

PATENT PROTECTION – A PRIMER

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THE DEFINITION

A patent is a federal right that allows an inventor to exclude others from making, using, selling, offering to sell, or importing an invention for a limited period of time in the United States and its territories and possessions. People often refer to a patent as being a contract between the federal government and the inventor in which the inventor fully discloses information relating to the new technology and how to “practice” the invention. In exchange, the government (after publishing the patent) grants the patentee an exclusive right to the invention for the term of the patent.

LIMITATIONS

A common misconception is that a patent entitles its owner to “practice” (i.e., “make” or “build”) the invention. In fact, a patent entitles its owner to exclude others from making, using, selling, offering to sell, and importing the claimed invention. What does this mean? Here’s an example. Say inventor A is the first to invent a chair having a back, a seat and four legs, and obtains a patent on it. Inventor B improves inventor A’s chair by putting rockers on the bottom of the legs (i.e., creates the first rocking chair), and obtains a patent on this improvement. Despite inventor B having a patent on the rocking chair, the rocking chair is still covered by inventor A’s generic chair patent as long as it has a back, a seat and four legs. Thus, inventor A can prevent inventor B from making, using, selling, offering to sell, and importing the rocking chair.

So what good is inventor B’s patent? Inventor B can exclude inventor A, and others, from making, using, selling, offering to sell, and importing a rocking chair. This patent could be very valuable if rocking chairs have significant market potential. As a result, inventor A and inventor B may cross license their technologies, allowing both of them to



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practice the patented inventions.

THE THREE TYPES

There are three types of patents: a utility patent, a design patent, and a plant patent. **UTILITY PATENTS** are the type of patent that people are the most familiar with. This type of patent covers technological innovations in products or processes and lasts for twenty years from the date the application is filed.

DESIGN PATENTS cover the ornamental aspects of a design for an article of manufacture, as opposed to the functional or utilitarian aspects protected by utility patents, and last for fourteen years from the date of issue. For example, in the case of a camping tent that looks like a teepee, the unique external appearance of the tent could receive design patent protection.

PLANT PATENTS protect particular kinds of engineered plants (e.g. flowering plants and fruit trees), for the same term as utility patents.

UTILITY PATENT REQUIREMENTS

There are a number of requirements for a utility patent. First, the invention must be a patentable subject matter, which includes a process, machine, manufactured matter, or composition of matter. Second, the invention must be useful, i.e., must have some utility. Third, the invention must be “novel.”

You cannot patent something that is already public knowledge (known as “prior art”). Fourth, the invention must be “non-obvious” to one “skilled in the art” once the prior art has been examined. Accordingly, even though the invention is not identically shown in the prior art, it must differ from the prior art in a way that is not obvious to one skilled in the relevant art. Finally, as part of the bargaining in gaining a monopoly, the inventor is required to fully disclose the invention in the “specification” of the patent, including disclosure of the “best mode” of operation.

ONE YEAR “BAR”

Even if the inventor meets the above requirements, an inventor can still be “barred” from getting a patent for various reasons such as publicly disclosing or placing the invention on sale more than one year before filing the patent application.

UTILITY AND DESIGN: WHAT’S THE DIFFERENCE?

Generally speaking, a utility patent protects the way an article is used and works, while a design patent protects the way an article looks. A design patent will not be granted if the design has functional components - the design must be purely ornamental. However, one may obtain both types of patent protection on the same article.

PATENT INFRINGEMENT

The legal parts of a patent that define the scope or property right of the invention are called the “claims.” The test for utility patent infringement is whether a claim covers the accused product or process, either literally or by application of the doctrine of equivalents. A claim is infringed under the doctrine of equivalents if every element or an equivalent thereof is present in the accused product. This is determined by comparing the accused design to the patented design. If, in the eyes of the “ordinary observer,” the two designs are substantially the same, such

that an observer would believe that one is the other, then there is infringement.

ADVANTAGES OF PATENTS

Patents offer an important competitive advantage. A patent may have a monopoly-like effect on an industry because patents exclude others from making, using, selling, offering to sell, and importing the invention, thereby severely constraining competition. Patents can generate significant revenue by licensing them to others. Patents can serve as defensive barriers preventing would-be competitors from entering a particular market. A portfolio of patents is impressive to investors and can intimidate competitors.

MARKING

If a patent application on a product is pending (i.e., filed but not issued), the

product may be marked by including the words “pat. pending” or “patent pending.” This warns potential copiers that if they copy the product, they may have to stop later if and when a patent is issued. It is important to mark a patented product as being patented. Failure to mark the patented product may limit damages for infringement because damages are only available for the time after which the infringer had actual or constructive notice of infringement. Marking the patented product provides constructive notice, precluding an infringer from claiming lack of notice to limit damages. The patented product is marked by including the words “patented” or “pat.” followed by the patent number.

LIMITATIONS

Anyone who says they have a “world” patent or “worldwide” patent rights is

incorrect. There is no such thing as a “world” patent. Patent protection is only available on a country by- country basis or, in some cases, on a regional basis. Some countries do not even have a patent system. This makes “worldwide” patent rights impossible. A business could theoretically obtain patent rights in most of the countries of the world, but this would be prohibitively expensive, even for a large company.

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