

# EFFECTIVE PATENTING

## A Business Perspective

By John DeBoer

The first step in considering patent protection has nothing to do with patents or the law. Instead, it involves a thorough analysis of your business and a determination of what your goals are. There are probably very few decisions that are made in business that don't involve a cost-benefit analysis; obtaining a patent is no different. Patents are assets for your business that could pay huge dividends if properly orchestrated.

There are many reasons why businesses would want issued patents, ranging from protection of core technologies to ownership for use as a marketing tool. Odds are that your goals are a hybrid of those two aims. Analyzing your business and determining your direction will often result in an intelligent and effective approach to building a patent portfolio, which will result in a true and viable long-term asset.

### WHAT ARE YOUR OBJECTIVES FOR OBTAINING PATENTS?

First of all, issued patents are assets. Almost everyone involved in intellectual property law says this and believes this. But what does it mean?

From a purely legal perspective, a patent grants you a number of rights. Mainly, these rights allow you to exclude others from making, selling, using, or importing whatever you have patented. In order for an asset to make business sense, however, you have to decide how best to use it.

#### Consider these key objectives:

**Exclude Competition**—The most obvious method of utilizing a patent is to stop your competitors from making use of the technology. If a patent can give you a competitive advantage in today's cutthroat marketplace, it makes solid business sense to be the only player in the market that can use it. You can have

a monopoly on your invention for 20 years from your application date.

**Use as Marketing Tool**—Selling a product or service that is patented adds to the perceived value of the product or service. It indicates to a customer that you are unique, new, and better than the competition.

**Create Revenue Streams**—Patents also allow you to collect licensing fees from other companies. You can provide all or some of your rights to another for a fee or a royalty. This may allow you entry into markets that are otherwise closed to you.

While your typical business objective will most likely be a combination of these and other considerations, deciding what is most important to your business can help determine strategies to move forward.

#### Also, be aware of the types of patents available:

**Utility**—Typically, when anyone refers to a patent, they are referring to a utility patent. This contains what you claim as your invention and determines what subject matter is protected.

**Design**—A design patent is purely to protect the appearance or decorative aspects of a product.

**Provisional**—A provisional patent can essentially be viewed as a placeholder for your patent application. You have to disclose all the information necessary to implement your idea but do not have to claim your specific invention. You have one year from the filing of your provisional patent to either convert it to a utility application or file a new utility application.

#### EFFECTIVELY MEETING YOUR OBJECTIVES

Meeting your objectives requires significant planning and preparation before ever writing the patent application. Your objectives will dictate how



the patent application is drafted as well as how the patent application is prosecuted after application.

Earlier, we discussed a number of relevant points related to a business perspective on patent protection, or what I like to refer to as Effective Patenting. As a point of significance, I noted that before filing a patent application, it is first important for a business to determine what its objectives are for doing so. Seeking a patent just for the sake of a patent is hardly ever fruitful, but once objectives are identified, it is time to consider strategy.

#### CLAIMING STRATEGIES FOR MEETING OBJECTIVES

We previously overviewed the importance of claims in a patent application, as the claims are the heart of the application. Claims describe the invention and subject matter that you are trying to protect and ultimately determine a carved out legal scope of protection. But claims should be treated as more than just words. They should help a business achieve its objectives and, preferably, provide a means for return on investment of resources dedicated to patent strategy.

#### Consider the following strategies for each aforementioned objective:

**Exclude Competition**—If your chief concern is excluding your competitors from using your technology, then the patent is drafted broadly with a large scope of invention. Your goals here are to get the greatest extent of protection for your invention, which may

include multiple patents that result in a portfolio. The patent application will be written broadly but will likely need to be narrowed before it can issue. Care will be taken to try to prevent future technology from making your patent obsolete. Often, the invention will be described generally in order to do this.

*Use as Marketing Tool*—If your primary concern is marketing, however, the drafting of the patent will be much narrower in scope. The claims will be specific to your invention, without extra subject matter that is not readily apparent. This will speed prosecution and ease the allowance of the patent with minimal cost.

*Strengthen Revenue Streams*—In order to achieve this goal, the approach will be a hybrid of the above. You want broad enough coverage to make your product or service attractive to businesses who may want to license it but not so broad that significant changes need to be made prior to issue.

#### Finally, consider prosecution strategies for meeting those same objectives:

*Exclude Competition*—The main objective here is to get as large a scope of protection as possible. In keeping with that objective, you will need to fight for every bit of your patent claims along the way. Amendments and changes will be kept to a bare minimum, and all arguments by the United States Patent and Trademark Office (USPTO) need to be countered. This may lead to a prolonged prosecution period and a greater expense for the overall procurement of a patent.

*Use as Marketing Tool*—The main objective here is to get a patent and get it fast. You don't want to give the USPTO much to object to or reject. Often, amendments will be liberally made in order for the rapid issuance of a patent.

*Strengthen Revenue Streams*—Again, the approach will be a hybrid of the above.

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The strategies above have been discussed in general terms to provide a high-level overview to a patenting approach and should not, of course, be utilized in place of legal advice. **N**