

# Business Planning & Intellectual Property: Identification & Actions Steps

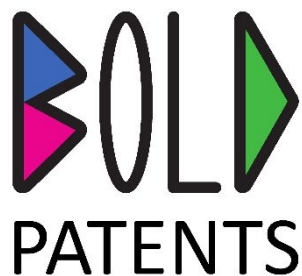
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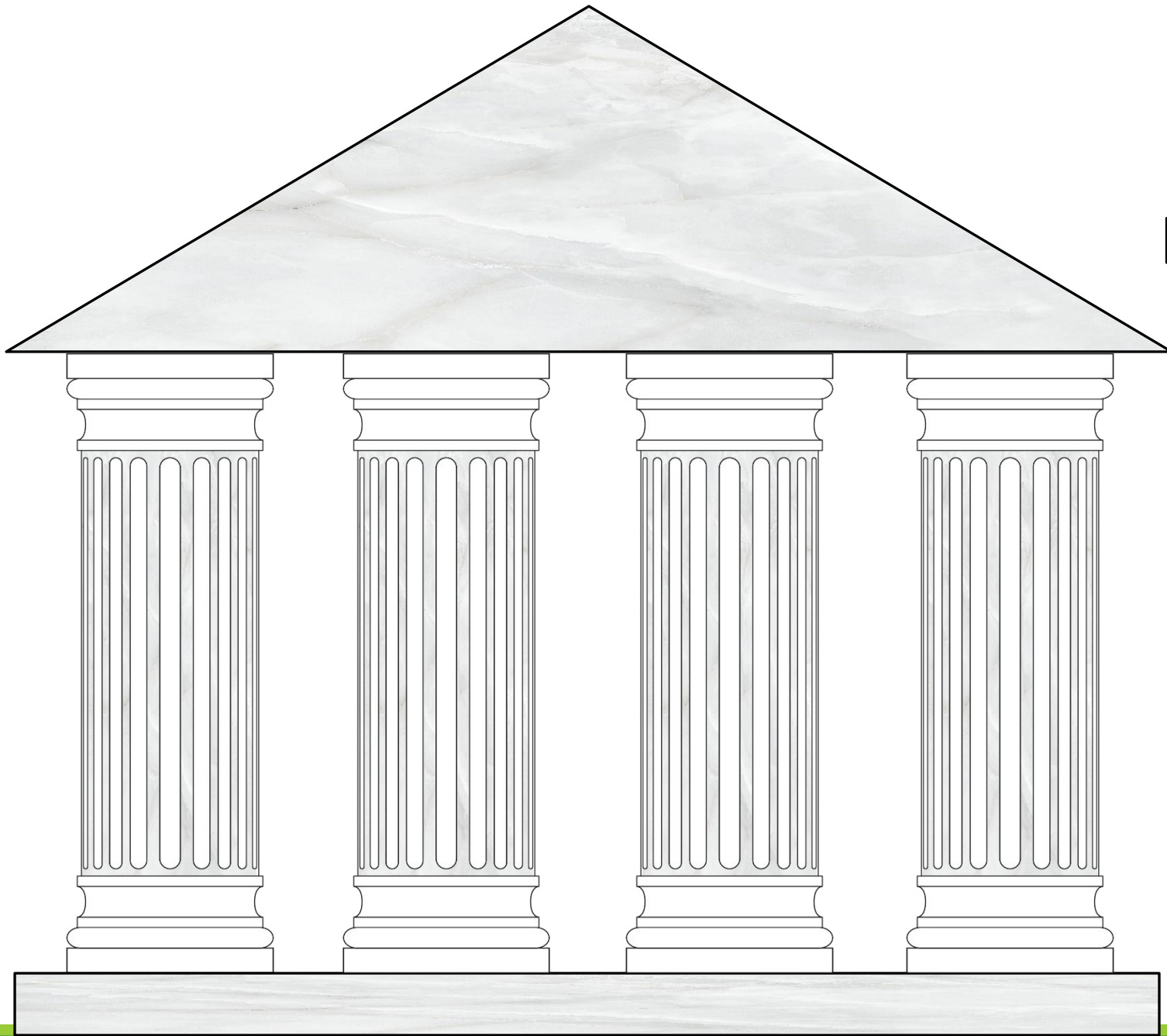
Welcome to the presentation!

Please :

- Sign up using the iPad to get newsletter, e-book, consult
- Take a copy of *Bold Ideas: The Inventor's Guide to Patents*
- Handout slide packet (with space for taking notes)

We will get started around 5:30 PM!

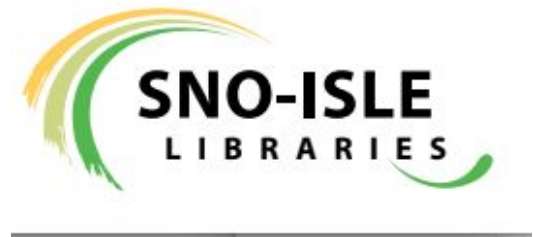
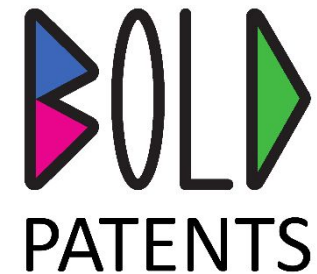




# Intellectual Property Law & Business Planning

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September 25, 2018



# Agenda

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- 5:30-5:40 Meet & Greet - Around-the-Room Introductions
- 5:40-5:50 Intro to Business Planning
- 5:50-6:20 Primer on Basics of IP Laws
  - Patents
  - Copyright
  - Trademarks
  - Trade Secrets
- 6:20-6:30 Legal Workshop
- 6:30-7:00 Business Plan Integration
- Q&A

# Business Planning 101

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1. Company Description
2. Industry Analysis
3. Target Market
4. Competitive Analysis
5. Marketing/Sales Plan
6. Operations Plan

# Business Planning: Company Description

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What Product/Service Does Your Company Deliver?

# Business Planning: Industry Analysis

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How is Your Industry Changing?

# Business Planning: Target Market

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Who is Your Perfect Customer?

# Business Planning: Competitive Analysis

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How are you Better than your Competition?

# Business Planning: Marketing/Sales Plan

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How do you Get Your Customer's Attention?

# Business Planning: Operations Plan

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How Will You Do What You Said You Were Going to Do?

# The 4 Pillars of IP

- Patents
- Trademarks
- Copyrights
- Trade Secrets



# 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

## Types of Patents

- Utility Patents
- Design Patents
- Plant Patents

## American Invents Act

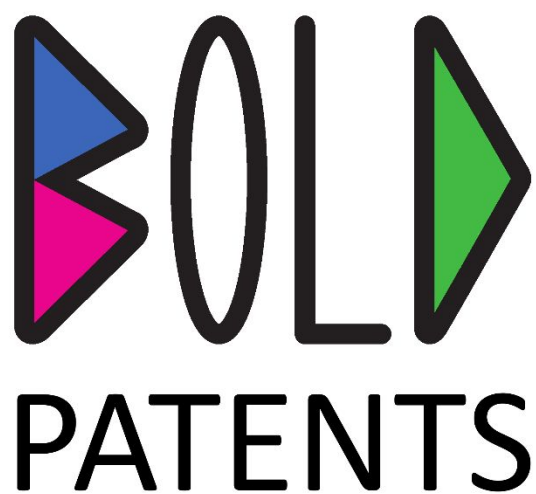
- First to File vs. First to Invent
- Worldwide Prior Art
- Patent Trial and Appeal Board (PTAB)

## Timing is Critical

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

## Enforcement

- Federal Court
- PTAB
- Settlement/License



*Simplified*

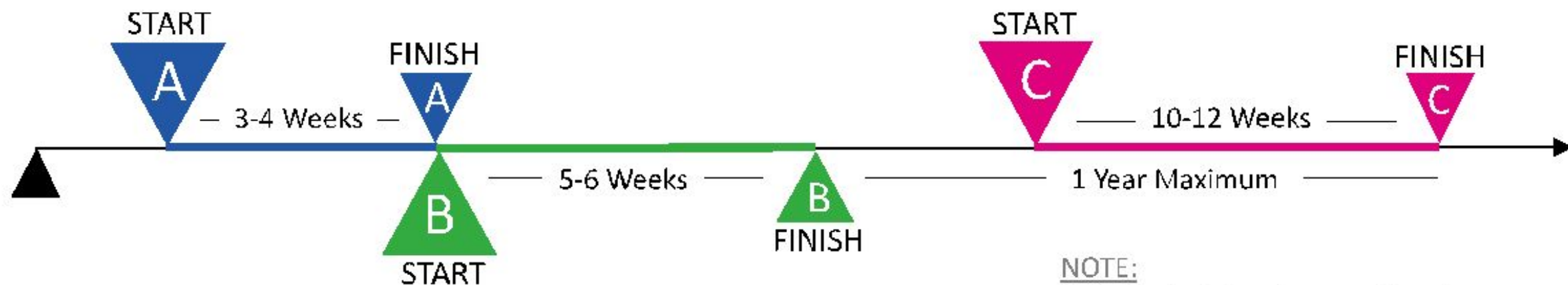
## **A-B-C** Patent Application Process Flow

### 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.

# 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
- \* Note: Created Under Common Law

## Types of Trademarks

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

## Lanham Act

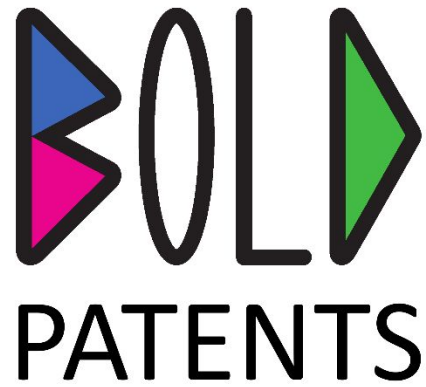
- First in Use Get Priority
- USPTO Search & Examination
- Trademark Trial and Appeal Board (TTAB)
- Common Law rights prior to registration

## 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
- Proper Notice of Trademark is <sup>TM</sup> until you have registration, then it's <sup>®</sup>

## Enforcement

- State and Federal Court
- TTAB
- Settlement/License



*Simplified*

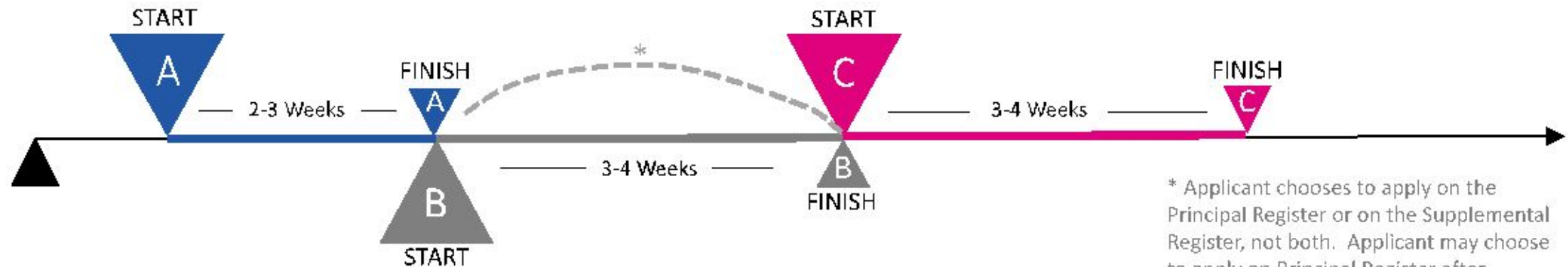
# A-B-C Trademark Application Process Flow

## 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.

# 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
- \* Note: Created under Common Law

## Types of Copyrights

- Written
- Visual
- Sculptural
- Musical
- Performing

## Copyright Act

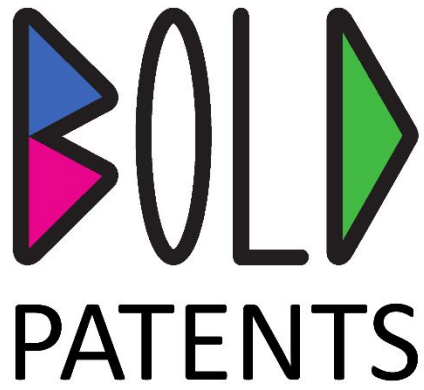
- Constructive Notice via Publication
- Fair use Doctrine
- No requirement of novelty
- Proper notice of copyright © “Copyright, 2018”

## 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

## Enforcement

- Federal Court
- Settlement/License



*Simplified*

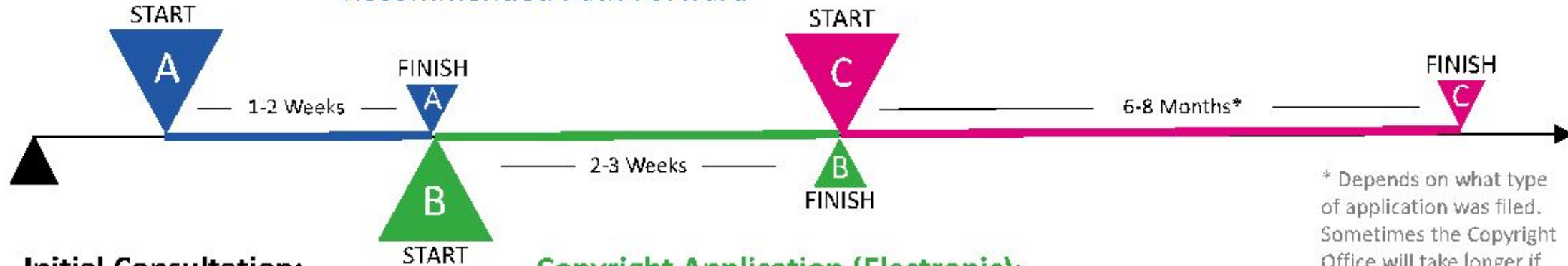
## **A-B-C** Copyright Application Process Flow

### 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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# Trade Secret Law Primer

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

# Legal Primer: Workshop

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- Break into 4 Teams (Count off)
- Designate one spokesperson to speak on behalf of your Team
- Take 5 minutes to think and write down an answer
- Go around the room to each of the 4 Spokespersons

# Legal Primer: Workshop (5-10 Mins)

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## **TEAM 1**

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?

## **TEAM 2**

Sammy opens up his new business called "Tasty Burgers" in Everett, WA 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 priority date will the trademark office award him rights to?

## **TEAM 3**

Sammy is an artist and on weekends, he loves to paint. One day, while at Starbucks, he fell in love with this photograph of coffee beans that was on the wall – so he got out his paint brushes and painted his version of it, he made 100 copies and now wants to sell it on eBay, should he get a copyright first?

## **TEAM 4**

While on the job at Big Tech software company, 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 on social media to help raise awareness. Is Sammy liable for trade secret theft?

# Business Planning: IP Considerations

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1. Company Description
2. Industry Analysis
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6. Operations Plan

# Business Planning: Company Description

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What Product/Service Does Your Company Deliver? How will You Protect It?

- **Initial Members and Shareholders**
  - Inventorship vs. Ownership
- **Operating Agreement**
  - Duties of all members/shareholders
  - Duty to Assign IP
- **Creative Nexus**
  - Core “secret sauce” identification
  - What to publicize and what not to
  - Core brand development
- **Explore Patentability of Technology**
  - Eligibility
  - Novelty, Non-Obviousness, Utility
- **Initial Trademark for Business Brand**
  - Not necessarily Biz Name
  - Intent to use vs. Actual use
  - Class Possibilities
- **What will your company do in 5-10 years?**
  - Plan for TM protection

# Business Planning: Industry Analysis

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How is Your Industry Changing? How will Your IP Protect You?

- **Market Trends**
  - Value of Public Customer Data and eventually your own data (for more mature companies)
  - Research and Documentation
- **Geographic Trend: Where to Locate First?**
  - US vs. International Trends Filings
  - State vs. National protection
- **Demographic Trends: Who to Serve First?**
  - Creative Media to reach people
  - See Target Market
- **Speed to Market**
  - Get an idea on how quickly products/services are innovating
  - Barriers to entry? (e.g. FDA)
- **Current Perception:**
  - Understand how the customers perceive industry products/services (photos, stories, news, media, ads, etc.)
- **Number of Players in Industry**
  - Lots of competitors or just a few?

# Business Planning: Target Market

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Who is Your Perfect Customer? How Can You Position Product Closer to Them?

- **Creating your perfect client Avatar and all demographics, psychographics, and attributes**
  - What are your customers using now to solve the problem?
  - How can you design around those devices to be located by them?
  - Where will customers see your product?
- **Aligns all communication to serve one audience**
  - What media are your Avatars reading?
  - Create/Protect Media to get attention
- **Target client readiness analysis (product fit)**
  - Incremental Designs (steps) to adoption
  - Pricing structures built on innovation levels
  - Design varying delivery channels to meet target clients

# Business Planning: Competitive Analysis

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How are You Different From Competition? How will You Keep Your Edge?

- **Discover Competitors:**
  - Evaluate who is competing for the same Target Clients (even if different products)
  - Distinguish what skills/attributes/technology separates the competitors and your company
  - File patent applications on technology
- **Get Competitive Edge**
  - Conduct Trademark Search and Application to lock in business and brand name/logo for desired area of business/classification
- **Message/Media:**
  - Create images, video and ways to stimulate emotional reaction to steer customers away from competitors to yours (Copyright filings)
- **Assess Trademark or Patentability for R&D Solutions to design around competitor patents/publications**
  - **KEY TEST:** If your product/service, once delivered, would be reverse-engineerable, then you should seek patenting, otherwise, keep as Trade Secret

# Business Planning: Marketing/Sales Plan

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How do you Get Your Customer's Attention? Will you Protect Your Creative Approach?

- **Determine the most effective method to get your product/service in front of the target client**
  - Determine whether your business method and approach to serving clients is potentially patentable
  - Selling just in one state? Or Nationally? Internationally?
- **Provide clear definition of why your product/service is better**
  - File patents on products and services to exclude any competitors from making, using, selling, or importing that invention
  - Use logo, image, creative approach to differentiate your business from competitors
- **Explore new ways to get your product/service to your target client**
  - Retain trade secret data and information on products, assembly, methods of processing and make sure employees are trained on security measures
- **Explore referral channels to get referred to have clients buy your product/service**
  - Cross-License IP to referral partners
- **Develop metrics to measure performance of leads and sales**

# Business Planning: Operations Plan

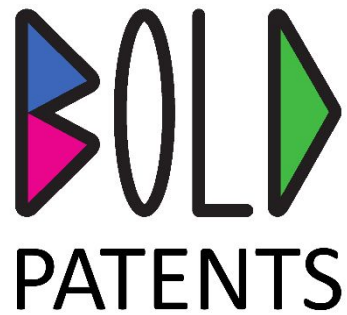
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How Will You Do What You Said You Were Going to Do? How to Audit IP While You Do?

- **Working with Suppliers/Vendors**
  - Contracts and IP ownership clauses are huge even on initial prototyping jobs
  - International Contracts (binding) for manuf.
- **Employees or Independent Contractors**
  - IP Assignments / Employment K
  - Trade Secret Protection / Security
- **Suppliers/Vendors/Partners**
  - Licensing brand, patents, copyrights
- **Hierarchical or Flat Org Structure**
  - Understand access to proprietary information
- **Virtual or Brick & Mortar?**
  - Affirming brand loyalty
  - Flow of internal and external information
- **What to outsource/insource**
  - Incentivize innovation as workforce grows
- **Customer Feedback**
  - Customer feedback loop is huge as products are tested to capture new R&D

# Thank you! Questions?

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let's  
**DISCUSS**

