

Key Issues in Using IPRs as Business Tools

Patrick Lloyd
Reddie & Grose
UK and European Patent
Attorneys

Patrick.lloyd@reddie.co.uk

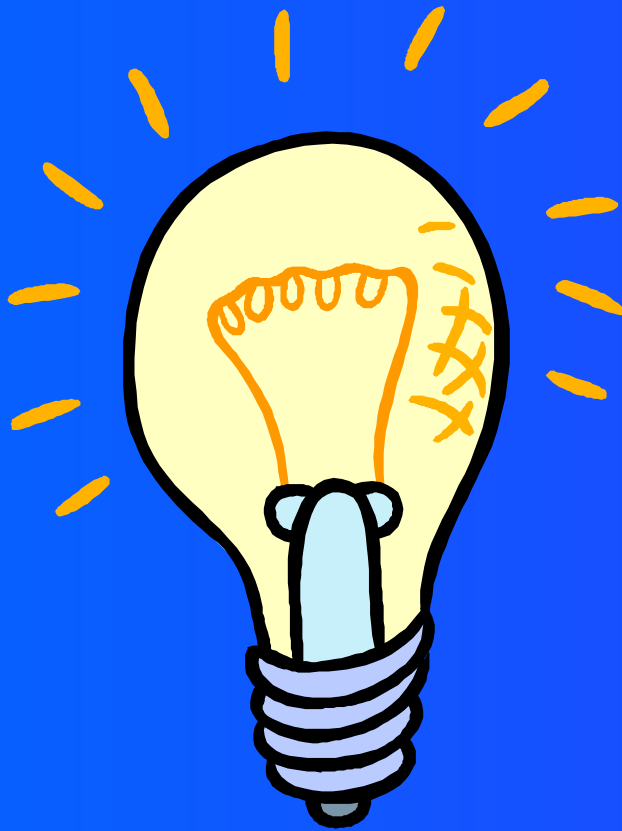
September 28-29, 2004

Reddie & Grose

Content of the Presentation

- Patent system fundamentals
- The patenting process
- What protection do you get?
- What can you patent & software
- Global strategies
- What can you do with your patents
- Other peoples patents

Fundamentals



- The Bargain
 - Disclosure & Monopoly
- Patents Protect Ideas
- You are not patenting this light bulb but the novel principle

The Patenting Process (1)

- Always keep the invention secret before filing
 - Use NDAs if you have to but best to file first
- First application in the home country
- Now you can disclose
- One year 'Priority' period
- Overseas applications

The Patenting Process (2)

- Searching
 - Should we search before filing?
 - Cost
 - Unpublished applications
 - Search by UK/European Patent Offices during Priority year

The Patenting Process (3)

The End of the First Year

Adding to or changing your disclosure

Overseas Applications

European

International (PCT)

Community Patent (25 years late and still waiting)

The Patenting Process (4)

What the Patent Office Does

- Decides whether you are entitled to a patent
- Search and Examination
- Is your invention new, inventive and industrially applicable?

Inventive Step

- Is it inventive = not obvious
 - To whom?
- Solution to a technical problem
- Are there advantages
- Do you avoid disadvantages
- Small improvements are patentable

The Application

- How long does it take
- How long does the Patent last for
- Opposition
- Revocation

What Protection do you Get?

- Absolute Monopoly
- Enforce through the Courts
 - Injunction, damages, delivery up of infringing goods, costs
- Have to show infringement
- Infringer will probably claim your patent is invalid

What Protection do you get? (2)

- Crystal clear claims can look murky in court
- Should you rely on one patent?
- Establishing a portfolio around key ideas and products to guard against infringement avoidance and invalidity.

What Can you Patent

- Much more than you think
- Differences between Europe and USA

What Can you Patent

- Specific exclusions under EPO Law
 - Discoveries, Scientific theories, Mathematical Methods
 - Methods of doing business
 - Programs for computers
 - Presentations of Information

What Can you Patent

- EPO – Must be Technical
 - Technical contribution
 - Technical considerations
 - Often very grey
 - EU Draft Directive

- Despite the restrictions a lot can be protected

What Can you Patent

- EP Patents granted in the following fields:
 - Business managements and trading systems
 - Artificial intelligence and processing natural languages
 - Image processing and computer graphics
 - Product design software
 - Word processing
 - Speech recognition

What Can you Patent

- USA

- Anything goes
- Useful, concrete and tangible result
- No ‘technical’ requirement
- Algorithms patentable if they have a practical application

Global Strategies

- Where to file
- Should we file everywhere?
- Where could infringements be made?
- Where are Main Markets
- IN, EP, US, JP
- Second tier – Ca, Au, Kp, Tw, Cn
- Third tier e.g. Mx, Br, HK, SG

What can you do with your Patents?

- Make Money out of your inventions
 - License third parties
 - Keep third parties out of your markets
- Use them to open doors
 - Patent Pools
 - Cross licences

Other Peoples Patents

- Might your new product infringe?
- Watching your competitors patent applications
- Oppositions
- Chance to design around before it is too late
- Accessing useful information in lapsed and abandoned applications

Looking at Third Party Patents

- Remember its what they claim that determines whether you infringe
- The claims of an application may be narrowed before grant
- Is it in force?
- Can you design around? – is your design patentable?
- Is there a US Patent – triple damages

Conclusions

- Patents can be worth millions
- Patent Licensing is very lucrative and becoming popular in the IT industry
- Get good advice from a Patent Agent before you start
- Don't be put off by the Software restrictions
 - US only can be very effective

The End

Patrick Lloyd

Reddie & Grose

London & Cambridge

Patrick.lloyd@reddie.co.uk

www.reddie.co.uk