PROTECTING INTELLECTUAL PROPERTY RIGHTS IN TECHNOLOGY, MEDIA & PRODUCT INNOVATIONS

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MAIN TYPES OF INTELLECTUAL PROPERTY LAWS IN THE U.S.:

- **U.S. PATENT LAW**: grants exclusive rights for limited term to new and useful machines, devices, physical processes, material compositions, improvements; new product designs; new plant varieties.

- **U.S. TRADEMARK LAW**: grants exclusive rights for renewable term in distinctive brand names, slogans, or logos used by owner to sell goods or services.

- **U.S. COPYRIGHT LAW**: grants exclusive rights for limited term to original works of authorship, e.g., writings, artworks, music, media, software, etc.

- **STATE TRADE SECRET LAWS**: protects internal company information not disclosed from public sources.
U.S. PATENT PROTECTIONS

UTILITY PATENT: (INVENTIONS)

NEW AND USEFUL MACHINES, DEVICES, PROCESSES, MATERIALS, IMPROVEMENTS (TERM: 20 YRS FROM FILING)

DESIGN PATENT: (PRODUCT DESIGNS)

NEW AND ORIGINAL DESIGNS FOR PRODUCTS (TERM: 14 YRS FROM PATENT ISSUE)

PLANT PATENT: (NEW PLANT VARIETIES)

NEW AND DISTINCT PLANT VARIETIES & SEEDLINGS NOT NATURALLY REPRODUCED (TERM: 20 YRS FROM FILING)
1. **FILE WRITTEN PATENT APPLICATION**: must be filed with U.S. Patent Office before any other publications, public uses or public knowledge of same information.

2. **APPLICATION MUST DISCLOSE INVENTION IN COMPLETE DETAIL**: the written disclosure (with drawings) must teach the public how to make and use the invention without undue experimenting or guessing.

3. **PATENT APPLICATION MUST BE EXAMINED BY USPTO**: patent examiner must find the invention to be new and non-obvious over all prior art; must limit patent claims granted to only what is new.

4. **PATENT GRANT IS DEFINED BY GRANTED CLAIMS**
U.S. TRADEMARK PROTECTION

U.S. (FEDERAL) TRADEMARK LAWS:
Registration of a trademark with the U.S. Trademark Office grants the owner the exclusive right to use the trademark for the specified goods/services in the U.S.; the scope of protection afforded can be enforced to prevent others from using a confusingly similar trademark for similar goods/services.

STATE TRADEMARK LAWS:
Registration of a business name or tradename with the State registry (DCCA) establishes your priority of right to use that name but does not prevent others from adopting a similar though modified name.
1. PUT NOTICE OF COPYRIGHT BEFORE PUBLICATION: notice of copyright on the title page of your work or work-in-progress notifies others that you are claiming ownership of rights in your work, e.g., “Copyright, (Owner’s Name), 20??”

2. REGISTER WITH U.S. COPYRIGHT OFFICE WHEN YOU ARE READY TO PUBLISH THE WORK: registration is a formality for recording the owner, author, title and nature of the work, and submission of a best copy of the work to the U.S. Copyright Office; registration enables you to notify others of copyright infringement, and to file suit and recover full damages in federal court
TRADE SECRETS ARE KEPT SECRET BY TAKING COMPANY SECURITY MEASURES

- Set up in-house system for marking confidential documents & tracking distrib.
- Computers, drives, files should be password protected and tracked by access ID#s
- Secure areas & files should be locked & posted
- Exit interviews/checks of departing employees
- State enforcement laws can be used to stop theft of trade secrets and recover damages
IMPORTANT BENEFITS OF PROTECTING COMPANY IP ASSETS:

- Keep market exclusivity in unique asset
- Enhance company asset value
- License or sell IP assets for profit
- Recover infringement damages for copying
- Cross-license or pool IP assets with business alliance partners
- Use IP defensively to block or offset infringement claims by others
DEVELOP PRODUCT LOCALLY!
LICENSE IP ASSETS GLOBALLY!
PATENT COOPERATION TREATY  
(FOR SECURING FOREIGN PATENT RIGHTS)

- Not a world patent (no such thing!) – uniform procedure for delaying the intl deadline for foreign patent filings; PCT has 148 member countries (excl. some So. American, Middle Eastern, So. Asian countries, and Taiwan)

- File in home country first, then file PCT by the one-year intl date; the PCT filing delays the date to file foreign patent filings to 30 mos from the home country filing date

- PCT filing provides early search on patentability (at 18 mos)

- Delaying foreign filing costs to 30 mos may be worth the PCT filing cost; allows extra time to spin off IP rights to foreign JV partners in countries where they want a patent
PCT WORLD MAP
(BLUE = PCT MEMBER COUNTRIES)
MADRID PROTOCOL FOR INTERNATIONAL REGISTRATION OF TRADEMARKS

- 91 countries are members of Madrid Protocol (excl. Canada, some So. Asian, most So. American countries)
- File in home country first, then file Madrid appl in 6 mos
- Filing fees are determined by number of countries designated (average fee is about $400-500 per country)
- Madrid application is processed as single set of papers and forwarded to the designated countries for approval & registration
- 10-year trademark term may be renewed for designated countries in single renewal procedure
BERNE & UNIVERSAL COPYRIGHT CONVENTIONS (RECIROCITY)

- Most countries are members of Berne or UCC conventions

- Author’s rights in creative works are accorded reciprocal treatment in all member countries, no formalities required

- For enforcement of rights in any country, local registration and enforcement procedures are required; U.S. registration may be recognized in many countries

- Enforcement in foreign countries can be costly & difficult due to foreign languages, practices and legal systems
EX: USING IP RIGHTS TO COMMERCIALIZE INNOVATIONS FROM HAWAII GLOBALLY

PRODUCT DEVELOPMENT COMPANY
(PERFORMS R&D, SUPPLIES PRODUCT FOR EXPORT, RETAINS LOCAL MARKET)

HAWAII INVENTOR/CREATOR
(SECURES IP RIGHTS, EARNs ROYALTIES)

GLOBAL MARKETING & SALES CO
/LICENSES MARKET RIGHTS FOR GLOBAL SALES

SPINOFF MARKETS/LICENSING OUTSOURCED MFG (ASIA)
(ADDED REVENUE STREAMS)  (HANDLES MFG, SELLS IN LOCAL MARKETS)
POTENTIAL IP SALE/LICENSING TERMS:

- Purchase price, and/or downpayment on license
- Royalties based on target sales performance
- Carve-out license to non-competing markets, regions
- Consulting contract for expertise of principal(s)
- Option rights to follow-on IP, works, products
- Source attribution in marketing/publicity
- Residual equity in spinoff product company
- Investor credibility and corporate partnerships for powering next venture
Mahalo!

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