

BOOTSTRAPPING IP

Protecting your invention, capital, and cash flow

V **BOLD**
VENTURES
P **PATENTS**

John 1:3

TIMOTHY D. SNOWDEN

BV **PATENTS.COM**

TOPICS



- Why? What? When?
- Patentability
 - Useful
 - New
- Best Practices
- IP Bootstrapping Techniques

WHY? WHAT? WHEN?

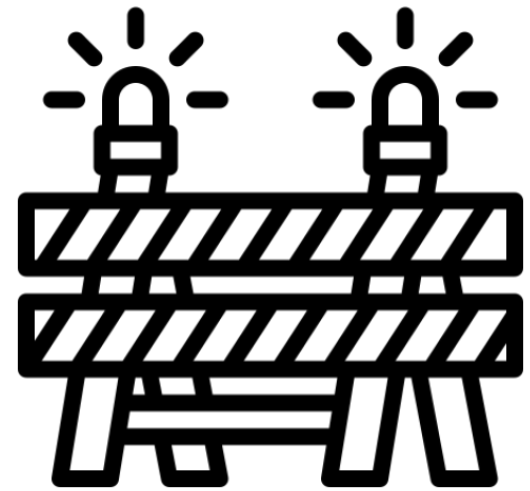


Why Patent?
What is a Patent?
When to Patent?

WHY PATENT? – *PROTECTION.*



- Protect Invention
 - Period of exclusivity (14 – 20 years)
 - Government-granted / Court-enforceable
 - Right to *EXCLUDE* (not a right to *use*)
- Commercialize
 - Barriers to competitor entry
 - Often required by investors



WHY PATENT? – *PUBLIC GOOD.*



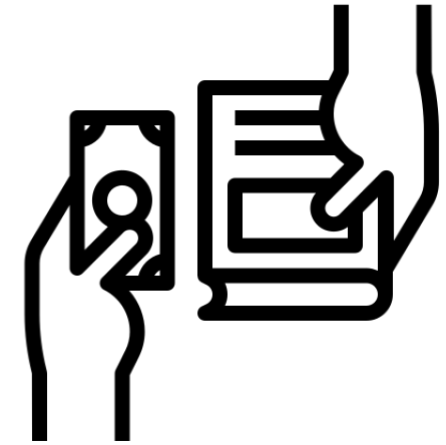
- Ideas Require Added Value
 - 25% Invention
 - 75% Commercialization
- Promote *Commercialization*
 - Ideas ***must be developed to be useful***
 - Development investment needs return
 - NIH: Research unutilized & unavailable to public → Bayh-Dole Act → Research commercialized & available
- ***Patents enhance public access to research!***



WHAT IS A PATENT?



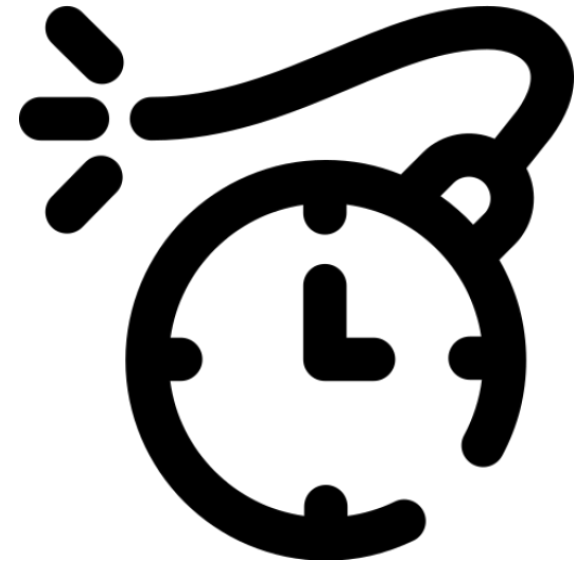
- Exchange
 - Between inventor and public
 - Mediated by the US Patent Office
- Inventor:
 - Gives invention to public (makes *patent*, or *open*)
 - Description + Drawings + Claims
- Public:
 - Grants Inventor temporary exclusivity



WHEN TO PATENT?



- NOW
- Patents are time-critical
 - First-to-file
 - First inventor to the USPTO wins!
 - Time bars
 - Don't accidentally give to public for free!



PATENTABILITY



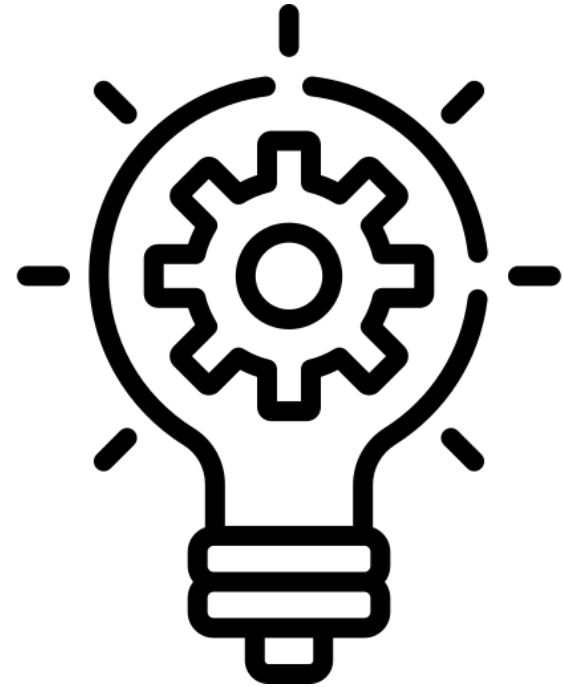
Is it Useful?

Is it New?

PATENTABILITY CHECKLIST



- Is it Useful?
 - Solve a problem?
 - Abstract / law of nature?
- Is it New?
 - Novel?
 - Non-obvious?
 - Non-public AND never for sale?



USEFUL: SOLVE A PROBLEM



- “Useful
 - Process,
 - Machine,
 - Manufacture,
 - Composition of matter”
- Specific – *is the **innovation** useful?*
- Substantial – *is it useful **right now**?*
- Operable – *does it **actually work**?*



USEFUL: ABSTRACT / NATURAL



- Four Statutory Categories:

- Process
- Machine
- Manufacture
- Composition of matter

- Abstract Ideas

- Natural Laws, Phenomenons, Products

→ *Cannot preempt what is already public!*

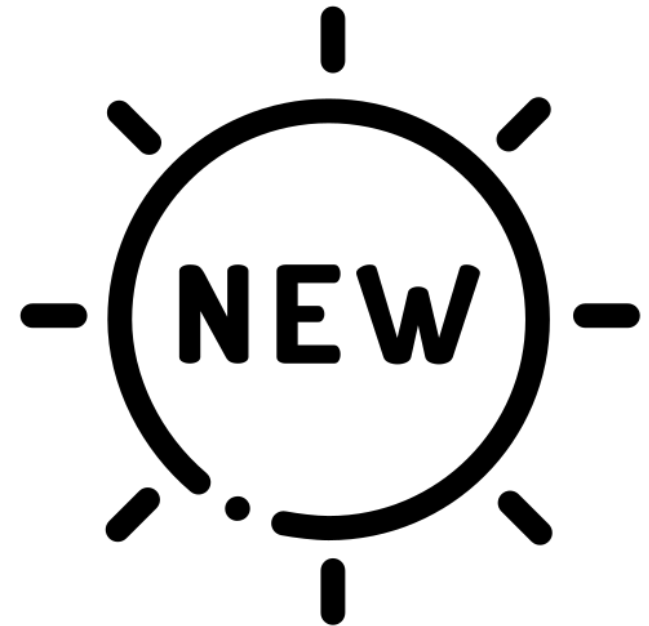


$$E=MC^2$$

NEW: NOVEL



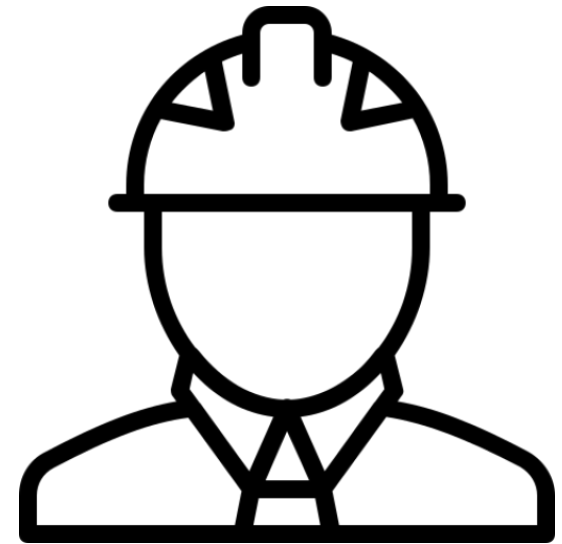
- New
 - Process, Machine, Manufacture, or Composition
 - *or* –
 - Improvement thereon
- ‘Anticipation’
 - Already known
 - At the time of invention



NEW: NON-OBVIOUS



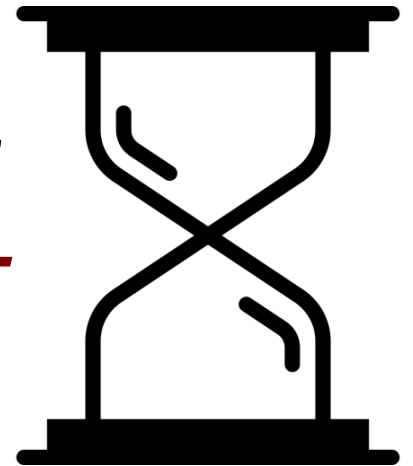
- Natural extension of “is it new?”
- Is it obvious (at date of filing) to a POSITA?
 - Preserves everyday creativity and adaptation
- Is the new feature predictable? (KSR)
 - Would anyone in a similar situation try it?



NEW: NON-PUBLIC



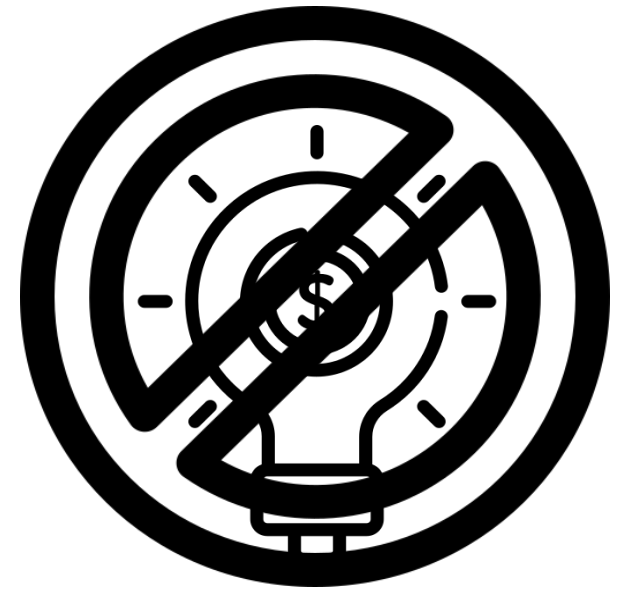
- Further extension of “is it new?”
 - → has it already been made available to the public?
 - Cannot ‘take an invention back’ after giving away!
- Public Disclosure
 - Immediately starts 1-year ‘grace period’
 - **1 day after grace period = NO PATENT**
- Note:
 - some countries require **absolute** novelty (no grace)



NEW: NON-PUBLIC



- **ANY** Sale
 - Public –OR–
 - **Private / Secret** “Sale” (*Helsinn*)
- Sale (*Pfaff*)
 - (1) Commercial sale –or– offer for sale
 - (2) Invention is ready for patenting
- **Commercial Sale / Offer for Sale**
 - **Paying third-party vendor for manufacture/testing**
 - **Any “commercial benefit”**
 - **Can include discussion with no formal offer to sell**



BEST PRACTICES

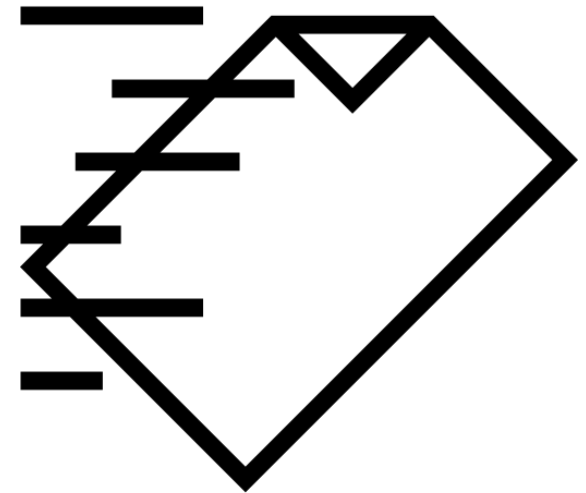


File
File Early
File Often

FILE



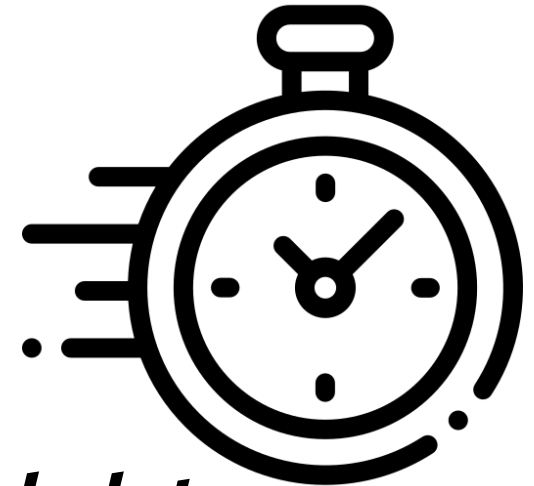
- Provisional
 - 1 year filing date 'placeholder'
 - Must still describe adequately (or lose filing date)
- Non-provisional
 - Can claim filing date of provisionals (1- ∞)
- Design
 - Ornamental features *with no utility*
- Patent Application Components:
 - Description + Drawings – must enable POSITA to make
 - Claims – distinctly point out the exact invention



FILE EARLY



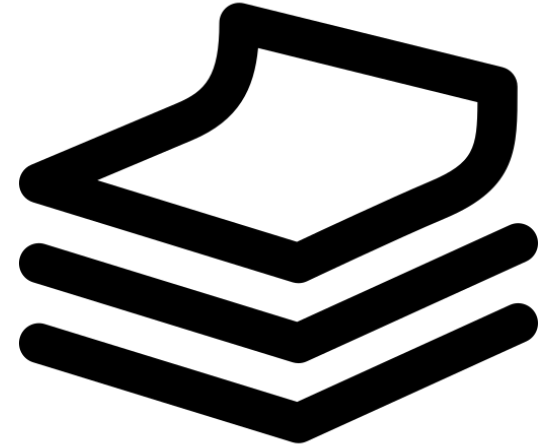
- America Invents Act – 2012
 - First to *invent* → **First to file**
- BEST: File ***before any disclosure!***
 - Provisional or design
- GOOD: ***Record all disclosures / Track dates***
- BAD:
 - Try to file 364 days after disclosure / commercialization
 - Emergency provisional application!
 - Risks non-enabling disclosure (lose protection)



FILE OFTEN



- File with every improvement
 - Great use of provisionals
 - Bundle into fewer non-provisionals
- Keep records
 - Include *ALL* potential variations
 - even 'second-tier' or uneconomical variations
- Build patent *portfolio*
 - Investors buy portfolios, not single patents
 - Strength in #s: difficult to invalidate / design around



IP BOOTSTRAPPING TECHNIQUES





Patent Application Process
DIY – AMAW
Negotiate
Patent Pending ...
Design Patents

PATENT APPLICATION PROCESS



YOU: File



USPTO: Rejection  **YOU: Response**




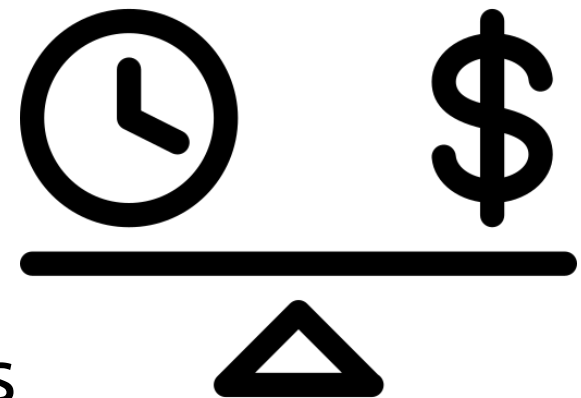
You: CON/CIP **USPTO: Allow**



DIY – AS MUCH AS WISE



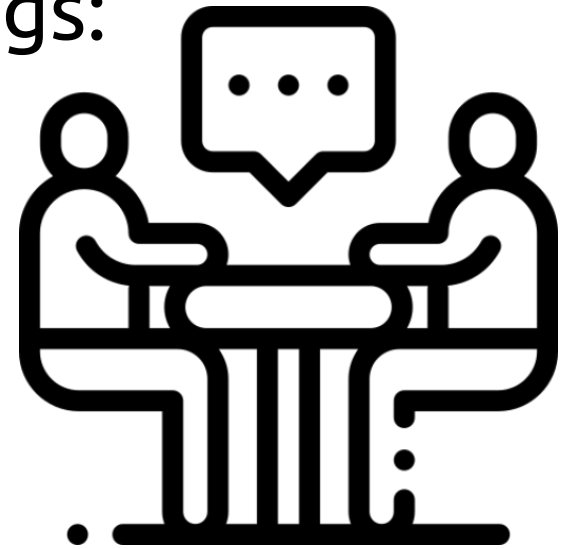
- Cost = hours
- Do the expensive legwork yourself!
 - MANY variations
 - Detailed descriptions
 - Drawing sketches
 - Comparison to existing solutions
 - Application to other fields
- Maximize value-add of legal fees



NEGOTIATE



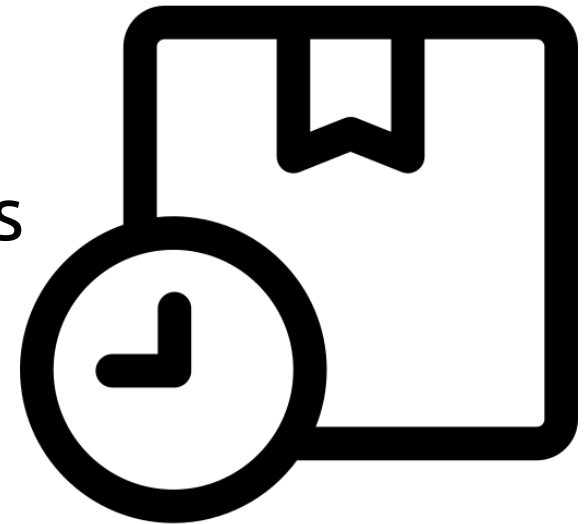
- Make prosecution as fast as possible
- Avoid long-term misunderstandings:
 - Encourage Examiner interviews
- Propose Amendments
 - Accept targeted claims → negotiate
 - Get some useful claims issued
- Soldier-on with Continuing / CIP applications
 - Preserves broader claims, while still getting a patent



PATENT PENDING ...



- Keep applications alive
 - Gives investors opportunity to shape patents
 - Adjust to investor's / purchaser's plans
 - Minimize Cash Burn
- Pending Techniques
 - Minimum responses to rejections
 - File RCEs, Continuation, & CIP applications



DESIGN PATENTS



- Rapid
 - Rapid Preparation & Filing
 - Typically Faster Review by USPTO
 - 99% issuance rate

(<https://www.ipwatchdog.com/2019/05/09/patent-trends-study-part-seven-industrial-design/id=109045/>)

- Sprint to a Patent

- Include a design patent (if applicable)
- Quickly ‘begins’ patent portfolio
- Discourages direct knockoffs



OTHER IP TYPES



What is Intellectual Property?

Copyright

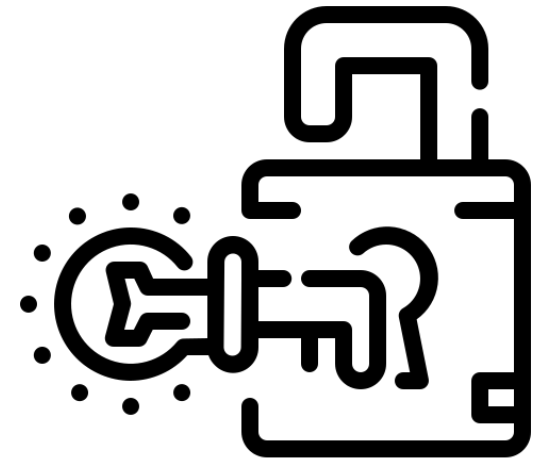
Trademark / Service Mark

Trade Secrets

WHAT IS INTELLECTUAL PROPERTY?



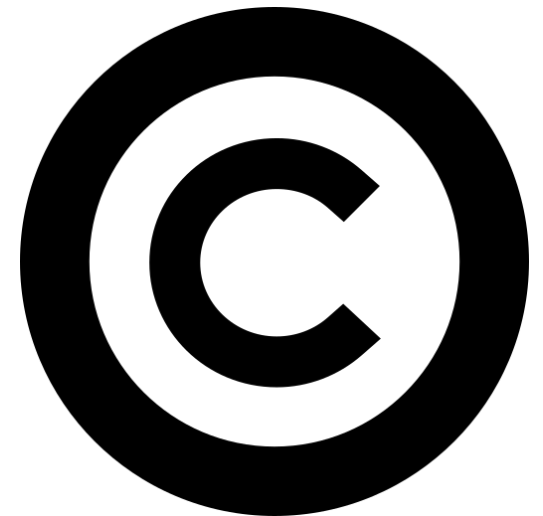
- Produced by Intellect
 - Product of the mind
- Legal Rights
 - Protected by “property-like” rights
 - Right to exclude others
- Includes
 - Patents
 - Copyrights
 - Trademarks / Service Marks
 - Trade Secret



Copyright



- Protects ***expressive works*** – designs
 - Art, Photography, Music,
Written Works (*including code*), **Sculptures**
- File with Library of Congress
 - No examination
 - Must file before infringement suit
- Exclusive right
 - Protect how works are used
 - Protects only from direct *copying*



Trademark / Service Mark



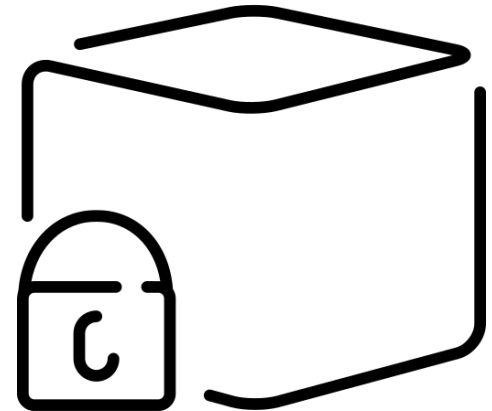
- Protects words, phrases, logos, or symbols
 - used to distinguish a product or service *in commerce*
- Unregistered or registered
- Registration
 - Statutory protection
 - Examined by USPTO
- Helps protect *identity*



TRADE SECRETS



- Information
 - Including a formula, pattern, compilation, program, device, method, technique, process, financial data, or list of actual or potential customers or suppliers
 - Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use;
 - Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.”
- Relies on maintaining secrecy
- Requires efforts to maintain secrecy
- Not inherently time-limited

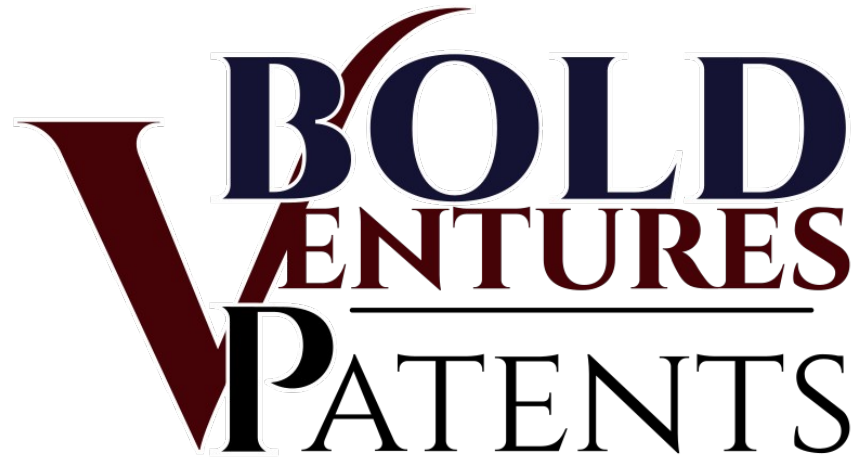


CONCLUSION



- Maximize your invention
 - File before disclosure – **DON'T GIVE IT AWAY!**
 - File early and often – **DON'T MISS THE CLOCK!**
 - Build patent portfolio
- Maximize capital & cash flow
 - Utilize design patents, copyrights, other IP forms
 - DIY legwork
 - Cover core concept ASAP
 - Keep improvements and variations pending

ABOUT US



PATENT APPLICATIONS

Design | Utility | Provisional | International

John 1:3

timothy@bvpatents.com
(903) 420-0759

Temple/Belton, TX

BVPPATENTS.COM

QUESTIONS?



Icons made by Pause08, Freepik, Wanicon, photo3idea_studio, Eucalyp, Smashicons, srip, Pixel perfect, Wichai.wi from Flaticon are licensed by CC 3.0 BY.

Designed by:



BVPPATENTS.COM