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Top of Mind

Welcome to the first edition of Top of Mind for 2023. It's hard to believe that we have come to the end of the first quarter of the year; time really does fly by especially when you are working hard.

2023 promises to be an exciting year for innovation and technology advances. All emerging data analytics and AI trends seem to suggest that the commercial world is rapidly evolving towards data-centricity. With innovative technologies such as AI and ML, data analytics is turning out to be one of the most powerful technology trends for the year. This is set to impact the patent and trademark industry, particularly when it comes to infringement.

From self-driving cars to robotic healthcare, AI is rapidly transforming sectors and shaping the future in unprecedented ways. While patent activity continues to increase, there is little guidance of date from the courts on how patent infringement claims relating to AI technology will be considered.

Recently, the Federal Court held in *Thaler v. Vidal* that only natural persons (i.e., human beings) can be named as inventors on US patents thereby prohibiting AI from being listed as an inventor. The court also pointed out that it was not confronted with "the question of whether inventions made by human beings with the assistance of AI are eligible for patent protection".

This means that AI inventions, including inventions developed with AI as a tool are not patentable. In view of the *Thaler* decision and the current state of AI, there remains much uncertainty around AI inventorship and the question as to whether the current state of law provides patent protection for these inventions. [The USPTO is seeking stakeholder input on the current state of AI technologies and inventorship issues that may arise in view of the advancement of such technologies.](#)

Hopefully, in due course we can get some more feedback from the USPTO on these and other issues.

We are continually focusing on expanding our Data Analytics Services. Big data is at the core of every company's business strategy, and it will continue to drive innovation and change across markets. Saying this, we have expanded our service offering to include Advanced Applied Analytics.

Our team of experts uses complex applications of machine learning, robotic process automation, SQL databases, and Excel spreadsheets and other analytics to solve our clients' problems. We have the investigative skills and expertise to perform data analytics of large data sets to detect unusual or irregular activity in your organization. It's advisable to be proactive and take steps sooner rather than later as fraud can become a very costly exercise.



DATA ANALYSIS

We are also pleased to announce that Trace Forensic has entered into an alliance with Merlin Search Technologies, a cloud technology company that offers AI-powered search software for investigations, discovery, ECA and any other situation where attorneys and forensic accountants need to search and review large quantities of documents. Trace Forensic is using this innovative technology to conduct many of its investigations as well as in discovery review.

On the global front, all signs point toward a rise in cases of fraud and financial irregularities throughout the year. In times of economic uncertainty, there inevitably arises an increased likelihood of fraud and other irregular practices. In many instances, businesses do not spot the warning signs of such activity taking place before it becomes an issue. We advise businesses to remain vigilant of an uprise in fraudulent practices throughout the coming months.

Typically, commercial disputes also tend to increase in a volatile economy. As businesses come under financial pressure, they may try to get out of an unprofitable commercial arrangements or conversely may be unable to fulfill their contractual obligations. We are expecting an increase in economic damages claims from contractual breaches in industries across the board.

With all this in mind, it's no wonder that the demand for forensic accounting experts has risen. We're seeing large corporations, insurance companies and law firms requiring an increasing number of forensic experts who can combine accounting process with legal expertise to uncover and assess financial fraud and irregularities.

It's interesting to note that the market size of the Forensic Accounting Services industry in the US for 2023 is \$7.4 billion, with the market size expected to increase by 2.6% this year. On average, the market size of the forensic accounting services industry has grown 3.2% per year between 2018 and 2023. Overall, the market size of the industry has grown faster than the Advisory and Financial Services sector.

We continue to welcome your ideas and comments to enhance Trace Forensic Experts' ability to meet the demands and needs of our clients.

Best wishes,

Paul Rodrigues and Deborah Temkin,
Managing Members
Trace Forensic Experts LLC.



WE ARE EXPANDING!

As Trace Forensic Experts expands its service offerings, we are also looking for new skills sets and talent. Are you a well-established forensic accountant looking for change? Are you highly skilled in forensic accounting, financial investigations, and/or economic damages claims? Are you interested in collaborating with a flexible, virtual boutique firm? Are you a former partner, director, or senior manager who took early retirement or got tired of being a cog in a big wheel? Do you like to choose the projects you want to work on? Or do you have your own practice that you'd like to augment? If you answered 'yes' to most of these questions, then TRACE could be your new home.

For more information please see <https://www.linkedin.com/jobs/view/3548473517> and apply before April 30, 2023. We're looking forward to meeting with you.