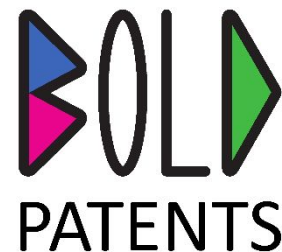


Protecting Your Intellectual Property and Maximizing its Value

J.D. Houvener, ESQ, MBA, PE
founder of Bold Patents

April 4, 2018



Agenda:

- 11:00 AM: Welcome and introductions
- 11:15 AM: IP workshop Part 1 – Patents and Trademarks
- 12.00 PM: Lunch
- 12.30 PM: IP workshop Part 2 – Copyright and Trade Secrets
- 1:15 PM: BAE's Active Inceptor Demonstrator – land a 777!
- 2:00 PM: Close

The 4 Pillars of IP

- Patents
- Trademarks
- Copyrights
- Trade Secrets



Learning Targets:

- **The Law**: A solid grasp of US Patent, Trademark, Copyright, and Trade Secret Law
- **Protect**: Understanding of the application process and creation of patent, trademark, copyright and trade secret rights
- **Enforcement**: How to put in force rights for patent, trademark, copyright, and trade secrets
- **Monetize**: Ways to make money with patents, trademarks, copyrights, and trade secrets

Constitutional Basis

Article I, Section [8] of the U.S. Constitution gives the power to the Congress

“To promote the progress of science and useful arts, by securing for limited time to authors and inventors the exclusive rights to their respective writings and discoveries.”





Patents: Eligibility (Utility)

- **Machine**

- Examples: a general-purpose computer programmed to perform a certain operation, an apparatus for carrying out a certain process, a carburetor

- **Article of Manufacture**

- Examples: a product made by a particular process, a capacitor, a child-resistant package

- **Composition of Matter**

- Examples: a purified protein, a polymer, an alloy, a mixture, a solution

- **Process**

- Examples: a method of operating a computer, a method of using a microorganism, a method of making a product, a method of playing a game)

Patent Law Primer

A Patent gives an inventor the right to exclude others from making, using, selling, or importing the invention into the US (or other countries) for a period of 20 years from the date of filing.



Three requirements to get a patent

- Novelty
- Non-obviousness
- Utility (or 3D/Aesthetic Shape for Design)

Types of Patents

- Utility Patents
 - Eligibility: Device, Manufacture, Composition of Matter or Process/Method
- Design Patents
- Plant Patents

Timing is Critical

- Best to FILE before public disclosure
 - Use NDA if you must disclose
- Statutory Bars for Selling or Publicly Disclosing
- 1-Year Grace Period for US

Enforcement

- Federal Court
- PTAB
- Settlement/License

American Invents Act

- First to File vs. First to Invent
- Worldwide Prior Art
- Patent Trial and Appeal Board (PTAB)

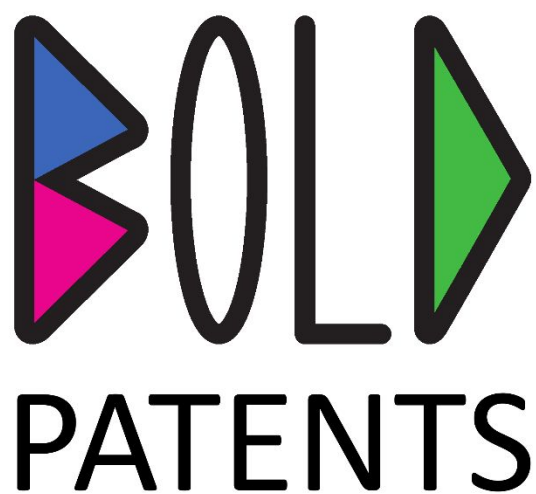
Requirements for Application

1. Declaration
2. Power of Attorney
3. Assignment
4. Drawings
5. Specification
6. Claims
7. Information Disclosure Statement
8. Application Transmittal Form
9. Fee Determination Form
10. Filing by Mail/Postcard
11. Certificate of Mailing/Fax
12. Application Data Sheet

All that is needed to get a filing date is the submission of a complete spec (with claims) and drawings, as needed.

The Specification and Drawings must meet the **enablement** requirement:

“Sufficiency of disclosure or **enablement** is a **patent law requirement** according to which a **patent** application must disclose a claimed invention in sufficient detail for the notional person skilled in the art to carry out that claimed invention.” (MPEP 2164)



Simplified

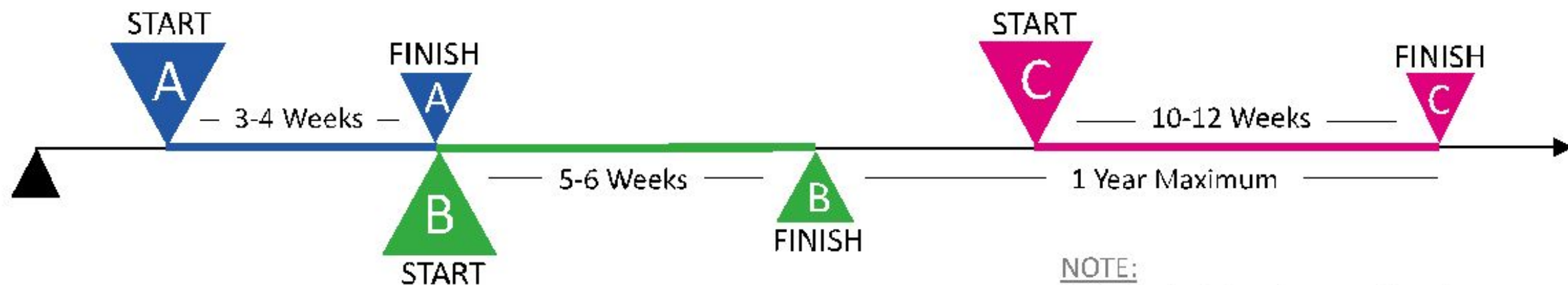
A-B-C Patent Application Process Flow

Patentability Search:

- Takes 3-4 Weeks
- Answer on Patentability/Scope
- Recommended Path Forward

Nonprovisional Patent Application:

- Takes 10-12 Weeks
- Update Specification/Drawings
- Draft Claim Language



Initial Consultation:

- Eligibility Issues
- Inventorship/Ownership
- Long-Term Business Goals

Provisional Patent Application:

- Takes 5-6 Weeks
- "Patent Pending" status
- Develop *Enabling* Disclosure

NOTE:

Submittal of the Nonprovisional Patent Application "C" must be done within 1 year of submittal of the Provisional Patent Application "B" date.



Patents: Enforce

- USPTO is not the Police!
- 15-20 Year Limited Monopoly to Prevent Others From:
 - Making
 - Using
 - Selling
 - Importing
- Federal Court
- Patent Trial & Appeal Board (PTAB)



Patents: Enforce

1. Monitor Technology/Market
2. Validity Opinion
3. Infringement Opinion
4. Cease & Desist
5. Settlement
6. Arbiter
7. Trial



Patents: Monetize

- Patent Rights are fully Licensable, Transferrable, Descendible, and Assignable
- Enforcement Proceedings usually result in Settlement (Licensing, Sale, or Combination)
- Competitive Advantage
- Improvements

Patents: Monetize



Top 10 Sellers in the Brokered Patent Market 2016 Q4

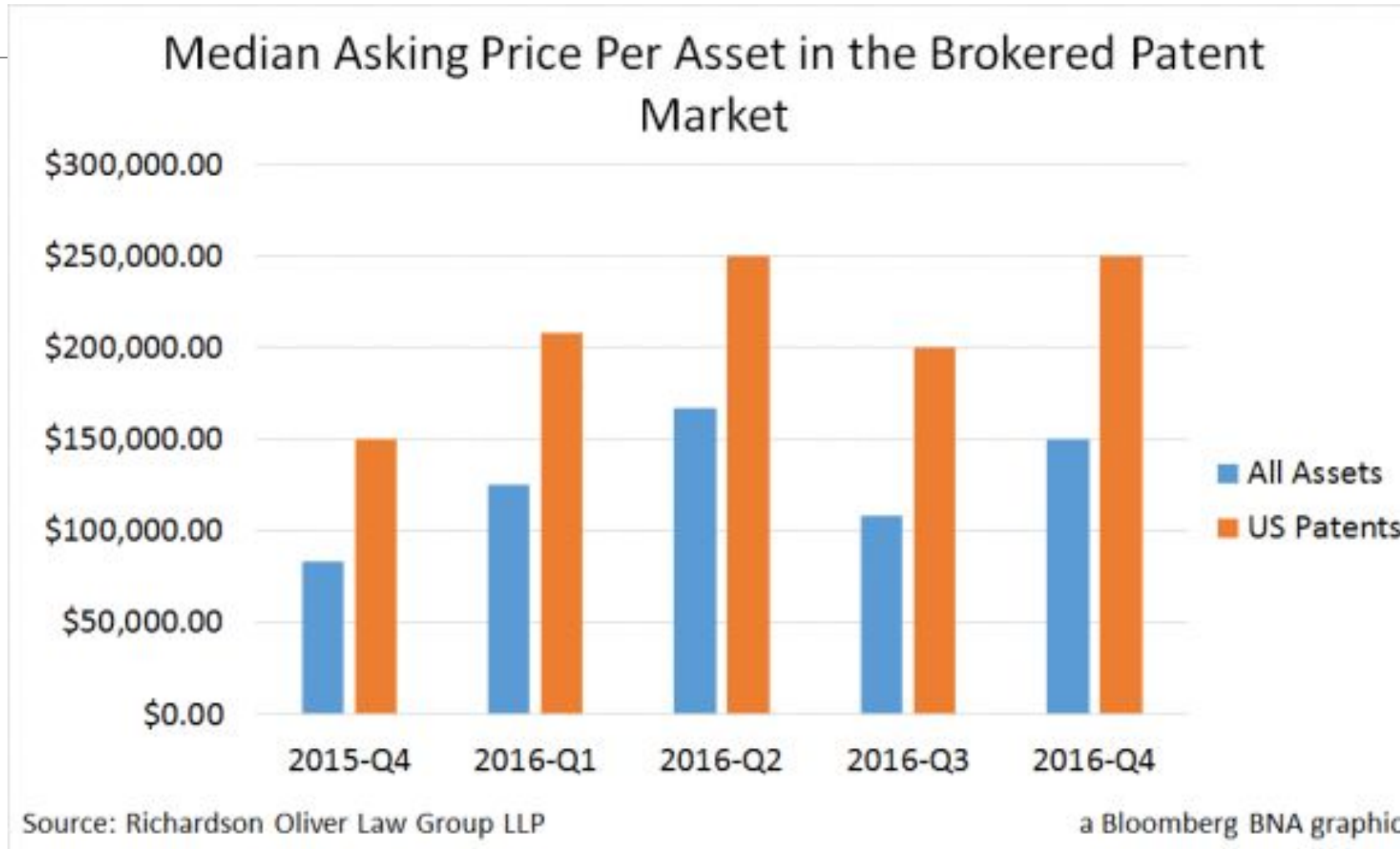
	All Assets	US Patents	Packages
Mitsubishi Group	166	42	1
Hon Hai Precision Industry Co. Ltd.	65	65	1
Adaptive Computing Inc.	64	57	1
Equispan LLC	44	21	1
Huawei Technologies Co. Ltd.	44	10	5
Panasonic Corp.	32	32	2
Seoul National University	15	6	1
Techquity Capital Management LLC	12	12	1
Asset Reliance Inc.	8	6	1
RPX Corp.	6	2	1
Source: Richardson Oliver Law Group LLP		a Bloomberg BNA graphic	

Patents: Monetize

Top 10 Buyers in the Brokered Patent Market 2016 Q4

	All Assets	US Patents	Packages
Intellectual Ventures Management	172	165	5
Murata Manufacturing Co. Ltd.	166	42	1
Rpx Corp.	113	78	7
Syndefense Corp.	44	21	1
Hwang, Cheol-Seong	15	6	1
Hypermedia Navigation LLC	12	12	1
OpenTV Inc.	9	5	2
Eder, Jeffrey	8	6	1
Huawei Technologies Co. Ltd.	5	4	1
SK Hynix Inc.	5	5	1
Source: Richardson Oliver Law Group LLP		a Bloomberg BNA graphic	

Patents: Monetize



Patents: Workshop

Sammy takes his invention to a tradeshow on January 10, 2017 and people love it, but he doesn't sell any. He makes some improvements to it and files his provisional on January 20, 2018. When should he file the non-provisional?





Trademarks: Protect

- Legal Basis: *Lanham Act 15 USC Section 1051*
- Begins at the Moment of Sale
- The Customer's Perspective
- State vs. Federal
- Perpetual Duration
- Classifications

Typed Drawing



Word Mark	SLINKY
Goods and Services	IC 028. US 022 023 038 050. G & S: TOYS OF METAL AND PLASTIC, namely, SPRING TOYS, [TOY RINGS,] BATHTUB TOYS, PULL TOYS, PIN WHEELS, [TOY EYE GLASSES, TILEGAMES, PICK-UP-STICKS,] HAND-GUIDED SPINNING WHEEL TOY, AND INTERLOCKABLE TOY CONSTRUCTION AND BUILDING BLOCKS AND PIECES. FIRST USE: 19450000. FIRST USE IN COMMERCE: 19450000
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	73629147
Filing Date	November 7, 1986
Current Basis	1A
Original Filing Basis	1A
Published for Opposition	June 9, 1987
Registration Number	1455493
Registration Date	September 1, 1987
Owner	(REGISTRANT) JAMES INDUSTRIES, INC. CORPORATION PENNSYLVANIA P.O. BOX 407 BEAVER STREET HOLLIDAYSBURG PENNSYLVANIA 16648 (LAST LISTED OWNER) POOF-SLINKY, LLC LIMITED LIABILITY COMPANY MICHIGAN 4280 S. Haggerty Road Canton MICHIGAN 48188
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	STANLEY B. KITA
Prior Registrations	0427951;1137993;1180355;1276398
Type of Mark	TRADEMARK
Register	PRINCIPAL
Affidavit Text	SECT 15. SECT 8 (6-YR). SECTION 8(10-YR) 20170919.
Renewal	2ND RENEWAL 20170919
Live/Dead Indicator	LIVE

Trademark Law Primer



A Federal Trademark registration gives a business or brand owner the right to exclude others from using a word or design mark within one or more legal classifications for as long as the mark is in use.

Three requirements to get a trademark

- Distinctiveness / Not Confusingly Similar
- Used in Commerce
- Source Identifying

Types of Trademarks

- Word Marks
- Design Marks
- Service Marks
- State Marks

Lanham Act

- First in Use Get Priority
- USPTO Search & Examination
- Trademark Trial and Appeal Board (TTAB)
- Common Law rights prior to registration

Timing is Critical

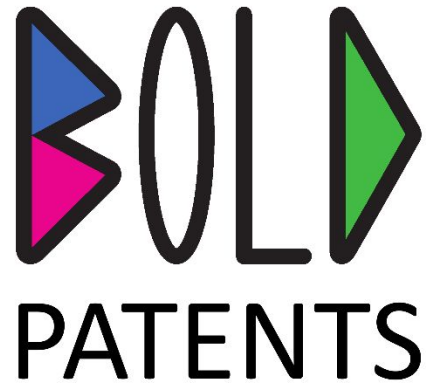
- Best to FILE even before use as an “intent-to-use” to make sure no one else files before you or shows evidence of use in commerce
- USPTO will Publish for Opposition (30 days)
- Must show *Continuous use* throughout

Enforcement

- State and Federal Court
- TTAB
- Settlement/License

Famous Marks





Simplified

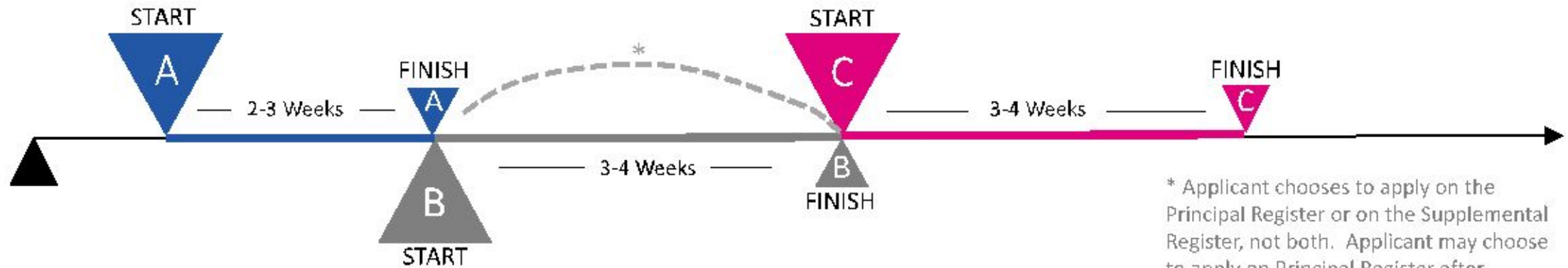
A-B-C Trademark Application Process Flow

Trademark Search:

- Takes 2-3 Weeks
- Answer on Trademark Availability
- Recommended Path Forward

Principal Register Trademark Application:

- Takes 3-4 Weeks
- Detailed list of goods/services **
- Description of the mark
- Grants trademark national recognition and protects from infringement throughout US



Initial Consultation:

- Eligibility Issues
- Ownership
- Areas of Commerce
- Goals of Business

Supplemental Register Trademark Application:

- Takes 3-4 Weeks
- Detailed list of goods/services
- Description of the mark
- Grants trademark recognition in specific state and protects from infringement in that state

* Applicant chooses to apply on the Principal Register or on the Supplemental Register, not both. Applicant may choose to apply on Principal Register after trademark is registered on Supplemental Register, but usually not vice versa.

**When applying for a trademark on the Principal Register, can apply for a mark already in use or can apply on an intent to use basis.



Trademarks: Enforce

- USPTO is not the Police!
- Prevent another from using your mark or confusingly similar mark
- Famous Marks
- Federal Court
- Trademark Trial and Appeal Board (TTAB)



Trademarks: Enforce

1. Monitor Market/Competition
2. Validity Opinion
3. Infringement Opinion
4. Cease & Desist
5. Settlement
6. Arbiter
7. Trial



Primary goal of TRADEMARK law is to reduce customer confusion





Trademarks: Monetize

- Brands can be sold/licensed
- Settlements from Federal Court or TTAB
- Differentiate from competition



Trademarks: Monetize



U.S. TRADEMARK EXCHANGE

SIR GUY®

SOLD

Specnaz®

Make offer

**Penguin's
Paradise®**

\$5,000 or Best Offer

**Sweat Is
Intoxicating®**

\$125000 OBO

SEARCHUS®

25,000 USD



[Company](#)

[Our Services](#)

[Available IP](#)

[Wanted IP](#)

Trademarks

[Patents For Sale](#)

[Trademarks For Sale](#)



Trademarks: Workshop

Sammy opens up his new business called “Tasty Burgers” in Everett on February 1, 2018 but didn’t sell his first burger until February 20, 2018. He is the first company in the country to have this name. What will the trademark office award him rights to?



Lunch Break

- Lunch is from 12:00-12:30PM
- Sign-up Sheet is Available at Podium for a follow-up Free Consultation, E-Book, and Newsletter Signup
- Find J.D. at Lunch to sign your *Bold Ideas* book

Copyright Law Primer



A Copyright registration provides prima facie evidence for at least one author of a creative work with regard to content, timing, ownership, and use requirements.

Three requirements to get a copyright

- Independent Original Creation
- Fixed in Tangible Means
- Artistic Expression

Types of Copyrights

- Written
- Visual
- Sculptural
- Musical
- Performing

Copyright Act

- Constructive Notice via Publication
- Fair use Doctrine
- No requirement of novelty
- Proper notice of copyright © “Copyright, 2018”

Timing is Critical

- Who created the original work (looking at derivatives and look-alikes) it’s important who created the original first
- Filing a copyright *prior* to court case/suit will allow much easier time for plaintiff asserting infringement
- 1-Year Grace Period for US

Enforcement

- Federal Court
- Settlement/License



Certificate of Registration



This Certificate issued under the seal of the Copyright Office in accordance with title 17, *United States Code*, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

Marybeth Peters

Register of Copyrights, United States of America

Registration Number:

VAu 965-360

Effective date of
registration:

November 28, 2007

Title

Title of Work: Tire Tread Design

Nature of Work: Technical Drawing

Completion/ Publication

Year of Completion: 2007

Author

■ Author: Brandon Lagarde

Author Created: Technical drawing

Work made for hire: Yes

Citizen of: United States

Year Born: 1968

Anonymous: No

Pseudonymous: No

Copyright claimant

Copyright Claimant: Sudden Impact Racing, LLC

P.O. Box 11168, Jefferson, LA, 70181

Transfer Statement: Assignment

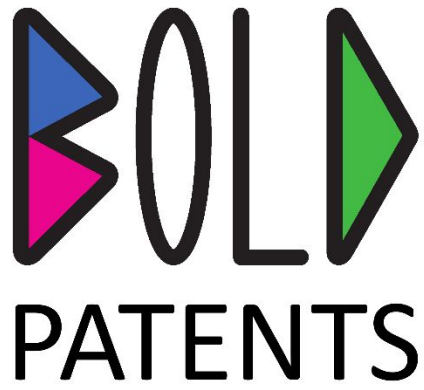
Limitation of copyright claim

Previously registered: No

Certification

Name: Neil J. Coig, authorized agent of Sudden Impact Racing, LLC

Date: November 21, 2007



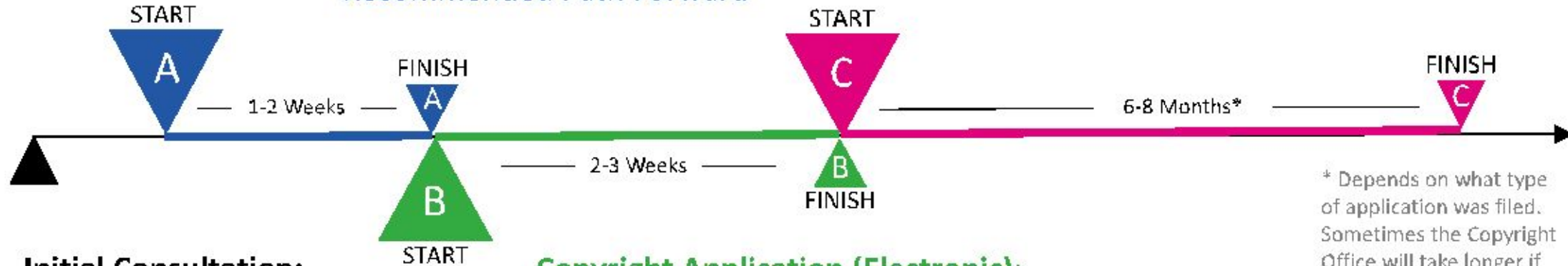
Simplified **A-B-C** Copyright Application Process Flow

Authorship/Creation Information:

- Takes 1-2 Weeks
- Collect Information about Creation
- Recommended Path Forward

Registration:

- Takes 6-8 Months*
- Confirm Registration Information



Initial Consultation:

- Eligibility Issues
- Ownership/Authorship
- Goals of Individual/Business
- eCO (Electronic Registration)

Copyright Application (Electronic):

- Takes 2-3 Weeks
- Title, Publication Description, Author, Claimants, Limitations, Rights, Correspondent, Mail Certificate, Handling, Certification
- Payment of Fee

* Depends on what type of application was filed. Sometimes the Copyright Office will take longer if physical specimens are submitted. Electronic Submissions take typically 6-8 months and paper submissions take around 8-10 months

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Copyrights: Enforce

- Library of Congress is not the Police!
- Give Proper Notice
- Monitoring
- 3rd Party Enforcement (e.g. ASCAP)
- Federal Court



Copyrights: Enforce

1. Monitor Market/Air
2. Validity Opinion
3. Infringement Opinion
4. Cease & Desist
5. Settlement
6. Arbiter
7. Trial

The primary goal of COPYRIGHT law is the prevention of theft of another's unique expression



Vanilla Ice vs. Queen and David Bowie (1990)



Ke.Mazur/WireImage) Mick Hutson/Redferns/Getty, / Mick Hutson/Redferns/Getty, Kevin Mazur/WireImage/Getty

"Ice Ice Baby," by Vanilla Ice (1989) vs. "Under Pressure," by Queen, David Bowie (1981)

Vanilla Ice

David Bowie

2 Live Crew vs. Roy Orbison (1994)



Michael Ochs Archives/Getty, Hulton Archive/Getty

"Oh, Pretty Woman," by Roy Orbison (1964) vs. "Pretty Woman," by 2 Live Crew (1989)

2 Live Crew

Roy Orbison

Robin Thicke vs. Marvin Gaye (2014)



Mike Coppola/Getty, Jim Britt/Michael Ochs Archives/Getty

"Blurred Lines," by Robin Thicke (cowritten by Pharrell) (2013) vs. "Got to Give It Up," by Marvin Gaye (1977)

Robin Thicke

Marvin Gaye



Copyrights: Monetize

- Settlements
- Direct Licensing/Sale
- 3rd Party Licensing
- Creating Derivative Works



Copyrights: Monetize

HOME > DIGITAL > NEWS

APRIL 28, 2016 11:30AM PT

YouTube Will Let Copyright-Disputed Videos Keep Earning Ad Revenue While Claims Are Pending



SONGWRITERS+PUBLISHERS

YOUR MUSIC. YOUR RIGHTS. YOUR MONEY.
LET SESAC REPRESENT YOU.

GO

LICENSEES

LICENSING THE WORLD'S FASTEST GROWING
MUSICAL REPERTORY IS EASIER THAN EVER.

GO

YOUR SESAC ACCOUNT

Choose Your Login

GO

RUMBLEFISH/HFA

LEARN ABOUT OUR SUITE OF SERVICES.

GO

We are ASCAP.

The American Society of Composers, Authors and Publishers



Music Creators >

I write, compose, or publish
music



Music Users >

I use music in my business



Copyrights: Workshop

Sammy is an artist and on weekends, he loves to paint. One day, while at Starbucks, he fell in love with this picture of coffee beans that was on the wall – so he got out his paint brushes and painted his own version of it, and now wants to sell it on eBay, should he get a copyright registration first?



Trade Secret Law Primer

TOP SECRET

A Trade Secret gives its owner the right to prevent misappropriation (theft) of that information by anyone who has access or should not have access and for a certain time after employment.

Three requirements to a trade secret

- Not readily ascertainable
- Security measures taken
- Economic value

Types of Trade Secrets

- Product Manufacturing Method/Process
- Business Method/Process
- Information
- Know-How

State Trade Secret Statutes

- Notice to employees
- Constructive/Implied Access
- Employment Law Implications (Hiring/Firing)
- Non-compete Law

Timing is Critical

- Identify whether the good/service should be protected under Patent Law – 1 year window from first sale or publication
- Immediately when employee joins company – signs confidentiality documents

Enforcement

- State Court
- Federal Court (Defend Trade Secrets Act)
- Settlement/License

Trade Secrets: Protect

- State-Specific: 19.108 RCW (WA)
- Requirements
 - Make effort to keep secret
 - Economic value
 - Not easily ascertainable
- Employment Agreements
- Nondisclosure Agreements
- Computing Security



Key Federal Statute:

United States Code, Title 18,
Section 1839

NEW: Defend Trade Secrets Act
of 2016

Trade Secrets: Enforce

- Called Misappropriation
- Federal Mechanism to bring Suit
 - *18 USC Section 1836*
- Exit Agreements/Severance Packages
- Licensing/Technology Transfer

Trade Secrets: Enforce

1. Employee Monitoring
2. Validity Opinion
3. Misappropriation Opinion
4. State or Federal Statute
5. Settlement
6. Arbiter
7. Trial

Trade Secrets: Monetize

- Technology Transfer
- Mergers / Acquisitions
- License Technology
- Employee Contracts– Non-Compete Clauses
- Competitive Advantage in Marketplace

Trade Secrets: Workshop

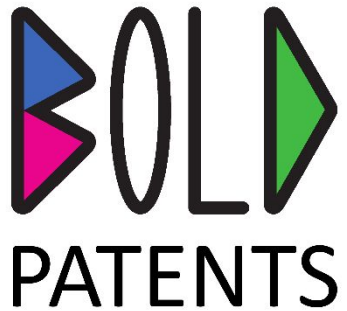
While on the job at Big Tech, Sammy signed an NDA with his boss to learn about the secret project called “Neptune” that contained information about all of the employee’s allergies. He later decided to share the spreadsheet with a large email distribution that included vendors, suppliers and employees to help raise awareness. Is Sammy liable for trade secret misappropriation?



End of Presentation

- BAE Simulator is open – Land a 777!
- Sign-up Sheet is Available at Podium for a follow-up Free Consultation, Onsite Event, E-Book, and Newsletter Signup
- Find J.D. to do Q&A until end of event and/or get your *Bold Ideas* book signed

Thank you! Questions?



J.D. Houvener

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let's
DISCUSS

