

**IP DIVERSIFICATION: SAFEGUARDING YOUR BUSINESS ASSETS
THROUGH INTELLECTUAL PROPERTY PROTECTION**



By:

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0.1. INTRODUCTION

Intellectual property (IP) rights are often described as intangible assets, referring to their non-physical yet valuable nature.¹ In our current society, IP plays a crucial role in shaping a company's identity, strengthening its competitive edge, and driving innovation. Despite this, IP is not always viewed through the same lens of importance as other business assets, such as capital or infrastructure.

Conversations about IP protection often focus on ownership and enforcement, while overlooking its broader strategic value as a tool for growth and business valuation.² It is however considered that, adopting a strategy that deliberately incorporates intellectual property as a business asset, rather than viewing it merely as a legal right, offers immense advantages for companies.³ When effectively managed, intellectual property can serve as both a shield and a catalyst, protecting creative output while driving innovation, profitability, and market growth. To fully realize this potential, businesses must move beyond traditional notions, and begin to view IP through a strategic lens.

One emerging concept in this regard is *IP diversification*. This is the intentional use of different forms of IP, including trademarks, patents, copyrights, and trade secrets, to protect innovation, enhance brand value, and create multiple streams of commercial benefit.

2.0. IP DIVERSIFICATION IN A NUTSHELL

IP diversification is the deliberate and strategic use of multiple forms of IP protection such as trademarks, patents, copyrights, industrial designs, and trade secrets to safeguard the full range of a business's creative and commercial assets.⁴ Rather than relying solely on one form of IP right, diversification ensures that different elements of innovation, branding, and design are protected from various legal and commercial standpoints.⁵

In practice, IP diversification enables businesses to create layered protection across different facets of their operations. For example, a technology company may patent its proprietary algorithms, trademark its brand name and product identity, and secure copyright protection for its source code and software programs.⁶ A fashion brand may protect its creative sketches and artistic designs through copyright, register its brand name and logo as trademarks, and safeguard the physical appearance of its products through industrial design rights.⁷ Likewise, in the film or entertainment industry, producers often combine copyright protection for creative works such as scripts and soundtracks with trademark registration for character names, logos, and franchise titles.

However, many business owners often adopt a minimalist approach, believing that “*less is more*” or that focusing only on the most obvious rights is cost-effective. For instance, a fashion designer may register only their logo and claim copyright in their creative work, while overlooking the potential protection offered by industrial design registration. Similarly, a filmmaker may secure copyright and trademark protection for a film's title but fail to register prominent characters or distinctive visual elements that could later form part of a broader franchise. This limited approach creates gaps in protection and exposes valuable intellectual property to unauthorized use or exploitation.



1 World Intellectual Property Organization, 'Valuing Intellectual Property Assets' (2023)

<https://www.wipo.int/en/web/business/ip-valuation> accessed 28 October 2025.

2 Zaheer Kachwala, 'Videogame Publisher EA's \$55 Billion Buyout Turns Spotlight on Gaming IP Diversification' (2 October 2025) <https://www.reuters.com/business/media-telecom/videogamepublisher-eas-55-billion-buyout-turns-spotlight-gaming-ip-2025-10-02/> accessed 28 October 2025.

3 World Intellectual Property Organization, 'Valuing Intellectual Property Assets' (2023)

<https://www.wipo.int/en/web/business/ip-valuation> accessed 28 October 2025.

4 Patrick Sullivan and Suzanne Harrison, 'IP and Business: Managing IP as a Set of Business Assets'

(2023) <https://www.wipo.int/en/web/wipo-magazine/articles/ip-and-business-managing-ip-as-aset-of-business-assets-36097> accessed 28 October 2025.

3.0. IP DIVERSIFICATION STRATEGY THROUGH THE LENS OF ELECTRONIC ARTS (EA)

The video game industry represents one of the most dynamic examples of how intellectual property diversification drives both innovation and commercial success. Electronic Arts (EA), as a case study for consideration, have built their global reputations not only on creative ingenuity but on a deliberate and layered approach to IP management.⁸

EA, the company behind iconic franchises such as FIFA (now EA Sports FC), The Sims, and Battlefield, offers a compelling example of how intellectual property diversification can serve as a cornerstone for business growth and longevity. The approach adopted by the company extends beyond the traditional confines of patent protection for their games, but rather EA strategically layers its IP assets, securing trademarks for its franchise titles, logos, and character names, while protecting its proprietary game engines and development tools through patents and trade secrets.⁹

This approach allows EA to do more than simply protect its creative output; as it also highlights its IP as a powerful commercial asset. By safeguarding every layer of its innovation, from the gameplay mechanics to the branding that defines its global identity, EA strengthens its licensing, merchandising, and partnership potential across markets. The result is a portfolio that not only shields the company's creativity from imitation but also amplifies its market value and investor appeal.

That value was clearly reflected in September 2025, when EA was acquired in a landmark US \$55 billion deal by a consortium led by Saudi Arabia's Public Investment Fund (PIF), Silver Lake Partners, and Affinity Partners.¹⁰ The acquisition underscored how deeply intertwined EA's success is with their intellectual property protection strategy, demonstrating that when IP is diversified and strategically managed, it becomes one of the most valuable assets a business can hold.



5 Archana Pandit, 'Maximizing Value: The Power of Diversifying Your IP Portfolio' (IP Business Academy) <https://ipbusinessacademy.org/maximizing-value-the-power-of-diversifying-your-ipportfolio> accessed 28 October 2025.

6 Section 2(1) of the Copyright Act 2022; Section 108 of the Copyright Act 2022

7 Ibid

8 Zaheer Kachwala, 'Videogame Publisher EA's \$55 Billion Buyout Turns Spotlight on Gaming IP Diversification' (2 October 2025) <https://www.reuters.com/business/media-telecom/videogamepublisher-eas-55-billion-buyout-turns-spotlight-gaming-ip-2025-10-02/> accessed 28 October 2025.

4.0. THE BUSINESS VALUE OF IP DIVERSIFICATION

The true value of intellectual property lies not merely in ownership, but in how it is managed, layered, and leveraged. IP diversification transforms intellectual property from a passive legal entitlement into an active driver of commercial growth. By combining different forms of protection, such as trademarks, copyrights, patents, and trade secrets, businesses can create multiple touchpoints for monetization, brand expansion, and investor confidence.

From a strategic standpoint, a diversified IP portfolio allows companies to extract value in several ways, considerably, it would enhance the negotiating power of the company in partnerships and licensing arrangements, and provide a competitive buffer against market imitation. For instance, a company that protects both its brand and underlying technology can license each asset independently, creating parallel revenue streams while retaining ownership and control.

Beyond financial benefits, IP diversification also mitigates risk. In industries where innovation cycles are fast and competition intense, relying on a single form of IP protection leaves businesses vulnerable. Layering different protections ensures continuity, as if one right expires or is challenged, others remain to preserve exclusivity over the company's assets.

Considering the above, it is imperative for business owners to:

1. **Conduct an IP Audit:** Review all creative and innovative assets within the business to identify existing IP, uncover unregistered rights, and detect protection gaps.
2. **Adopt Layered Protection:** Protect different IP rights, such as trademarks, copyrights, patents, and trade secrets to ensure comprehensive and overlapping protection for all business assets.
3. **Align IP with Business Goals:** Integrate IP strategies into overall business planning to support growth, attract investors, and unlock opportunities for licensing, franchising, and brand expansion.
4. **Engage Expert Support:** Consult lawyers to ensure that registrations, renewals, and enforcement measures are effectively managed and strategically aligned.

9 Olumide Adesina, 'EA's Colossal \$55 Billion Deal Dives Deep into Gaming IP Diversification' (2 October 2025) <https://www.fxleaders.com/news/2025/10/02/eas-colossal-55-billion-deal-divesdeep-into-gaming-ip-diversification/> accessed 28 October 2025.

10 Zaheer Kachwala, "'Battlefield' Maker Electronic Arts to Go Private in Record-Setting \$55 Billion LBO" (29 September 2025) <https://www.reuters.com/business/media-telecom/electronic-arts-goprivate-55-billion-deal-with-pif-silver-lake-2025-09-29/> accessed 29 October 2025.

5.0. CONCLUSION

In today's innovation-driven economy, intellectual property stands as one of the most valuable assets a business can possess. However, the true potential of IP lies not only in its protection and registration, but in its strategic use and diversification. IP diversification should be adopted as a **strategic necessity**, not an option.

Babalakin & Co is a firm with broad experience on the subject of intellectual property and all matters encompassing it. If you have any questions or would like information on the issues discussed, please contact:



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