

in any other ways one can believe possible, they should always talk with a patent attorney before filing their application!

## Section 4

### “Additional Guidance for Potential Applicants”

## Chapter 25

### Responsible Disclosure

Although sharing the details of an idea may very well be crucial to proving out a concept, it can also become risky for a patent-seeker. How much information should be revealed? Who should one trust? As I mentioned before, one cannot be careful enough about disclosing their invention and it's secret.

That said, there are oftentimes realities in which the inventor cannot completely build-out an entire prototype of the device or innovation on his or her own. Sure, it's in their head, but they can't necessarily build the full prototype without consulting a third party.

Involving a third party on the road to obtaining a patent is quite common. Perhaps the inventor needs someone to build a prototype and/or test said device or process before (or even after) reaching out for legal guidance.

Nonetheless, a prototype is NOT a required to submit a patent application. Yes, that's right: one does not need to have a prototype or working model or even an app before completing the patent application submittal process and receiving a patent pending status on the work. Many inventors don't realize this, and that's why, number one, I recommend having an application submitted BEFORE talking with a third party. Now, if that scenario is either not financially in the cards or is not part of a feasible timeframe, the second best option is to get a nondisclosure agreement (NDA), also called a confidentiality agreement.

These agreements contractually bind either both or one of the parties from disclosing confidential information to any individual or entity that has not also signed an NDA. These agreements are relevant, for example, in software application development. For example, if a certain party develops a brand new business method for social media. The inventor has all of the steps for this new approach in their head and can write it down step by step. They just don't know how to actually do the coding. So, they engage a third

party to develop their concept into a working app: someone to put the coding together, get all the systems together and develop it.

Obviously, the inventor knows what the invention is, and because they can provide a complete and thorough written description of the idea, the app to implement the idea does not necessarily need to be developed before they approach a patent attorney or even before they submit a patent application. If the timing is right and if the attorney agrees, a nondisclosure agreement can be written up between the developer and the inventor.

Oftentimes, an inventor will establish an entity, usually a limited liability corporation, for example to protect their interest in the invention. This LLC is responsible for initiating the NDA process and entering into a contract with its third party developer. What the developer would promise in return, among other things, is to do the work and agree to assign all of the rights to the application's coding and development be assigned to the inventor's entity.

This is commonly known as the "Work for Hire" agreement within an NDA. Any of the work products, any of the intellectual property that is created as part of the development process—the coding, the changes, and perhaps iterations of the software and the functions, would all belong to the inventor's entity. That way, the inventor is

protected from losing or having to share the potential rights that may be earned by any of their intellectual property.

In accordance with getting an NDA signed by any privy third party and the fact that no prototype is required to submit an application, I want to come back around and talk again about the **provisional patent application** and why it is important to get a patent application filed BEFORE talking with the developer at all.

To help illustrate why filing the provisional first can be so critical, I'll stick with the software example. If the software can be explained in great detail, function by function, (i.e. users log into the portal, the portal communicates with the communications network, the communications network then talks with a business exchange, a merchant exchange, and so on) the software application itself and its function as a business method can be written down as an application without it being physically coded or even created in the app store. The beauty of having a provisional filing with the USPTO is that it acts as prior art against all others, allowing the inventor time to develop, test and reiterate.

In this way, the inventor here has won the first to file race and now has one year to file a non-provisional application. During that one year then, an inventor can most certainly can approach a developer to get the thing built, coded, and tweaked to just right, all protected

under the provisional filing (for a time) and an NDA that specifically defines the assignment of assets to the inventor's entity.

Now not just the developer can be approached, but any relevant third party, such as investors, other partners, business advisors, a board of directors, etc. These are great individuals to bring in and explain the full functioning of your patent application. One warning, however, is that what you explain after filing a provisional and what you disclose to others, you've got to be careful that what you tell them is limited to only and exactly what was filed in the application and NOTHING more.

If the inventor divulges any new changes or improvements on their work, they open themselves up to another disclosure issue. Instead, as improvements or changes come about that may not have been discussed in your provisional filing, the inventor can file a **secondary** provisional somewhere within the year before the non-provisional is due.