

INTELLECTUAL PROPERTY: THE VALUE OF YOUR MIND

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“Heavier than air flying machines are impossible.”

– *Lord Kelvin, Royal Society President 1895*

“In the future computers may weigh no more than 1.5 tons” – *Popular Mechanics, 1949*

“An amazing invention but who would ever want to use one?” – *President Hayes, 1876*



UNDERSTANDING INTELLECTUAL PROPERTY



Q: What is *intellectual property*?

A: Intellectual property is a product of the mind and human intellect.

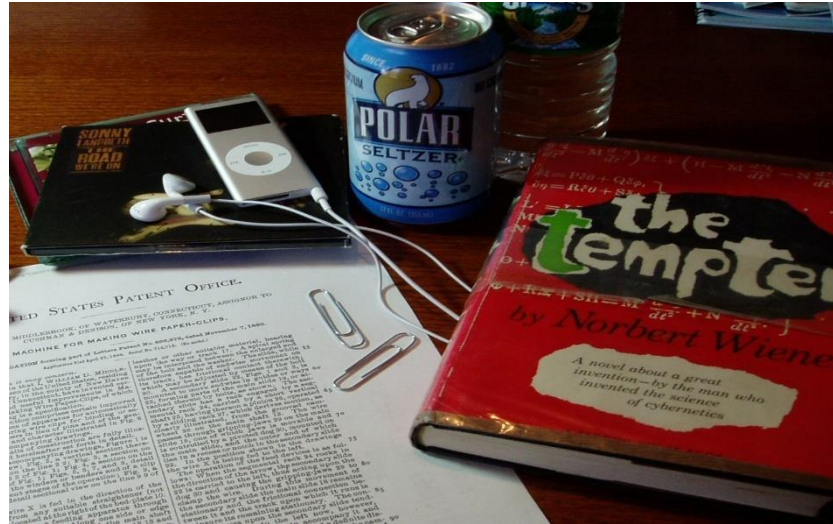


WHY IS INTELLECTUAL PROPERTY IMPORTANT?

These products, “ideas” “inventions” and “creations” have commercial value - \$\$\$.

TYPES OF INTELLECTUAL PROPERTY

- Patents
- Trademarks
- Copyrights
- Trade secrets



WHAT IS THE DIFFERENCE BETWEEN PATENTS, TRADEMARK, COPYRIGHT AND TRADE SECRET?

- A PATENT gives an inventor the right to exclusive use of their invention for a limited period of time. (20 years)
- TRADEMARKS protect the unique name, design, logo, symbols or colors used by a business to identify their products or services.
- COPYRIGHT protects creative and artistic expressions for example, books, drawings, paintings, computer programs and music.
- TRADE SECRETS are processes and inventions kept secret from others (formula for Coke).

AN EXAMPLE

The Slinky

- Is/was it patentable?
- Can it be protected with Trademark?
- Copyright?
- Trade secret?

WHAT IS A PATENT ATTORNEY?

1. I went to law school, so I can practice other areas of law.
2. Required that you pass both state bar exam and patent bar exam.
3. Must have science or engineering degree to become a registered patent attorney.
4. Only registered patent attorneys (or agents) can practice in front of Patent and Trademark Office.

WHAT IF YOU WANT TO INVENT?



- 1) Set a goal, dream, imagine! Do not limit yourself by existing science, theories or other's beliefs.
- 2) Write it down! Keep your journal or “inventor's notebook” with all your goals and ideas.
- 3) Experiment, develop, modify and construct your invention.
- 4) Keep your ideas, inventions and creations confidential, secret.

A LOCAL LEGEND — THE SUPERSOAKER

Entrepreneur 101: Patents

By Jim Poppius, USA TODAY

Getting patent takes pain, perseverance, planning

After years of tinkering, you've invented a high-powered squirt gun, a spray-on toupee or a chicken roaster you plan to sell on late-night infomercials.

Now you want a patent on your invention to protect it from would-be competitors. Last year, about 163,000 patents were issued by the U.S. government for toys, small electrical appliances, sporting goods and other gadgets.

But winning one isn't easy. There's market research to do, legal hurdles to jump and unscrupulous advisers to avoid.

"It's grueling. It's exhausting. It's tedious. It's time-consuming. It's painful," says professional inventor Rick Hartman of Invention, Wash.

Here's a guide to making the process easier.

Step 1: Tinkering with reality

A patent gives an inventor the right to keep others from making, selling or importing a unique design for 20 years from the date of the patent application. The invention must be new and useful or be an improvement on an existing device, according to the U.S. Patent and Trademark Office, which issues patents.

But winning a patent doesn't give an inventor a license to print money — even if the patent is for a new-fangled printing press.

It's just the first step toward getting your invention into consumers' hands. Once a patent is issued, you'll need to develop a business plan, persuade investors to pump money into your company and license or sell your idea to a manufacturer.

Lonnie Johnson (right) — who's credited with inventing the Super Soaker water pistol and has patent No. 4,591,071 to prove it — learned this lesson more than 20 years ago when he got his first patent. He figured his phone would ring off the hook "from people wanting my invention. And, of course, that didn't happen."

To develop the Super Soaker, for example, he was told he'd have to pony up \$300,000 to produce the first 1,000 — money he didn't have.

Eventually, Johnson licensed the design to a manufacturer that's now part of toy giant Hasbro.

Johnson, founder of Johnson Research & Development in Smyrna, Ga., earns a percentage of sales, which have totalled about \$210 million so far. He declined to reveal the exact percentage.

Step 2: Don't reinvent the wheel

Here's why: A quick search for the word "wheel" in the Patent and Trademark Of-

fish in a series of "How-to" articles for small-business owners.

The series and related small-business news are available online at <http://www.usatoday.com>. Have a suggestion for a future topic? E-mail reporter Jim Poppius at jpoppius@usatoday.com.



Photo by Andrew Frank for USA TODAY. Illustration by Jim Higgins, USA TODAY

ice database turns up 40,303 related patents just in the past 5 years. So it's best to see if someone has beaten you to the patent before you invest a lot of money.

Many investors do patent searches by plugging into the Patent and Trademark Office's online database (www.uspto.gov).

But Richard Ajay, head of the office's independent inventor programs, notes that patents are written in mind-numbing legalese. You may miss a patent if you don't use the right search terms.

For example, search for "water gun" and you won't find Johnson's patent, which is

instead for a "squirt gun" that's "configured as a structure facilitating partial filling with water leaving a void for compressed air."

That's why it makes sense to consider hiring a patent law attorney.

Step 3: Lawyer or not?

Legendary inventor Ron Popeil of Rocco Invention has patented spray-on toupees and hair developers on his ubiquitous TV infomercials and on home shopping channel QVC. His most successful so far, the Showtime Reduceme & BBQ, he recently sold 10,000 of the chicken roasters during a single QVC appearance.

Popeil, 66, recommends using patent att-

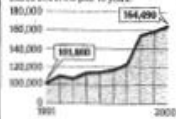
orneys, but only after investors have first proved that their consumer demand. File a provisional application with the Patent and Trademark Office for as little as \$75. That gives a measure of protection for up to a year, Popeil says. Then you'll have that year to do further research before needing to file a formal application.

Patent attorneys charge \$300 to \$500 an hour, says David Leste of Chicago law firm Cowi Alex McFarran Mason Cummings & Mettles, which specializes in intellectual property law. In the end, an investor might pay \$5,000 to \$15,000 or more, Leste says.

A list of nearly 26,000 lawyers qualified to practice before the Patent and Trademark Office is on the agency's Web site.

Patents on the rise

The number of patents issued soared 64% in the past 10 years.



Source: U.S. Patent and Trademark Office

By Greg Ryan, USA TODAY

Resource checklist

- Johnson Research & Development, inventor of the Super Soaker water gun. Go to: www.johnsonrc.com/
- Patitors, publisher of legal forms, information about patents is at: www.patitors.com/keyword/intellectual_property_som.html
- Rocco Invention, developer of spray-on toupees and other gadgets. Go to: <http://rocco.com/>
- Small Business Administration: The federal agency has patent information at: www.sba.gov/startling/indextrade.html
- The Toy Workshop, developer of a patented ice cream cone. Go to: <http://www.theplayshop.com/>
- U.S. Patent and Trademark Office: A list of qualified patent attorneys at: www.uspto.gov/web/offices/com/olc/olcintro.html

Johnson, 51, hired a patent attorney for his first invention to make sure the job was done right and to learn the process so he could do it himself.

Writing a patent application also taught him how to refine his inventions so they would better withstand legal challenges.

But everyone isn't keen on lawyers, Hartman. It's his best pals, mostly for toys. He thinks many inventors can do their own work and save money in the process.

Step 4: Watch out for scams

Companies known as invention-promotion firms promise to take ideas and turn them into reality, charging thousands of dollars along the way. They may claim they have relationships with manufacturers or expertise in market research. In reality, many are suspect operations. Apley says.

Ask the firm how many of its inventions made money. Check their references. And ask about the number of ideas they reject. Legitimate firms generally have high rejection rates, the patent office says.

YOUR HANDOUT IS ONE OF THE PATENTS I DRAFTED

DO YOU WANT TO LEARN MORE ABOUT INVENTING?

The United States Patent and Trademark Office has a website that you can explore, with fun activities to boot!!

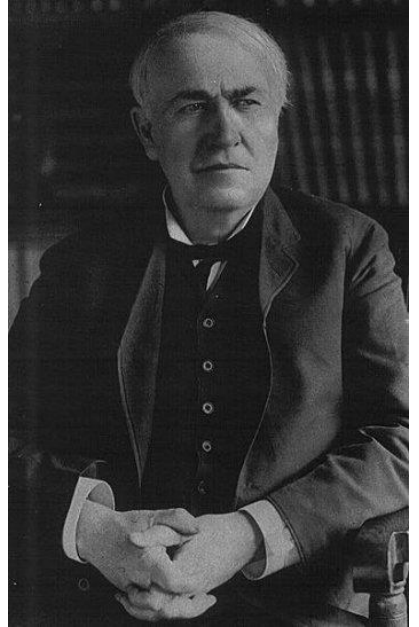
<https://www.uspto.gov/kids/index.html>

Try this fun activity (the inventor founded the Girl Scouts!!)

<https://www.uspto.gov/kids/TrashCanLiner.pdf>

NEVER EVER GIVE UP!!!

“To have a great idea, have a lot of them.” Thomas Edison



Thank you so much!!

QUESTIONS??