

DOD Should Take Additional Actions to Improve How It Approaches Intellectual Property

November 2021

Highlights of GAO-22-104752, a report to congressional committees

Why This Matters

The Department of Defense (DOD) acquires and licenses intellectual property (IP)—such as computer software and technical data—for its cutting-edge weapon systems. Yet, DOD often does not acquire the IP it needs to operate and maintain those systems, which can lead to surging costs later. In 2019, DOD assigned specific IP responsibilities to organizations within the department.

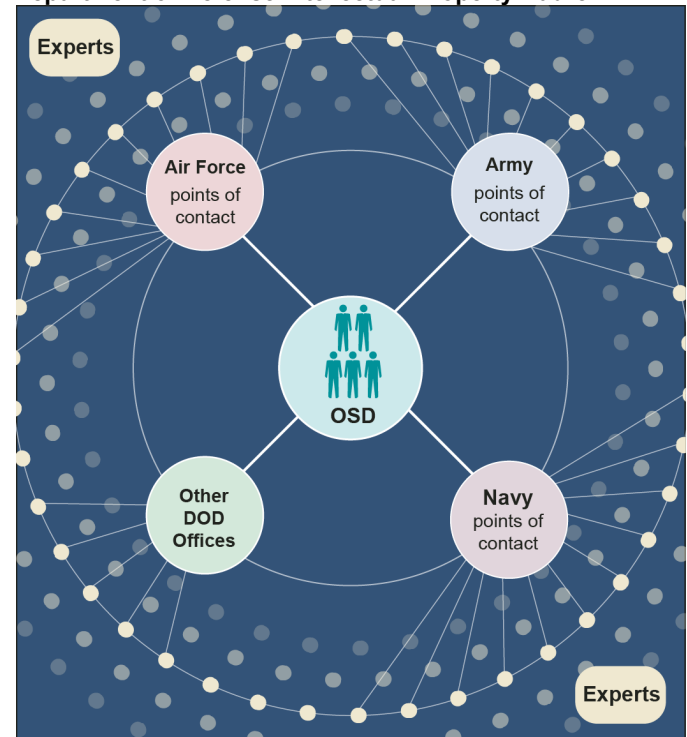
Key Takeaways

DOD organizations are working to meet their assigned IP responsibilities. However, DOD has not fully addressed how the IP Cadre—DOD’s new group of specialized experts—will fulfill all of its responsibilities. The IP Cadre faces uncertainty in these areas:

- **Funding and staffing:** DOD currently plans to provide the Director of the IP Cadre and his team in the Office of the Secretary of Defense (OSD) with funding for five positions through fiscal year 2023. IP Cadre members told us the temporary positions were a disincentive during the hiring process and could present future staffing obstacles.
- **Program support:** The members of the IP Cadre at OSD expect to tap into a larger pool of IP experts across DOD to support program offices by helping them develop IP strategies and negotiate with contractors, among other things. However, DOD has not yet detailed how the Director of the IP Cadre and the OSD team will work with these other experts.
- **Expertise:** DOD officials said the department lacks sufficient expertise in two key areas—IP valuation (determining its worth) and financial analysis. DOD is currently conducting a pilot project to study valuation strategies. However, DOD officials said more work is needed to provide this expertise.

Determining the IP Cadre’s staffing and resource needs will help DOD better position the IP Cadre for success.

Department of Defense Intellectual Property Cadre



OSD Office of the Secretary of Defense

Source: GAO analysis of Department of Defense (DOD) documentation. | GAO-22-104752

How GAO Did This Study

We reviewed guidance, reports, and documentation on IP issues; interviewed DOD personnel, military officials, and industry groups; and reviewed the existing regulatory and agency frameworks related to IP.

What GAO Recommends

We made four recommendations to DOD, including that DOD should determine the collaboration, staffing, and resources needed across DOD to execute its proposed approach for the IP Cadre. DOD concurred with all four recommendations.

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