Eight Ways to Strengthen Your Patent Portfolio

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by David E. Rogers

Today, building a strong patent portfolio is critical for businesses wanting to create exclusive technology sectors to generate greater market share and profits. A strong patent portfolio also provides defensive leverage against competitors with their own patent portfolios. If a patent dispute were to arise between you and such a competitor, the dispute could be resolved by cross licensing all or some patents.

1. Study What Competitors Are Doing.

Review competitors' products, marketing materials, patents, and published patent applications to determine where their research dollars are being spent. Build on and improve upon their concepts. Use them as raw material to brainstorm new inventions. If a competitor's product is not protected, and you need a fast market response, copy it. Capitalize on the competitor's mistake. Then improve upon it and patent the improvement to gain a competitive advantage. If one of your inventions/improvements falls within the scope of another's valid patent, either design around the patent, license or purchase the patent, or offer to license your improvement to the patent owner in exchange for rights to the patent.

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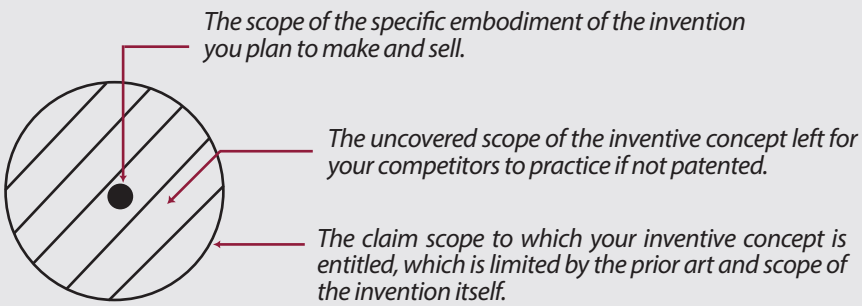
2. Prepare Patents with Broad Claim Scope

The importance of broad patent claim scope to carve out a large technology sector in which you have exclusive rights cannot be stressed enough. Do not leave patent scope (i.e., the scope of your exclusive technology sector) on the table for competitors to practice and circumvent your patent(s). This usually happens when patent scope is limited to the specific embodiment of the invention conceived by the inventor, rather than expanding the scope to encompass as much of the inventive concept as possible, in order to block design-around products.



3. Protect Replacement Parts and Combinations that Include Your Invention.

Patents should be prepared to protect (a) sub-components (e.g., repair parts), and (b) combinations of your product or method with other products or methods, which potentially increases the monetary base for determining damages (whether based on royalties or lost profits) and licensing fees. Describe and claim all patentable components of your invention in order to protect, and potentially lock up the market for, repair parts. Examples: (c) Your invention is an air conditioner with a unique filter. Patent both the air conditioner/filter combination, and the filter separately. (d) Your invention is a printer with a unique ink cartridge. Patent both the printer/ink cartridge combination, and the ink cartridge separately. If relevant, describe and claim the systems or machines in which your invention can be used because that provides the best opportunity for maximizing potential damages for infringement, licensing royalties, and/or selling price.

4. File Patent Applications Early.

File early so competitors do not beat you to the punch by filing first, thereby presumptively obtaining rights to the invention and leaving you behind – even if you were the first to invent. Under the current law, patent protection, and exclusive rights, are presumably granted to the first to *file* for patent protection. Best to file a patent application as soon as your invention is *conceived*, which means you can describe it in sufficient detail to teach others how to make and use it. Waiting increases the risk that, even if you *invented* first, you will lose rights to the invention to someone who filed first. Example:

January 2, 2018 – You conceive of an invention in sufficient detail to teach others how to make and use it. At this point you can file for patent protection. Yet, you defer patent filing while developing prototypes or working on a business plan.

August 2, 2018 – A competitor that does not derive (steal) the invention from you files a patent application covering your invention.

October 2, 2018 – You file a patent application covering your invention.

Outcome – the competitor is presumptively awarded a patent and exclusive rights to the invention. If you publicly disclosed the invention before the competitor filed, or if the competitor derived the invention from you, you could possibly prevent the competitor from obtaining a patent or obtain a patent yourself.

5. Re-Evaluate Your Patent Strategy Periodically.

Re-evaluate your technology and product development efforts at least twice each year to determine if you have new inventions worth patenting.

6. Encourage Invention Within Your Organization.

To obtain valuable, patentable inventions, most businesses need look no farther than their own employees. Some companies incentivize employees to invent, often by offering monetary awards. Make it a contest to legally beat the competition with better products/services.

"Make innovation the routine rather than the exception."
- W. Vance

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- Albert Einstein

7. Think Ahead to Patent Protection Outside of the United States.

Your U.S. patent application is usually the basis for later-filed foreign applications. It should be prepared to establish proper priority, and obtain broad protection, for later-filed foreign applications. Some foreign jurisdictions have more stringent rules than the U.S., and require a U.S. priority application to include claims, or specific examples of the invention, to support claims filed in the foreign jurisdiction. You usually cannot simply add structural or method step detail into the claims from the written description or drawings as you can in the U.S.

8. Contractual Obligations for Consultants, Employees, and Suppliers.

Contracts with consultants, employees, and suppliers should include: (a) a confidentiality provision that protects your confidential information as long as it is confidential or fits within the definition of a trade secret; (b) an obligation to immediately disclose all inventions to you in writing; (c) an automatic assignment to you of any invention/improvement at the time of conception; and (d) a non-compete provision.

Conclusion

Strengthening your patent portfolio means paying attention to it, and addressing patent protection proactively, just as you would any other business function, such as sales, marketing, and manufacturing.

David Rogers
602.382.6225
drogers@swlaw.com

David Rogers practices patent, trademark, trade secret and unfair competition law, including litigation, patent and trademark preparation and prosecution; trademark oppositions, trademark cancellations and domain name disputes; and preparing manufacturing, consulting and technology contracts.