

Shortsighted Thinking Can Lead to Worthless Patents

February 16, 2018

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A. The Goal Is to Make Money and Not to Merely Get a Patent.

A patent defines a piece of intellectual property. Analogous to the size of a parcel of land, the size of a patent (usually referred to as its scope) is critical in determining its value. Patents prepared and/or prosecuted with little forethought about the end game, which is selling or licensing the invention, often have no value.

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B. The Name of the Game Is the Claim.

The importance of broad claim scope to carve out a large technology sector in which you have exclusive rights cannot be stressed enough. Do not leave meaningful claim scope (i.e., the scope of your exclusive technology sector) on the table for others to practice and circumvent your patent(s). This often happens when (1) claim scope is initially limited to a specific, detailed embodiment of the invention, rather than expanding the scope to encompass as much of the inventive concept as possible, or (2) claim scope is narrowed during prosecution to push an application – regardless of business value – through the USPTO. Lengthy, narrow claims create design-around opportunities for competitors who can easily circumvent the patent and freely practice the invention.

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Conclusion

Broad patent scope is critical to create business value, especially for small businesses and startups in which the company's entire value may lie in the strength of its patents.¹

¹ See Eric Haller, *Why 90% of the Patents Are Valueless?* GreyB Services (Feb. 2016) ("shortsighted thinking leads to taking a low-cost approach"); Louis Carbonneau, *What makes a patent valuable; a patent broker's perspective* (Feb. 3, 2015) ("Every patent should be drafted (especially the claims) with the anticipation that competitors will want to replicate, improve upon or design around your solution . . . If you only protect against basic cloning, it will be very easy for others to avoid infringement by removing a single non-essential element.")