

Don't Just Patent Everything, You Need To Have A Strategy

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You can't patent it all. Inventors often want to patent every potentially novel detail of their technologies and patent attorneys are sometimes willing to help them do it. However, this type of unfocused, shotgun approach often does not lead to the strategic patent protection companies need to prevent competitors from copying their commercially important innovations. Startups and emerging growth companies should focus on building a patent monopoly around the most commercially important choke points of their inventions while making efficient use of their patent dollars and the precious time of their key innovators and technical experts.

Inventors often enthusiastically identify many features that are new and interesting about their technologies. Nonetheless, just because something is novel and potentially patentable does not mean that you should expend your technical staff's time and your patent dollars to patent it. Inventors often overlook weighing how patenting an invention will bring value to the company. The inventions patented should be ones that provide an important business advantage by preventing competitors from making, using, selling, or importing those inventions.

In determining what technology to protect, think about your inventions from the standpoint of identifying choke points or problems that were difficult to overcome and will be a challenge for your competitors to design around unless they use your innovative solutions. Those are areas that make good business sense to protect. By protecting the choke points, you can make it very difficult for your competitors to rapidly develop a competing product as good as yours.

The ability to detect whether a competitor is using your patented invention is another key criterion. If a technology you are patenting is a back end process or hidden component, it may be difficult to tell whether

your competitor is using the technology. A patent provides limited value if you cannot tell or cannot prove that your competitor is infringing. Focus on patenting inventions for which infringement will be readily detectable.

It is also important to think strategically about who will be the party that will infringe the claims of the patent. If it will only be infringed by a customer or end user, such as the end user for a software application or a doctor using a medical device, patenting it may be of less value since you may not want to sue potential customers. Ideally, your competitors — presumably the companies that are making products like yours — should be the parties directly infringing your patent. Your patent claims should be specifically drafted to encompass manufacturer and seller infringers rather than just end-user infringers.

Once you understand the focus of the patent applications you should be filing (business choke points, readily detectable, directly infringed by competitors), your patent counsel should work with you to map out a patent portfolio strategy designed to block your competitors from making or selling commercially viable substitutes for your current and anticipated products. Portfolio strategy will be somewhat different for startups versus emerging growth companies, and will vary by technology space.

Startups should focus on getting patent coverage of their core technologies. Due to budget limitations, startups often begin by filing simple provisional applications to protect inventions. However, provisional applications only protect what you describe sufficiently to enable a person of ordinary skill in the art to make and use the invention. Thus, a provisional application should be written to be as close to a full or nonprovisional application as possible. Unless investors insist on seeing larger

numbers of applications, you are better off filing one detailed, complete application (provisional or nonprovisional) that thoroughly describes your core technology and its novel, practical alternatives, rather than multiple quick but less detailed provisional applications.

Emerging growth companies that already have core patent applications in place should be thinking about expanding to a more mature patent portfolio containing patent applications beyond those covering core technologies. Fill in gaps around those foundational patents by protecting technologies that allow your core inventions to work better and follow-on improvements to core inventions. Consider pursuing patent applications intentionally designed to encompass your competitors' products for defensive use in case these competitors threaten you with legal action. Think strategically about how you want to use your portfolio, including to protect against copycats, as defense against litigious competitors, and to generate revenue by licensing portions of your portfolio. Make sure the composition of your portfolio is designed with these specific goals in mind.

When protecting inventions outside of the U.S., comprehensive global patenting is usually neither cost effective nor necessary. Rather, strongly consider pursuing patent applications just within the U.S. or within a very limited set of foreign countries that represent key foreign markets for your business. Pursuing foreign protection is extremely expensive, and the money you spend there is money you are taking away from applications you could file in the U.S. on other innovations. If you are filing outside the U.S., protect only the most core or foundational technology.

In certain technology areas, such as the pharmaceutical or medical device fields, worldwide patent protection can seem essential, so the equation is more complicated. But even in these cases, it is often worth limiting your foreign filings,

keeping in mind that by locking up the U.S. and key foreign markets, you have already put somewhat of a chokehold on competitors. Even though competitors may be able to make and sell a similar product in Israel, for example, they will be prohibited from making, using, selling, or importing into the U.S. Limiting viable markets may be enough to deter competitors from pursuing competing products. In other words, spend the time and money needed to lock down just enough markets to make copying your invention commercially unattractive for competitors, but no more.

For all types of companies, using patents as an effective tool to protect your growing business requires strategically-minded patent counsel on your side. Your patent counsel should be a partner working with you develop and implement a plan, not just someone working for you to draft applications on whatever you ask them to patent. They should help you develop your patent strategy from a business perspective — not *what [can] you patent*, but *what [should] you patent*? In this way, your patent counsel will help you develop a patent portfolio focused around high value patents that will allow you to protect your business goals.

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