The Marin County Bar Association
Intellectual Property Section Presents:

Patent Basics for Non-Patent Attorneys

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Goals of this Presentation:

To Show non-patent attorneys how to:

- Identify patent issues
- Counsel clients appropriately

Identifying Patent Issues

A. What is a Patent?

A patent is a contract between an inventor and the U.S. government which gives the inventor the right to *exclude* others from making, using, or selling a claimed invention in the United States for about twenty years. In consideration, the inventor gives the public a full disclosure of the invention, in sufficient detail, so as to allow one "skilled in the art" to manufacture the invention. The disclosure is required to promote the progress of science.

A patent is an intellectual property right separate and distinct from a trademark, copyright, or service mark. However, a patented invention may also carry a trademark and also be protected by a copyright.

B. What is Patentable?

There are three types of patents:

1. Plant patents

   May be granted to one who invents or discovers and asexually reproduces any distinct and new variety of plant;

2. Design patents

   May be granted to one who invents a new design of a manufactured article. The car body of the Dodge Viper is a good example; and

3. Utility patents

   These are the most common and may be granted to one who invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new or useful improvement thereof.

Examples of the categories of patentable subject matter include:

- New uses for old products: Use of aspirin for heart treatment.
- Improvements to old products: Use of electric sensors to trigger a mouse trap, patent 6,937,156 issued on August 30, 2005.
- A new process: A method of treating material to produce a particular result or product.
- A composition of matter: A combination of two Chinese herbs, Chuanxiong and Tianma, in a certain scientific weight proportion to create a headache remedy, patent 6,919,094 issued on July 19, 2005.

Common areas of patentable subject matter include:

- Software

  Webcam-based interface for initiating two-way video communication, patent 6,941,575 issued on September 6, 2005.

- Business methods

  A system to compute the value of a mutual fund and pay appropriate earnings, *State Street Bank v. Signature Fin. Group*. 149 F.3d 1368 (Fed. Cir. 1998).

- Electronic circuits

  Using known electrical components to receive radio frequencies and reduce the frequencies after entering a cell phone.

- Household and office items

  Wite-Out® correction fluid
  Post-it® sticky notes

The wide breath of patentable subject matter continues to amaze even experienced patent attorneys. Examples of recently granted patents include:

- Watch with hidden compartment for mood sensing stone, patent 6,940,785, September 6, 2005,
- Toy animal with simulated respiration, patent 6,939,195, September 6, 2005.
- Methods for reducing excessive barking of a dog, patent 6,939,894, September 6, 2005.
- Dog diaper system, patent 6,895,901, May 24, 2005.
- Method and apparatus for playing blackjack with a 3- or 5-card numerical side wager, patent 6,902,167, June 7, 2005.
- Sinkable fun toy, patent 6,913,505, July 5, 2005.

However, there are certain areas that constitute non-patentable subject matter. They include:

- Laws of nature, F = MA (Force equals Mass times Acceleration)
- Physical phenomena, such as the Earth orbiting the Sun.
- Abstract ideas, the most common patent pitches delivered by inventors.

  "Let's build a time machine"

What are the common bars to obtaining a patent?

- Non-patentable subject matter.
- Invention has already been disclosed by others in *any* country.
- The inventor failed to file for a patent within one year of an offer of sale in *this* country.
- Your client is not the true inventor; he or she saw the invention used in another country while on a vacation.

How to Appropriately Counsel Inventors

When presented with a client who has a possible patentable invention, do you, a non-patent attorney, have the option of filing a patent application for your client?

No, only attorneys or patent agents registered to practice before the USPTO may represent others before the USPTO in patent matters. However, any attorney may represent clients in obtaining trademarks or copyrights.

Counseling inventor clients, do's and don'ts

Do:

- Warn your client that he or she has one year to file a patent application from the date of public disclosure or date of an offer to sell her invention. The courts have a very broad interpretation of the term "offer of sale."

- Warn your client that there are many invention promotion companies that prey upon first time inventors. They often charge great sums of money for little or no tangible service.

- Warn your client that inventing a product and applying for a patent are just the first steps, and that marketing an invention may be a difficult and time-consuming process.

- Warn your client that obtaining a patent is no guarantee that his or her product will be commercially successful.

Do Not:

- Tell your client to absolutely take a certain course of action in the patent process. For example, recommending a provisional application over a full utility application is not always prudent. A search for prior art should usually be considered. Filing patent applications in other countries should be considered on a case-by-case basis. Patent laws and patent procedures are ever-changing.

Frequently Asked Questions from Inventors:

What does it all cost?

How much time is required to obtain a patent?

Is it difficult to enforce a patent?

General Answers:

COST ESTIMATES

Let's assume that your client has invented a simple physical item, such as a mouse trap:

1. Search for prior art	$700 to $1,500
2. Draft application for a utility patent Inventor may now mark invention as 'Patent Pending"	$2,500 to $5,000
3. Wait 2 years and obtain "some sort" of patent.	$2,000 to $3,000

TIME

2 to 4 years. However a patent for a complex software application or electrical device will generally cost more and take longer.

PATENT ENFORCEMENT

Patents are not self-enforcing. The U.S. District Court has original jurisdiction for patent disputes.

Any attorney may go to the U.S. District Court and file a complaint for patent infringement. Our district, the United States District Court for the Northern District of California, has adopted local model jury instructions and local rules of practice for patent cases. The local rules organize the litigation process and add predictability to the timing of the unique hearings and procedures that occur in patent cases. Our federal judges are becoming more familiar with patent disputes as more patent suits are being filed.

The large judgments obtained in patent lawsuits emphasize the need for business owners to consider patenting their own methods and machinery. A client's patent portfolio may be useful in fending off "Patent Trolls" who purchase patents and attempt to obtain royalty payments and then sue others for infringement.

Thank you.

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