue, and roadmap for the long term to entice enterprise prospects and customers.

In some cases, having patents can even help win sales deals. Industry guides recommend that when responding to RFPs, startups should highlight their IP strategy and patent holdings to stand out. For example, a tech buyer's guide from Coveo urges enterprises evaluating software to “ask vendors about their IP strategy and to show evidence of peer-reviewed research or patents” as proof of technical



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credibility. Likewise, in government contracts (a particularly demanding arena), sales experts advise startups to “plant requirements [in the RFP] that play to unique aspects of your technology – allude to the value of your ... IP, patents...” so that your bid has proprietary strengths only you can offer. A patented method or algorithm can thus become a selling point, demonstrating that the solution isn’t a commodity anyone could replicate.

This trend is especially pronounced in regulated and tech-critical fields. A hospital network or defense agency considering a startup’s tool wants to know that the vendor legitimately owns the underlying innovation. Patents provide a measure of that legitimacy. They also reduce the risk of future disruptions, e.g., the buyer facing a third-party infringement lawsuit, or the startup’s key features being quickly cloned by a competitor. In essence, patents confer credibility. As [Jonathan Selby](#) observed, a patent in hand means a startup “can commercialize their invention without fear of competition stealing their ideas,” a level of security that big customers appreciate.

The bottom line is major buyers now view a startup’s patent portfolio as a proxy for its innovation quality and stability. Enterprise customers want reassurance that they’re partnering with the true innovator, not a knock-off.

### **3. AI Is Fueling Both Innovation and Infringement Risks**

AI is reshaping innovation at a scale few technologies have ever matched. It is generating breakthroughs across industries: faster drug discovery, smarter factory



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automation, and more personalized healthcare. Patent applications are soaring as a result. But alongside the progress, a quiet legal storm is gathering.

With AI tools now capable of creating code, content, and even complex scientific discoveries, the boundary between inspiration and imitation is blurred. While this has always been the case, the likelihood of infringement accelerates with the speed of new product creation and adoption.

Many of today's generative systems train on massive datasets pulled from public and proprietary sources. These include open-access scientific papers, commercial software, and archived patent filings. Many models do not ask for permission before digesting what they find. They absorb patterns and structures, then return outputs that feel novel, even when they echo something already protected.

This creates a new kind of exposure for companies. A researcher using generative tools to design a molecule could unknowingly recreate a patented therapy. A developer relying on an AI code assistant might output a snippet that closely matches a proprietary algorithm. In both cases, the user thinks they built something new. In reality, they may have stepped on someone else's claim.

The problem compounds as adoption spreads. Generative tools lower the cost of creation, which means more people are building and more people are at risk. Large incumbents can use AI to quickly match or mimic startup products. Startups, in turn, risk building on outputs that put them in legal jeopardy.





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IP attorneys are watching this shift closely. Some are already calling it the next big wave in patent litigation. Early signs point in that direction. [According to industry litigation trackers](#), overall patent disputes rose 14 percent in the first half of 2024. Software, AI systems, and medical devices accounted for a growing share of those cases. And one pattern is clear: many of the disputes involve questions about idea creation and whether the work is a copy of earlier work.

The IP imperative in 2025 signals a strategic shift that every investor, top operator and company founder should take seriously. It reshapes how value is created, protected, and assessed in early and growth-stage companies.



## For Investors: IP is No Longer a Nice-to-Have

Patents have moved from late-stage due diligence box-checkers to early-stage investment signals. In 2025, sophisticated investors are demanding more than proof of traction or product-market fit. They expect founders to prove that what makes their product different is also protected. That expectation shows up in term sheets, board conversations, and portfolio support services.



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A well-structured IP portfolio now plays the same role financials once did in the first investor meeting. It gives investors' confidence that the startup has staying power and that its defensibility is not just about speed or marketing. That changes how investors qualify deals.

This emphasis also changes the post-close playbook. Smart investors are not waiting until Series C to discover IP gaps. They are putting SenseIP in place to make filing as seamless and fast as shipping a product release. When a startup can point to filed patents and clean invention assignments, it de-risks everything from M&A to commercial partnerships.

Most of all, investors are beginning to recognize patents as a signal of long-term viability. The act of filing reflects operational maturity. A startup that has filed is likely thinking ahead, protecting upside, and planning for scale.

## **For Founders: IP Is a Strategic Asset, not a Legal Afterthought**

In 2025, founders cannot rely solely on product, speed or brand recognition. The startups attracting capital and growing with discipline are protecting what sets them apart. Intellectual property must be integrated into company-building from the start and not reserved for future exit scenarios.

A well-designed IP foundation limits risk, improves valuation, and creates strategic leverage.



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Under the first-to-file patent system, filing delays carry real consequences. A rival's application can block your path, even if your product launches earlier. In high-growth sectors, that gap between idea and protection is where risk accumulates. Founders who file early define the playing field. Waiting introduces uncertainty that no amount of traction can erase.

When presenting to investors, founders strive to clarify what makes their product unique, and what's different. A strong patent position offers clarity, especially when the technology is complex or unfamiliar. Startups that describe their protectable edge, explain how it maps to the product, and show a path to growth stand out. The IP story is not separate from the business case; it is part of the proof that the company has lasting value.

Founders should note that a growing body of evidence links early patent filings to increased funding success and stronger exit outcomes. Clean filings, inventor assignments, and a clear plan for what to protect in the future sends a strong message to partners, acquirers, and investors. These steps reflect thoughtful leadership and operational discipline. Founders who manage IP early are setting up the business up to scale without preventable barriers or distractions.



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## For Operators: IP Is GTM Strategy, Not Legal Hygiene

For top operators, Chief Revenue Officers, Product Leaders, and Go-to-Market Executives, this shift creates both a challenge and an opportunity. The challenge is simple: intellectual property can no longer sit on the legal shelf, untouched until acquisition. Operators must bring IP forward in the go-to-market lifecycle.

### **In practical terms, that means:**

Sales leaders are getting asked about IP during enterprise procurement. RFPs now ask if the vendor owns the underlying technology. Failing to answer with clarity can delay or kill deals.

Marketing teams are incorporating IP language into messaging and differentiation strategy. A patented workflow or unique algorithm helps prove innovation and gives buyers confidence that what they are purchasing cannot be easily cloned.

Product teams are flagging novel features early, before launch, so that patent filings can coincide with product releases. Timing matters because public disclosure without protection weakens the company's ability to claim the invention later.

Operators cannot afford to treat IP as a legal formality. It is a core lever of defensibility, differentiation, and velocity. It supports valuation and fuels growth. And when AI systems



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threaten to blur the lines between inspiration and infringement, having patents in hand gives operators breathing room to scale without litigation risk.



## Why SenseIP Is The New Way To File A Patent

SenseIP has become a go-to tool for founders and investors seeking a faster, more accessible approach to patent protection. It provides a fully automated end-to-end platform for turning ideas into filed patents. With SenseIP, a startup has access to many features including:

**Instant Novelty Checks:** Securely input a description of your idea, and the platform's AI (trained on 100+ million global patent documents) will scan for similar inventions in seconds. This helps quickly gauge if the idea is truly novel or if existing patents might pose challenges.

**Top Notch Security:** With SenseIP the founder retains full ownership of their data. SenseIP does not use the data to train its models and does not share ideas that are in progress.



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**Automated Drafting:** The platform auto-generates patent application drafts using generative AI and custom-trained models. SenseIP's AI will take your invention disclosure and produce a structured patent document draft complete with suggested claims.

**Freedom to Operate (FTO) Scans:** Beyond filing patents, SenseIP helps founders ensure they aren't infringing others' patents. The platform can run freedom-to-operate analyses, meaning it checks your product or method against existing patents to flag any troublesome overlap. This is critical for avoiding costly surprises (e.g., launching a product only to get sued for infringement). Essentially, SenseIP acts as an AI patent attorney looking over your shoulder, warning, "hey, there's a patent out there on X, you might need to design around it." And, SenseIP does this faster, more affordably and on an ongoing basis. SenseIP is the only platform that checks this on an ongoing basis.

**Portfolio Management:** SenseIP also caters to the business side of IP. It provides dashboard views and analytics so that product managers, executives, and investors can understand a company's IP position at a glance. For instance, it might show how your patent filings map onto your product components, or where potential IP gaps exist. The platform emphasizes a business-centric perspective on IP, helping companies align their patents with product and market goals.

In short, SenseIP uses cutting-edge AI to democratize and accelerate patent protection for everyone. It's gaining attention not just from inventors, but also from the broader startup ecosystem, vibe coders, and corporate R+D teams.



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VCs and Accelerators are introducing SenselP to their portfolio companies to help them get defensibility without slowing down. Instead of advising a startup “go hire an expensive patent attorney,” an investor can point them to SenselP as a cost-effective starting point. This ensures IP isn’t neglected simply due to resource constraints.

SenselP is gaining traction because it strips away the friction that usually slows early-stage patent work. Founders and operating teams can secure protection for what makes their product different without waiting on legal teams or draining their runway. As Chris Gallagher put it in the [International Business Times](#), SenselP helps entrepreneurs protect their work with clarity and speed. When every minute counts, having that kind of access makes a real difference.

## Key Takeaways

For startup operators, advisors, and investors, the implications of the IP imperative can be distilled into a few key takeaways:

AI has changed everything. Teams can no longer rely on opaque, long processes with attorneys and need flexible, affordable ways to check and protect their IP. SenselP is the only platform that has fully automated the end to end process from ideation to patent filing, and it is gaining traction.

Investors and Founders must cultivate an IP-forward culture. This doesn’t mean patent everything but instead encourage teams to explore IP for their key technical



differentiators. Integrate IP with product development. Normalizing early patent exploration (much like one normalizes writing unit tests or doing user research), to create more defensible and resilient businesses.

Remove friction. Make it as easy as possible for a small startup team to secure their IP without derailing their development timeline or burning their runway. Point founders toward modern IP solutions and new tools that don't require deep legal experience to use effectively. SenseIP is the only AI-driven platform for patent searches, drafting, filing and portfolio tracking.

In conclusion, the landscape of 2025 has made one thing clear: Intellectual property must be front and center in building a competitive startup. The surge in patent activity and the heightened attention from investors, customers, and competitors mean that founders must treat IP as a core part of their strategy. Those who do so stand to accelerate their go-to-market with confidence, attract capital on better terms, and ultimately create durable value. Those who ignore the "IP imperative" risk being left unprotected and overtaken.

In a world where technology is increasingly open and AI can clone a feature overnight, the ability to protect what makes you different is the closest thing to a moat. And as seasoned founders understand, building a moat, whether through patents, unique tech, network effects, or a strong brand, is essential to establishing a defensible edge and sustaining value over time.





