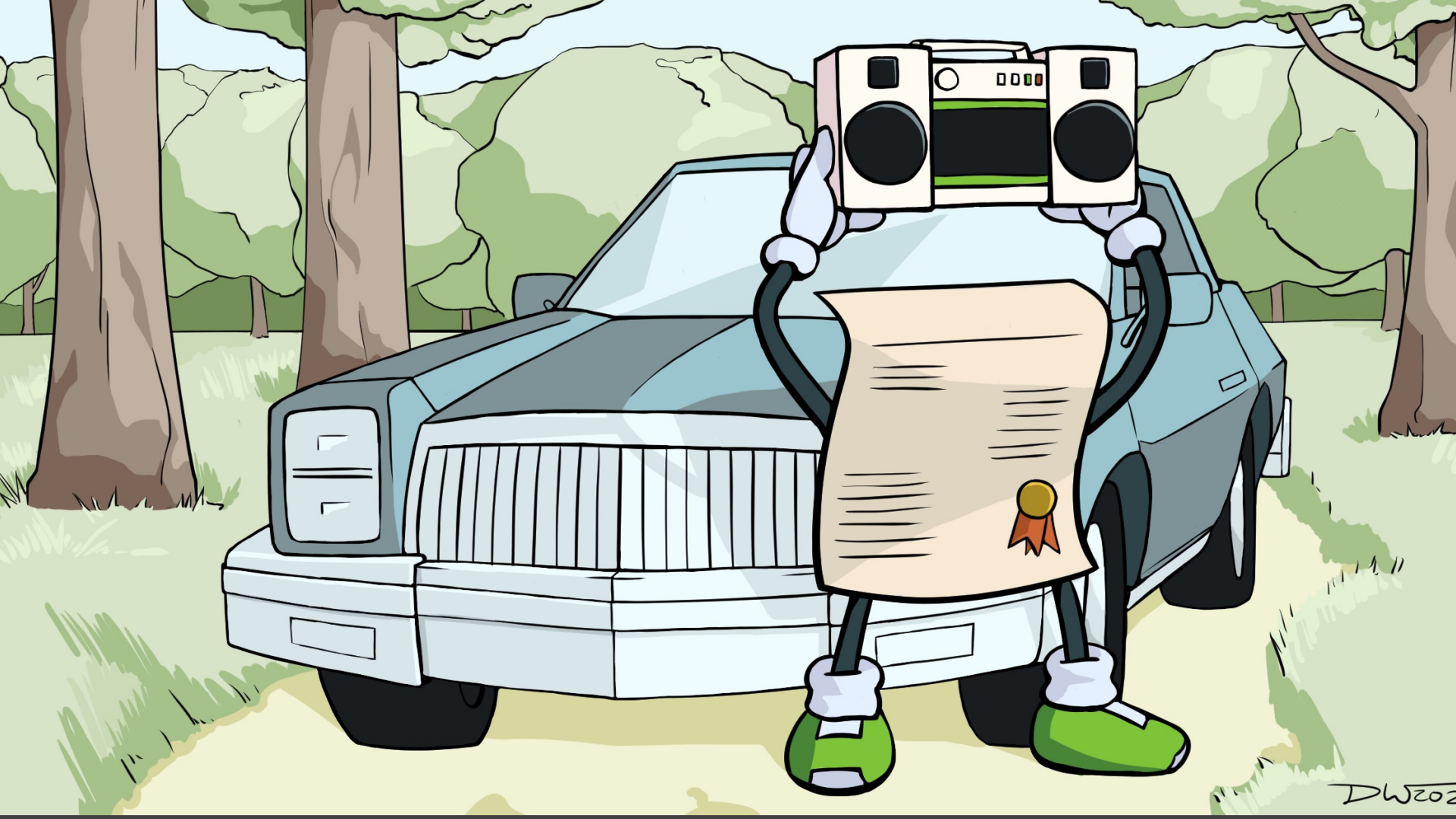


# Patenting in the early years

## A coming-of-age story

ASHLEY SLOAT, Ph.D. | June 17, 2021

This presentation is for information purposes only and does not constitute legal advice.



DW202

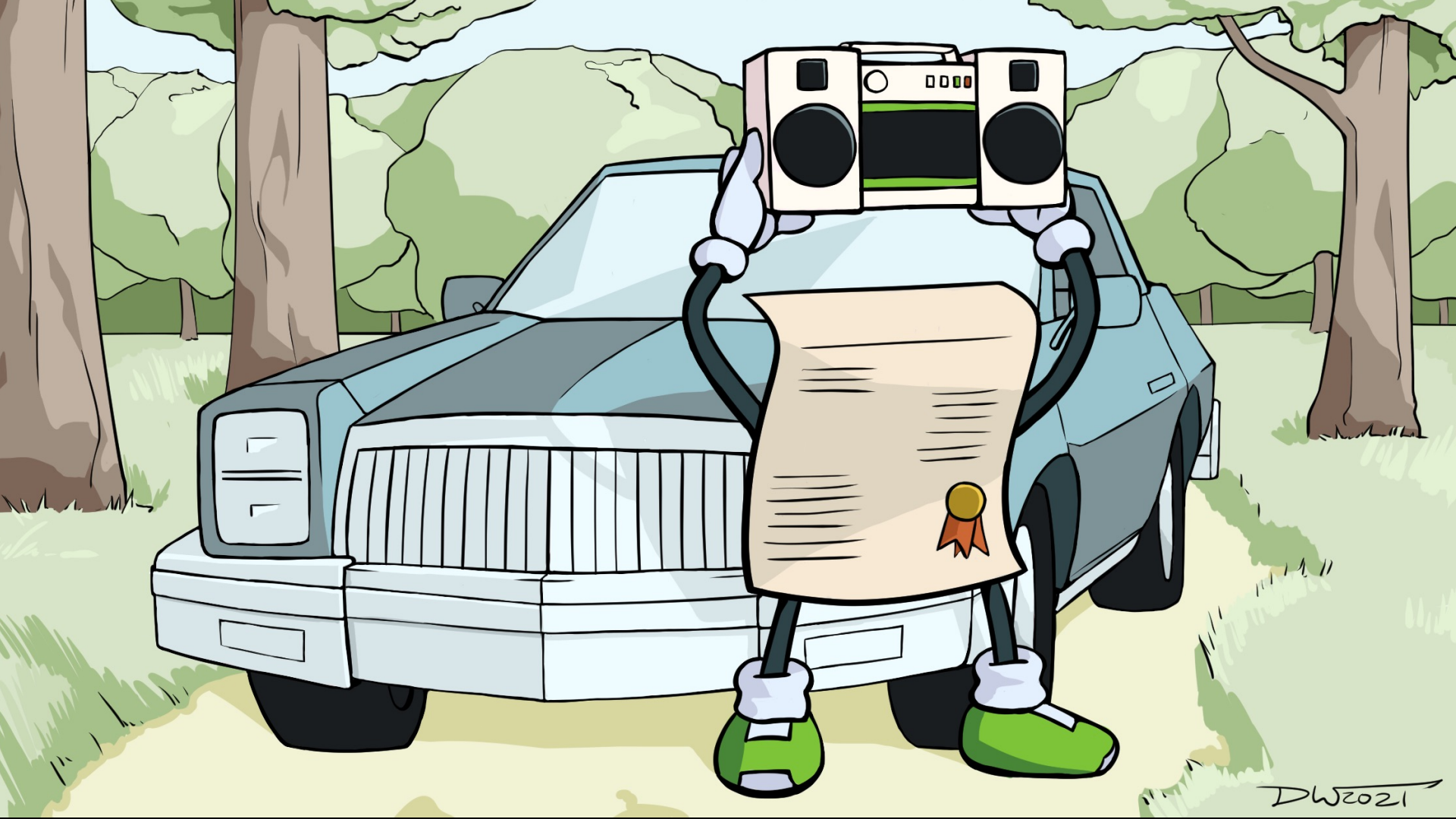










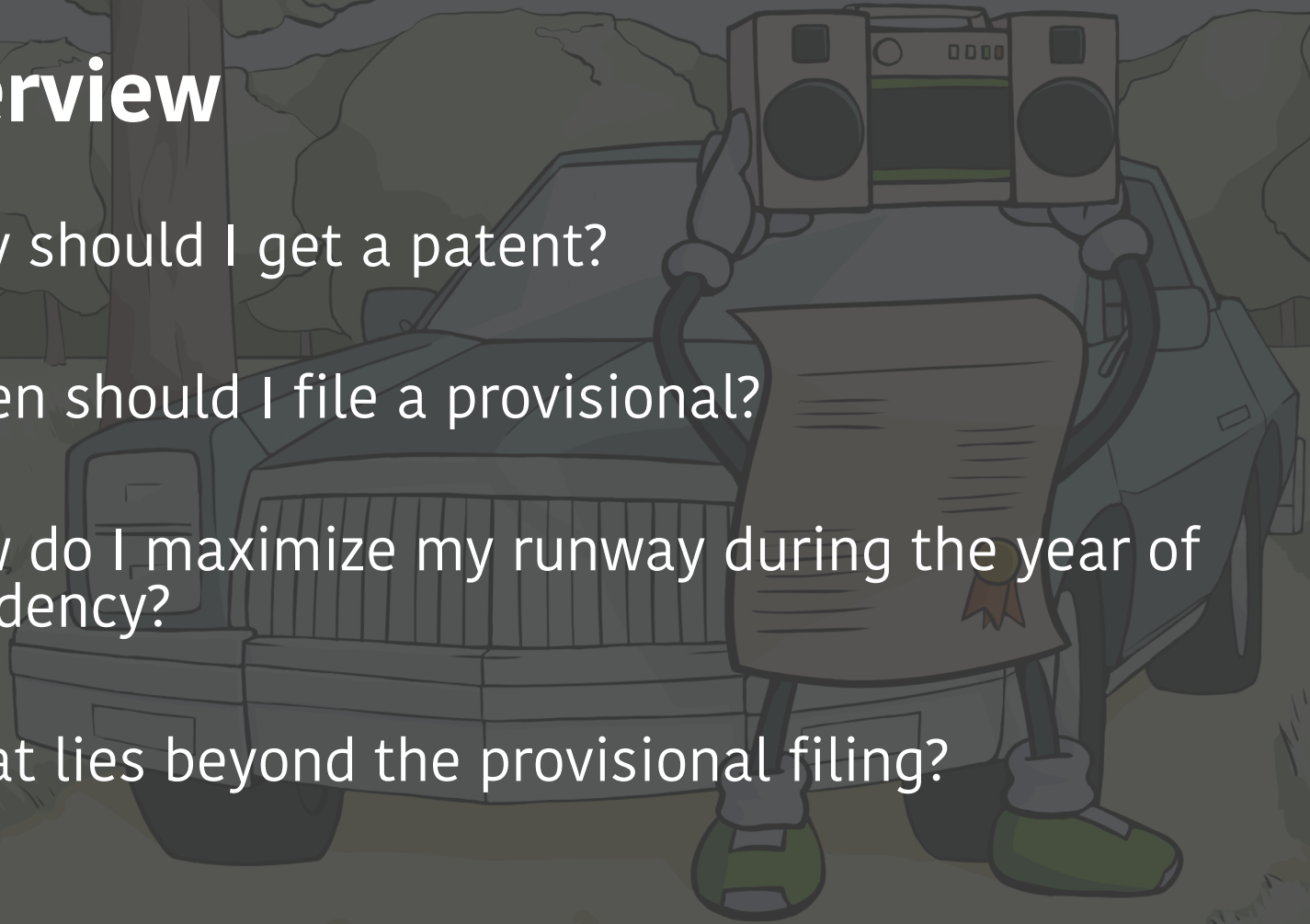


DW2021



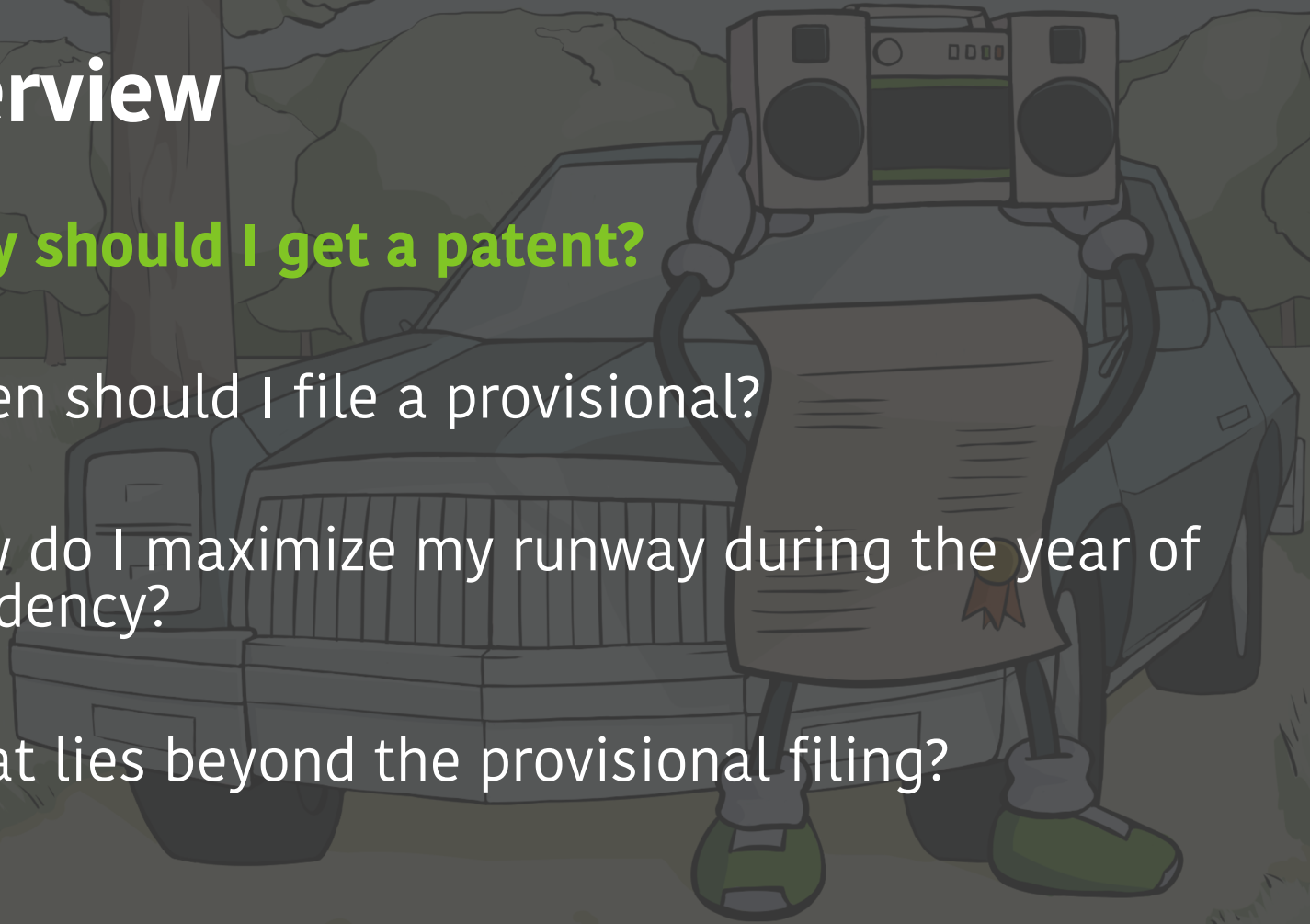
# Overview

- Why should I get a patent?
- When should I file a provisional?
- How do I maximize my runway during the year of pendency?
- What lies beyond the provisional filing?



# Overview

- **Why should I get a patent?**
- When should I file a provisional?
- How do I maximize my runway during the year of pendency?
- What lies beyond the provisional filing?



## **Define:**

In exchange for a limited monopoly of 20 years, an inventor must disclose her invention with such particularity as to enable one of skill in the art to make and use the invention, and therefore build upon the invention, to promote the progress of the useful arts.

# The value of a patent

- **Goal:** Maximize use of funding, grow, and protect your IP from being copied.
- **Patents** are the strongest form of protection and one of the best possible returns on investment.

**\$338,000**

Median portfolio  
value with  
1 issued  
patent

**\$1.1 MM**

Avg valuation  
per patent in  
software co  
IPOs

**35X**

higher growth  
for companies  
that apply for  
patents

# Why Startups File Patents

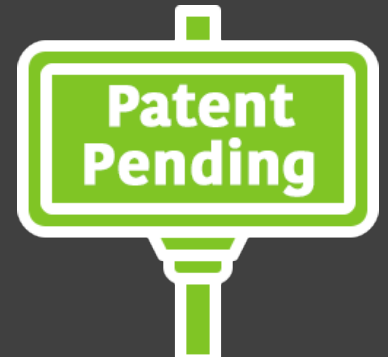
- Stimulate investment or acquisition
- Deter patent infringement lawsuit
- Carve out contribution to partnership

# Overview

- Why should I get a patent?
- **When should I file a provisional?**
- How do I maximize my runway during the year of pendency?
- What lies beyond the provisional filing?

# What is a **provisional** patent?

- Placeholder patent application
- Pends for one year
- Priority document for future filings



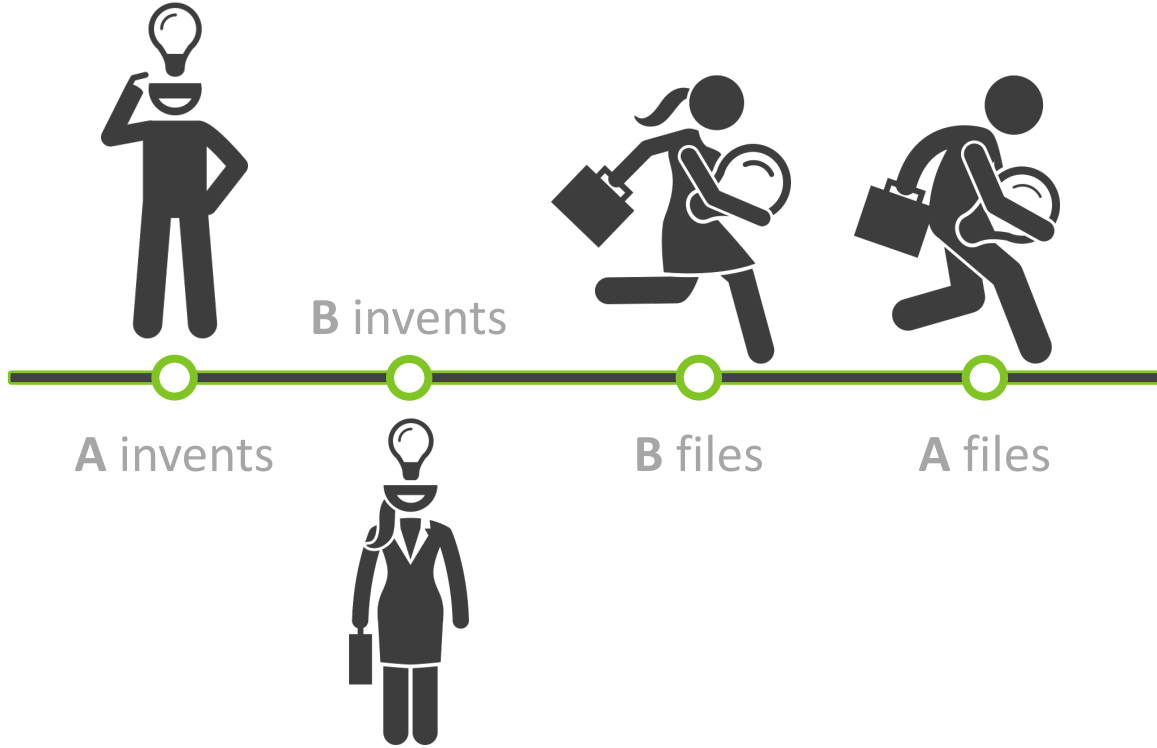
# What do you need for a patent filing?

- Constructive or actual reduction to practice
- Sufficient detail to enable one of skill in the art
- List of inventors who were involved in conception

**To be the first to file!**



# First (Inventor) to File



File early and often!



**B WINS!**

# What a provisional patent is NOT!

- Not examined
- Not enforceable
- Not a quick or thoughtless filing

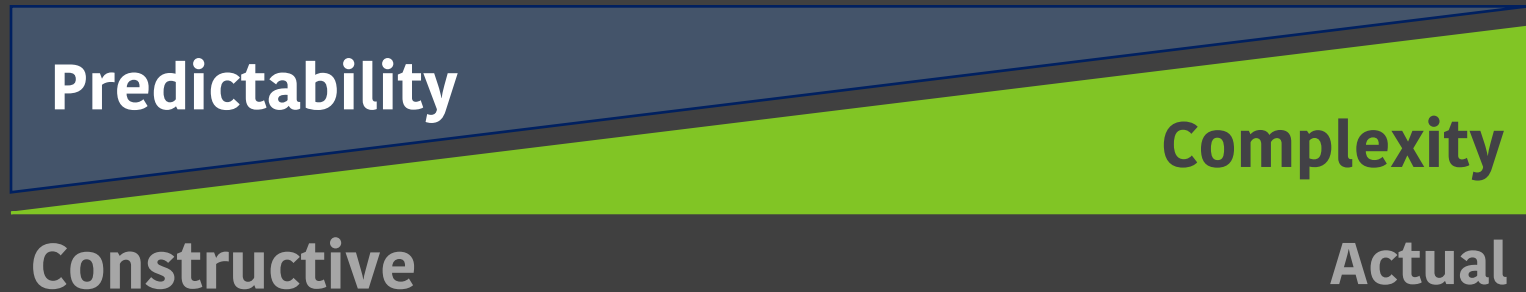
# When should I file a provisional?

## Is tech “patent ready?”

“Dumb” devices  
Basic products

Software

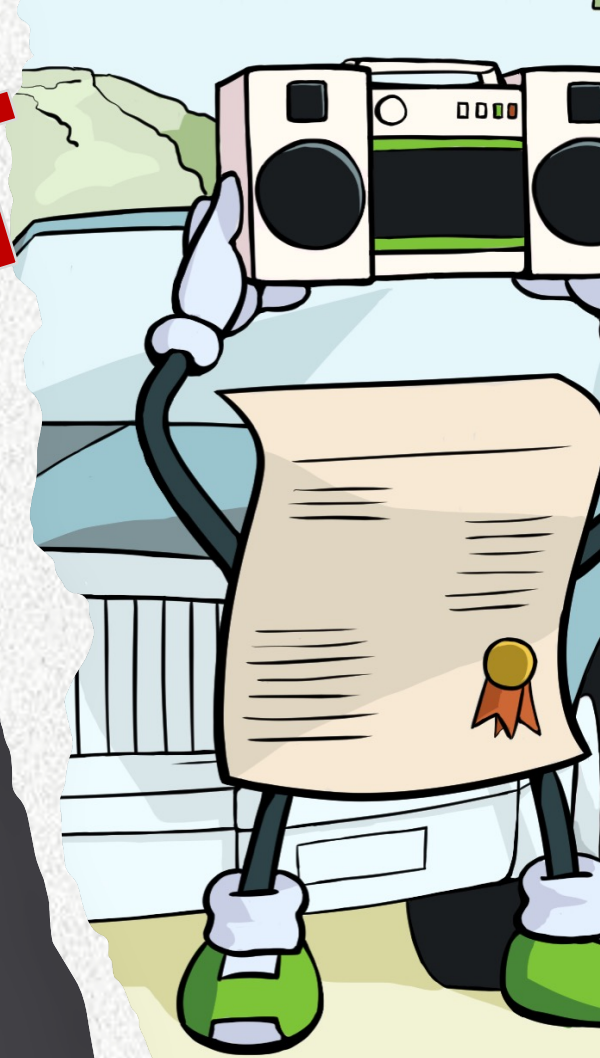
Chemical arts  
Biotech





**DO NOT**

**Say  
Anything**



When should  
I file a  
provisional?

**Before  
public  
disclosure**

- **Before** presenting or publishing your patent-ready invention
- **Before** responding to an RFP if the technology is patent-ready
- **Before** selling or offering for sale your technology

When should  
I file a  
provisional?

**Before  
selling**

**Not an offer for Sale**

- Advertising a product not yet developed
- Pre-announcing a product
- Transferring technical knowledge about a process
- Manufacturing agreements
- “Experimental” use

**Likely an offer for sale**

- Licensing agreements
- Performance of services related to a product
- Providing technical drawings to a potential licensee
- Unaccepted/cancelled orders
- Secret sales

# But, But, But... if you publicly disclose:

- **One-year** grace period:

- U.S.
- Brazil
- Australia\*
- Canada\*
- S. Korea
- Mexico

- **6-month** grace period:

- Japan\*

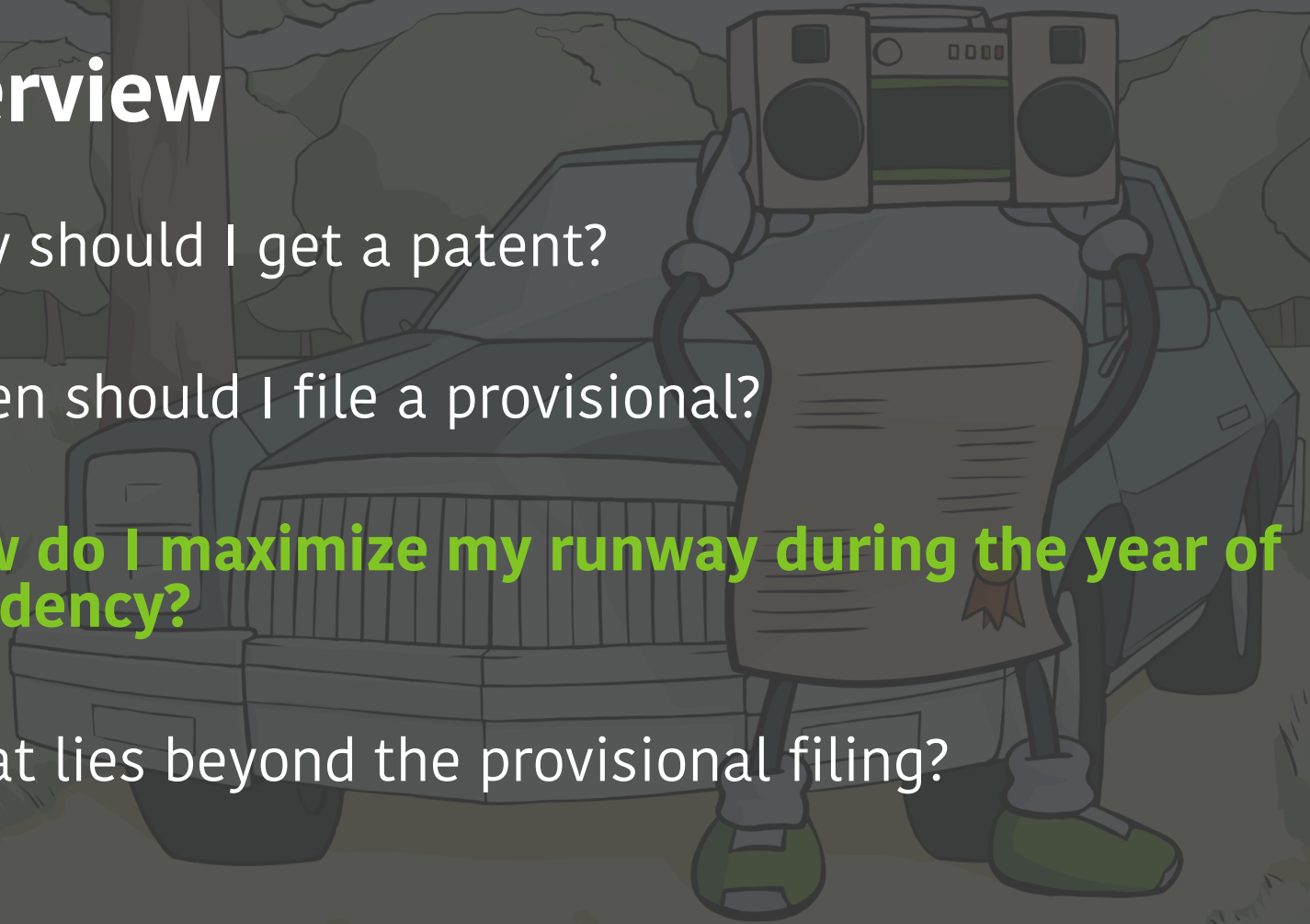
- **No** grace period:

- China
- Europe
- India

\* Prior to International Filing

# Overview

- Why should I get a patent?
- When should I file a provisional?
- **How do I maximize my runway during the year of pendency?**
- What lies beyond the provisional filing?





# Got a year... so what now?

Provisional

1 year



Prototyping



VOC



Pitching



Investment

# Prototyping

- Iterate to move from constructive to actual reduction to practice
- Review Voice of Customer (VOC)
- If contract with an engineering firm:
  - Include explicit “hereby assigns” or “obligation to assign” provision in contract
  - Execute joint development agreement in which you, as the paying customer, own all IP arising out of the relationship

# Pitching

- Ideally, don't pitch idea until patent application is filed
- Pitch should include a high-level overview of technology – **save the nitty gritty for serious investors!**
- Only share provisional after signed Non-Disclosure agreement – **don't ruin your stealth period!**

# What investors are looking for...

- Demonstrate knowledge of **competitive landscape**
- **Patent should cover MVP or commercializable product**
  - + verticals that have the same or similar problem
  - + designs that perform the same function
  - + designs that solve the same problem
- **Freedom-To-Operate** (once you have MVP)



**PATENTABILITY**

Patenting your  
invention

**FREEDOM-TO-OPERATE**

Right to practice  
your invention

# Patentability **vs.** Freedom-To-Operate

- Patentability: **others are excluded** from making, using, offering for sale, selling, or importing your invention into the United States
- Freedom-To-Operate: **you are not excluded** from making, using, selling, or importing your invention into the United States



# “Art” or “references” used...

## Patentability

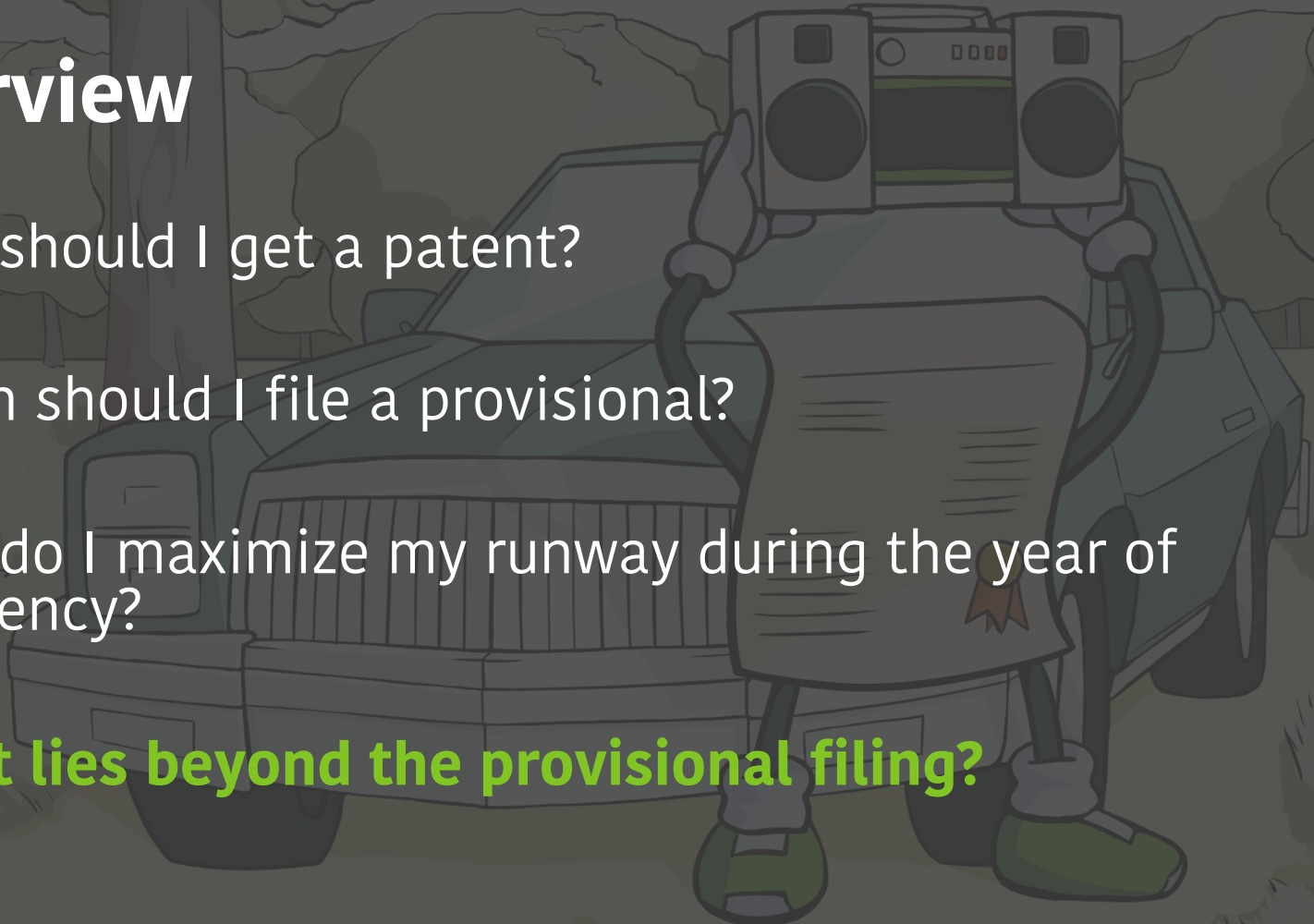
- Websites
- Journal Articles
- Patents and patent apps
- Dissertations
- Videos

## Freedom-To-Operate

- Issued patents
- Not expired
- Maintenance fees paid

# Overview

- Why should I get a patent?
- When should I file a provisional?
- How do I maximize my runway during the year of pendency?
- **What lies beyond the provisional filing?**





# When the year expires...

**Provisional**



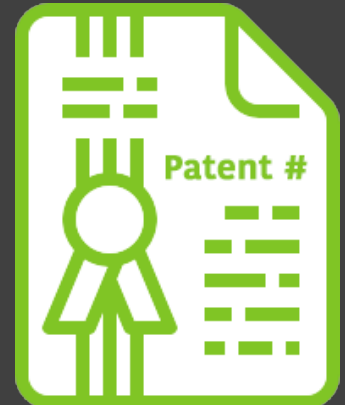
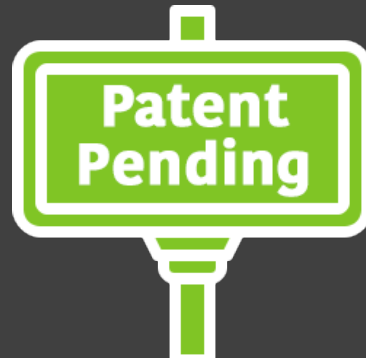
**Nonprovisional**  
U.S. only



**International**  
150+ countries

# What is a non-provisional?

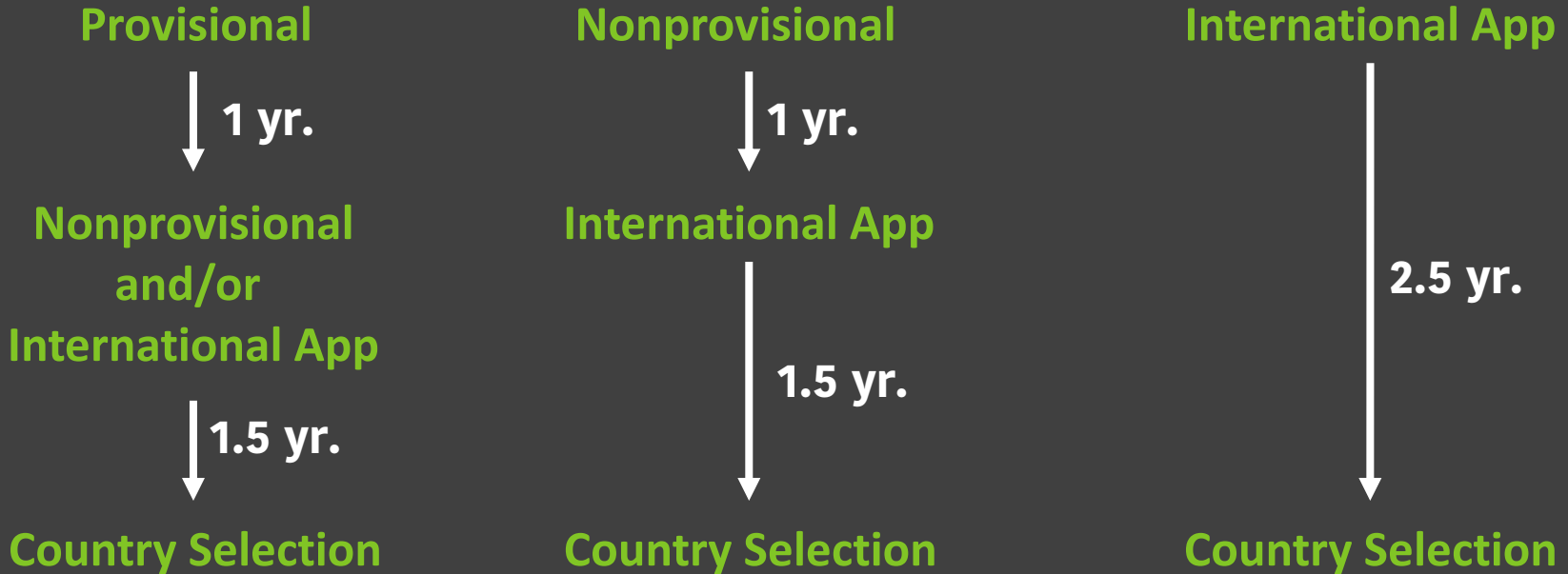
- Examined by United States Patent and Trademark Office
- Grants as issued patent
- Enforceable



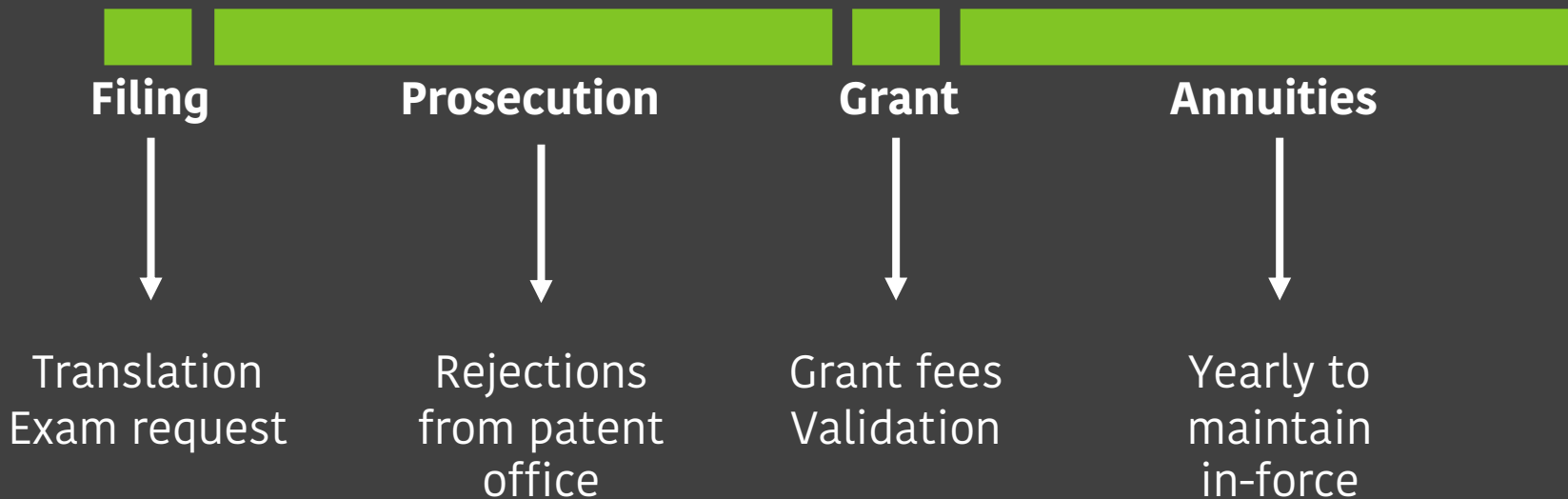
# What is an International Application?

- “Placeholder” for filing in ~150 countries
- Under Patent Cooperation Treaty or Paris Convention
- Pends for a total of 30 months, before countries are selected
  - Represents significant ballooning in cost

# Patenting Pathways...



# Once you enter a country...



# How long does it take to get a U.S. patent?

## Typical Prosecution

### Patent Prosecution Highway

- If claim(s) allowed in another patent office, can fast track in US

### Accelerated Examination

- Petition: pre-exam search and report to argue patentability

### Prioritized Examination (TrackOne)

- Pay extra for final disposition in one year

# How long does it take to get a U.S. patent?

Typical Prosecution 2-5 yrs.



Patent Prosecution Highway 1-1.5 yrs.

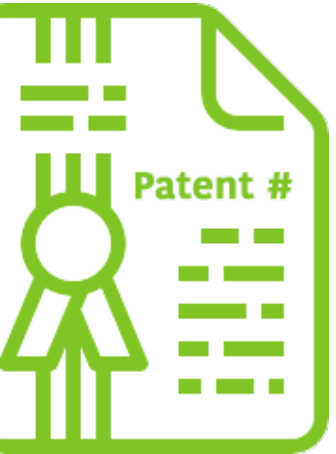


Accelerated Examination 0.5-1.25 yrs.



Prioritized Examination (TrackOne) 1 yr.





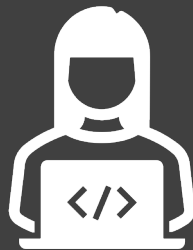
**Comprehensive  
Protection**



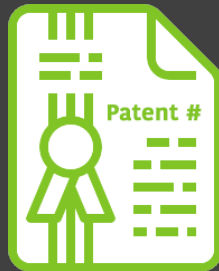
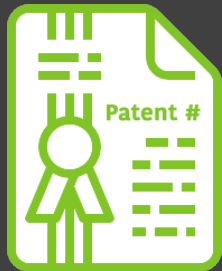




# Comprehensive Protection

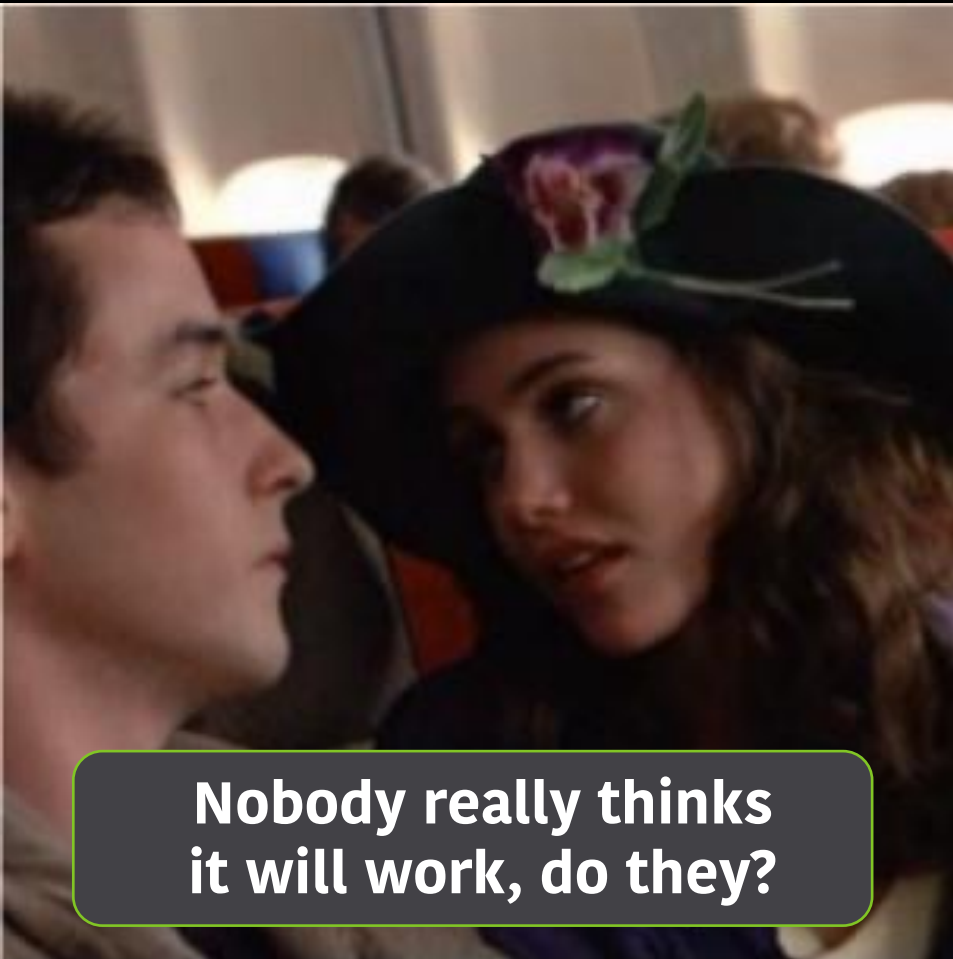


Acme  
Widgets

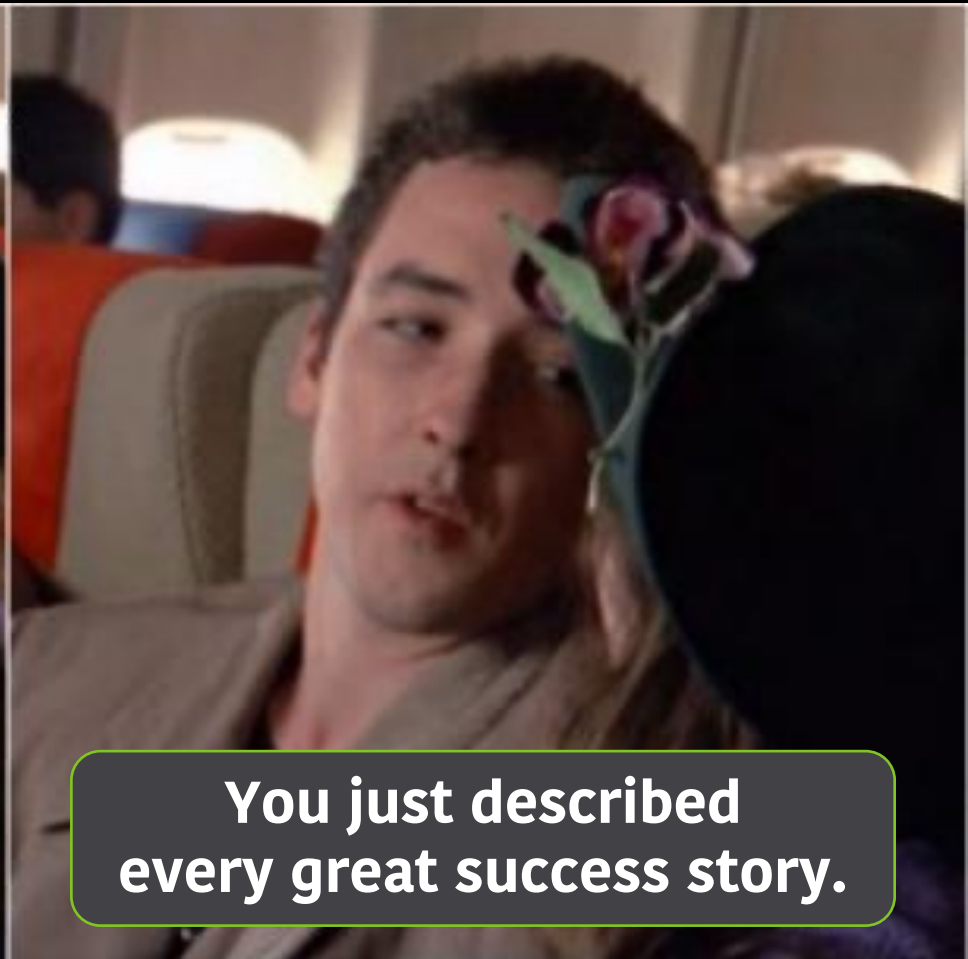


# Take-A-Ways

- File before you publicly disclose
- Carefully time the filing of your provisional
- Maximize your year by iterating, tailoring, and pitching
- Orchestrate your patent strategy for timeliness and budget



**Nobody really thinks  
it will work, do they?**



**You just described  
every great success story.**



**Questions or Comments?  
Contact us!**



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