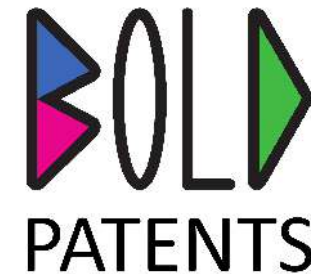


# Trade Secrets 101: The Law, Protecting, Enforcing, and Monetizing

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Bold Patents Law Firm

October 28, 2019



# Agenda

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- 12:00-12:05 Gather & Intros
- 12:05-12:15 Patent Law Background
- 12:15-12:25 Trade Secret Law
- 12:25-12:45 Factors: Patent or Keep Secret?
- 12:45-1:00 Scenarios + Q&A



# Patent Law Premise

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.



# Patent Law's 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.”*





# Does My Invention Qualify?

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## Test for Patent Eligibility:

- Machine (e.g. Apparatus)
- Manufacture (e.g. Assembly)
- Composition of Matter (e.g. Chemical)
- Process (e.g. Method)



# How do I get a Patent?

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## Three requirements to get a patent:

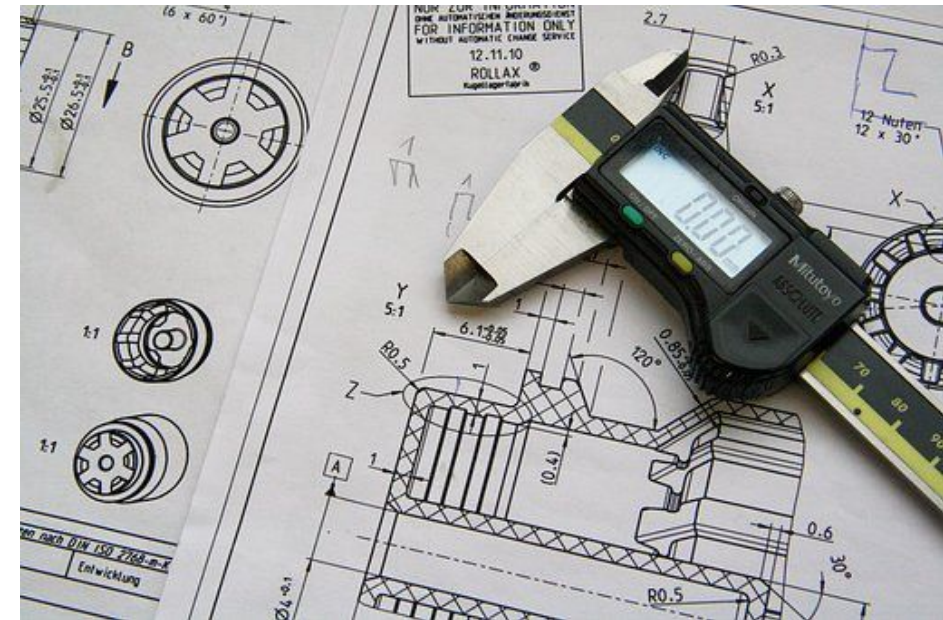
- **Novelty** (First in the world)
- **Non-obviousness** (not easy variation)
- **Utility** (functional benefit)



# Are there Different Types of Patents?

## Three Types of Patents

- Utility
- Design
- Plant



# Implications of America Invents Act (AIA)

## Three Main Law Changes

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





# What Timing Considerations are There?

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## **Statutory Bars & Considerations**

- Pre-Filing Sales and Offers
- Pre-Filing Disclosures
- Non-Disclosure Agreements
- Nonprovisional Reference



# What if Someone Infringes on My Patent?

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## **Mechanisms for Enforcement**

- Validity & Infringement Opinion
- Cease & Desist
- Settlement
- Arbitration
- PTAB
- Federal Court
- ITC



# What are the Requirements for Filing?

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- Declaration
- Power of Attorney
- Assignment
- Drawings
- Specification
- Claims
- Information Disclosure Statement
- Application Transmittal Form
- Fee Determination Form
- Filing by Mail/Postcard
- Certificate of Mailing/Fax
- Application Data Sheet

All that is needed to get a filing date is:

- Specification
- Claims
- Drawings

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

# How do I Make Money with Patents?

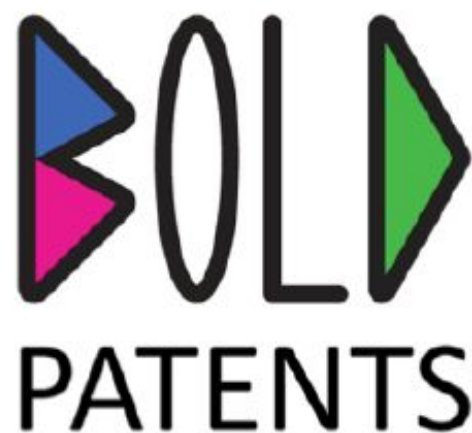
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## Ways to Monetize Patents:

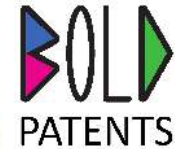
- Transfer Rights
- License
- Sell
- Litigate
- Competitive Advantage
- PTAB
- Federal Court







# A-B-C Patent Application Process Flow

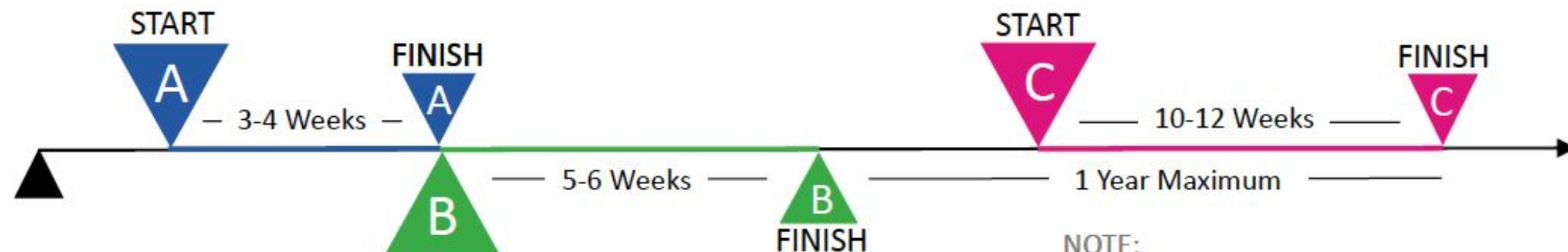


## Patentability Search & Opinion:

- Takes 3-4 Weeks
- Answer on Patentability/Scope
- Recommended Path Forward
- \$2,500 - \$5,000

## Nonprovisional Patent Application:

- Takes 10-12 Weeks
- Update Specification/Drawings
- Draft Claim Language
- \$10,000 - \$20,000



## Initial Consultation:

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

## Provisional Patent Application:

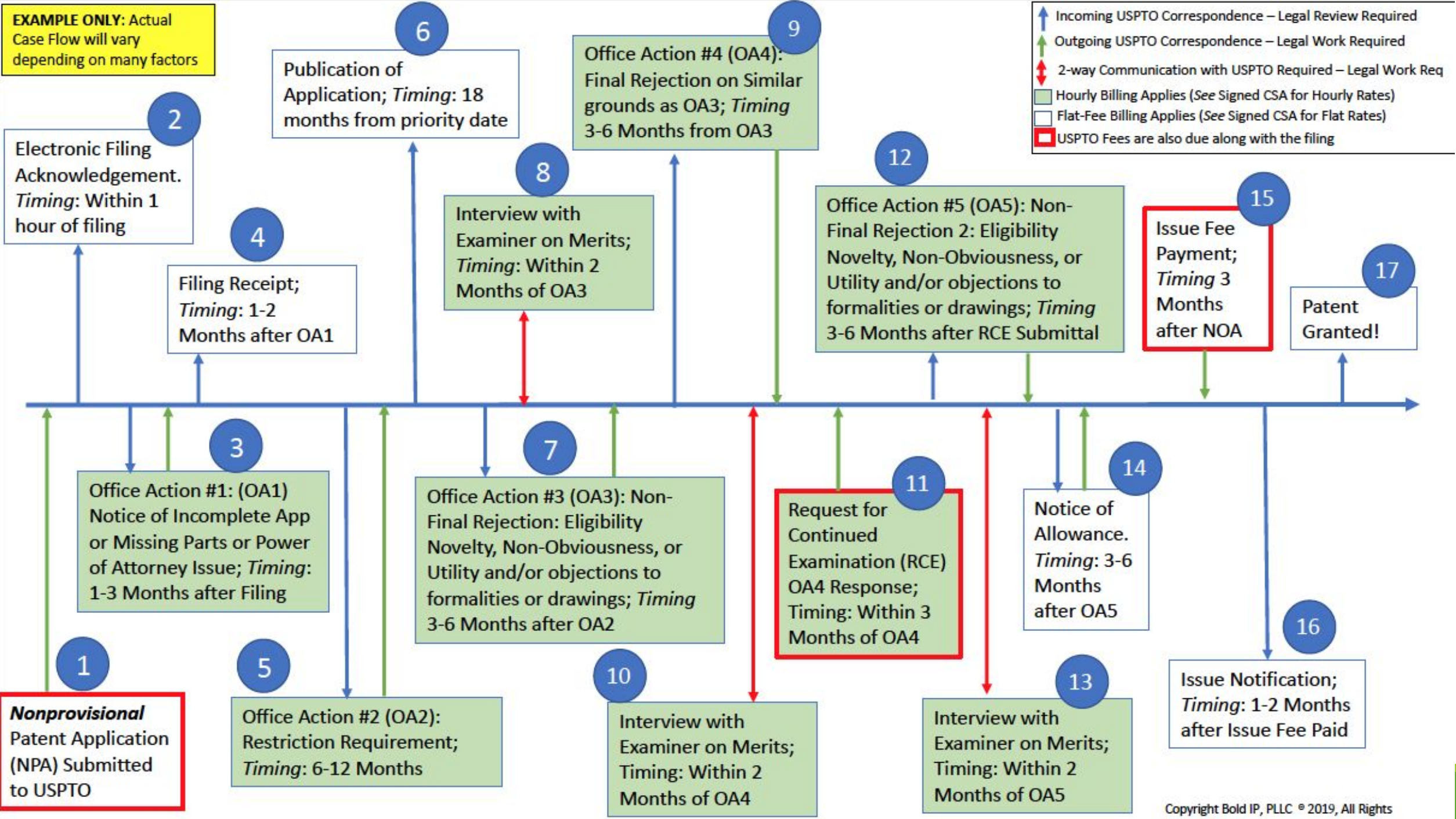
- Takes 5-6 Weeks
- "Patent Pending" status
- Develop *Enabling* Disclosure
- \$5,000 - \$10,000

## NOTE:

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

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# Patents: Workshop

Sammy takes his invention to a tradeshow on May 10, 2018 and gives away a few of them, and people love it, *but he doesn't sell any*. He does more testing and makes some major improvements over the next few months. He gets busy, and doesn't get around to filing a provisional patent application until May 20, 2019. If he does file a Nonprovisional, when is the last day he can?



# Trade Secret Law





# Trade Secret Law Premise

A Trade Secret is confidential information that is valuable, not readily ascertainable and is kept secret from the public. State and Federal laws allow enforcement against those individuals who steal/misappropriate them.



# Do I Have a Trade Secret?

## 3-Part Test for Trade Secret Protection:

- Not Readily Ascertainable
- Efforts to Keep Secret
- Economically Valuable



# What Can Trade Secrets Be?

## Common Types of Trade Secrets:

- Customer Data
- Business Processes
- Manufacturing Methods
- Formulas and Processes
- Software



# When Do Trade Secrets Get Discussed?

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## When To Think About Trade Secrets

- Employment Agreements
- Nondisclosure Agreements
- Employee Exit Interviews
- Computing Security (Virtual)
- Office Security (Physical)





# How Do I Enforce Trade Secrets?

## Remedies for Misappropriation:

- Employee Monitoring
- Settlement/Arbitration
- State Court (Under State Statute)
- Federal Law (Defend Trade Secrets Act)
- [CLICK HERE FOR TIMELINE](#)
- [Settlement 5 Days before Trial](#)



Uber and Waymo have reached a settlement in their trade secrets lawsuit, lawyers for the companies told a federal court in San Francisco Friday morning.

Waymo, which was Google's self-driving car program, had alleged its former engineer Anthony Levandowski downloaded autonomous vehicle trade secrets and took them to Uber.

Waymo accepted a settlement offer from Uber, which agreed to a deal that includes 0.34% of Uber's equity at a \$72 billion valuation, which works out to about \$245 million, two sources familiar with the matter said. Waymo had initially asked for maximum damages of \$1.8 billion.

# How Do I Make Money With Trade Secrets?

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## Trade Secret Monetization:

- Competitive Advantage Beyond 20 yrs
- License/Transfer Technology
- Potential Patentability



# Trade Secrets: Workshop

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While on the job at BigTech, Sammy signed a Confidentiality Agreement 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 on public Facebook, LinkedIn, and Twitter to help raise awareness of allergies. While Sammy may be in violation of HIPPA laws, is Sammy liable for trade secret misappropriation?





# To Patent or Not? Factors to Consider

- **Ripoff Test:** Weigh Risk of Reverse Engineering





# To Patent or Not? Factors to Consider

- **Size/Speed of Market:**  
Timeline for Commercial  
Exploitation



# To Patent or Not? Factors to Consider

- **Investment:** Weighing costs of protection or keeping secret



# To Patent or Not? Factors to Consider

- **Publicity:** Can you keep your innovations out of public eye?



# To Patent or Not? Factors to Consider

- **Licensing:** Licensability of Patents v. Trade Secrets





# Scenarios + Q&A

## Examples

- Airplane Manufacturing Process?
- New App?
- Virtual Reality Solution?



# Thank you! Questions?

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let's  
**DISCUSS**

