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Back to (Patent) Basics

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U.S. Patents & The Constitution

Article I, Section 8:

The Congress shall have Power To […]

promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries

A patent is a government-authorized, limited monopoly designed to encourage investment in innovation and disclosure of inventions to the public

Patent Acts – 1790, 1793, 1836, 1952

Basic Concepts for Patents

- Personal Property – A patent can be bought, sold, licensed, etc.
- Limited Monopoly – A patent expires after a fixed time period
- The Exchange – Full disclosure must be provided for the monopoly
- Government Agency – Patents are examined and granted by Federal Employees of the US Patent & Trademark Office - www.USPTO.gov
- Subject – Process, Machine, Manufacture, or Composition of Matter
- Patentability – The innovation must be new, useful, & non-obvious
- Timing – File a patent application before any disclosure or use of the invention, subject to filing grace period(s) (none in most countries; 1 year in the U.S.)

America Invents Act – 2011

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Highlights of changes made by the AIA

- Change in prior art definition effective March 16, 2013
  - more prior art available, especially from outside the U.S.
  - patents claiming priority from pre-3-16-2013 filings can retain the old definition of prior art
- Change from First-to-Invent to First-Inventor-to-File system
- 12 months grace period ***retained*** for publications
  - only for claims fully supported by publication
- Secret commercial use ***may*** not bar patent
  - this issue will need to be determined in court
- Prior user rights expanded
- Joint Research & Development encouraged
  - but must identify the agreement in the patent
- Company can be the applicant

General Overview of Patents

Requirements for a Patent Application

- Background – Not strictly required, but useful
- Written Description – Specification must describe the invention in full, clear, concise, and exact terms to prove the inventor was in possession of the full scope of the invention
- Enablement – Specification must teach how to make and use the invention
- Claims – Define the “metes and bounds”
- Drawings – Required if necessary to understand the invention
- Abstract – Quick reference vs. limitation
- Inventors Oath or Declaration
- Information Disclosure Statement (IDS)
  - Required if material prior art is known

Patent Myth # 1

Getting a patent means you may be able to use the invention

- A patented invention may still run afoul of laws or regulations
- A Patent is a Negative Right, i.e., it is the right stop/exclude others
- An issued patent gives you the right to sue in Federal Court to prevent others from making, using, offering to sell, selling or importing the invention(s) claimed in the patent, OR potentially contributing to or inducing such activities; see 35 USC 271
- It does **not** necessarily mean you can use your own patent
- Today, it is difficult to stop others; easier to get money
- Be careful of the easy design-around

Patent Myth # 2

If you patent it, the investors will come

- The value of a patent arises from the revenue stream it protects
- Patent issuance doesn't mean the invention will work in the real world
- Your business plan matters much more than any patent, even though getting a patent may be a key part of your long term business plan
- While prior art searching is not required, it may be practically necessary in view of the nature of the invention, the market, or both
- Don't forget the other avenues of protection:
  - Trade Secret – Must define it and take steps to keep it secret
  - Copyright – Need not register, but for proof and suit
  - Trademark – Cannot be merely descriptive of the goods or services

Aside # 1 – Copyright & The Monkey Selfie

Copyright basics

- Copyright protects an original work of authorship
- Not much originality or creativity is required
- Software can be copyrighted, but you need an author and to obtain the rights in the work from the author
- The “monkey selfies” were taken by a crested black macaques using David Slater’s “stolen” equipment
- Slater claimed copyright in the images, asserting he “engineered” the shots by leaving his camera in a place the monkeys were likely to play with it
- U.S. Copyright Office—works created by a non-human are not subject to U.S. copyright protection
- September, 2015—PETA sued on behalf of the monkey, claiming the animal is the legal owner…
- Strengthening trademark protection through copyright

Patent Myth # 3

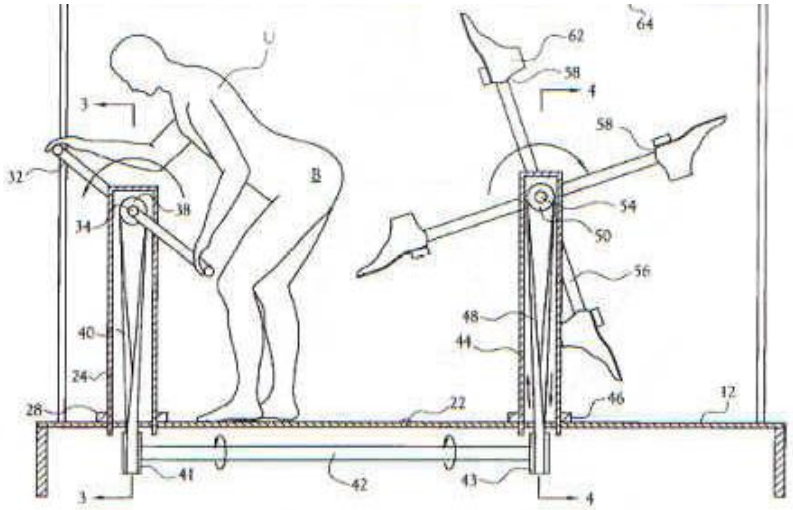
You can get a patent for an idea

- You must claim a practical application of an inventive concept
- *Alice Corp. Pty. Ltd. v. CLS Bank Int'l*, 573 U.S. __, 134 S.Ct. 2347, 110 USPQ2d 1976 (2014): (1) is the claim directed to an abstract idea; (2) does the claim recite significantly more than just the abstract idea?
- "If I had a world of my own, everything would be nonsense."
  - Lewis Carrol, Alice's Adventures in Wonderland
- In the case of software, if the invention actually improves the computer (as opposed to how use of a generic computer improves the invention) or improves the operation of a real-world system or process, then it is just a matter of claim drafting to get to patentable subject matter
- The inventive concept must appear in the claim with limiting language
- In Europe, do you have a technical solution to a technical problem?

Patent Myth # 4

Getting a provisional patent will protect you

- Provisional patents do not exist, only provisional patent applications
- These are **not** examined, published or issued; No right to exclude
- The same legal requirements (e.g., full disclosure & enablement) apply
- A provisional patent application just gives you 12 months to do more
- A quick and dirty provisional patent filing can come back to bite you



Patent Myth # 5

A PCT patent application protects you worldwide

- Patents are specific to each jurisdiction, typically per country
- A Patent Cooperation Treaty (PCT) application is a single application that serves as a patent filing for the U.S. and many other countries
- But no patent will issue from a PCT; must file national applications within 30 months
- You will get a search and preliminary examination report
- You can also engage in some prosecution: amendment before publication; amendment and argument with Chapter II Demand

Patent Myth # 6

Patents protect what are shown in the drawings

- A design patent protects the innovative ornamental features of a product as shown in the drawings

- A utility patent protects innovative functional features of a system, apparatus, method, composition of matter, etc., as recited in the claims
  - Continuation – Same specification and general invention, and same priority date, but new claim language
  - Divisional – Same specification and same priority date, but claims a different invention described in specification
  - Continuation-in-part – New disclosure added; priority depends on when claimed subject matter was first disclosed

- Note that you can retain copyright of subject matter disclosed in a patent



Aside # 2 – Some more on design patents

Some differences between Design and Utility

- Patent term is 15 years from issue versus 20 years from U.S. filing
- Generally can be obtained quickly (12-15 months from filing)
- Less expensive to prepare and no maintenance fees
- Foreign priority is only 6 months for design patent applications
- A design application cannot claim priority to a provisional application
- Design applications are not published
- Design patents are subject to “claim construction”
- Infringement is based on the ordinary user; validity is based on the ordinary designer
- Damages include disgorgement for infringing products

Patent Myth # 7

Patents are expensive

- OK, maybe this isn't exactly a myth, especially considering worldwide protection, but…
- If done right (with a focus on what matters to the business) getting a patent costs much less than having a valuable invention stolen
- Benefits of a patent portfolio:
  - Increased company value; check the box for investors
  - Revenue generation through royalty payments
  - Excluding competitors from best products or most efficient processes
  - Increasing competitors' risk and uncertainty
  - Bargaining chips to exchange with other companies to use their intellectual property
  - Potentially gain entry to domestic or foreign markets that would otherwise be unavailable

Aside # 3 – Small innovations are important too

Don’t just focus on the “leaps” in technology

- Everybody is looking for the “next great invention”
- Don’t ignore the next “little” inventions
- As long as they are novel advances in a technology, those may be important to protecting your market
- Helps ensure that you can use your own invention
- Creates a minefield for competitors
- Helps prevent an easy design around
- Makes your portfolio more valuable, both in litigation and licensing negotiations

Questions?

Thank you!

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