



Intellectual Property Attorneys

STRATEGIZING INTELLECTUAL PROPERTY

Patent Strategy – lab to market



NATIONAL CONFERENCE ON INTELLECTUAL PROPERTY RIGHTS (IPR)
16-17 December, 2016

Dr. Deepa K. Tiku



Intellectual Property Attorneys

Outline

- **Patenting strategy**
 - Knowledge networks and open innovation as tools
 - Drafting, filing and protection – practice pointers for different technology domains
 - Reaping the benefits - commercialization



Intellectual Property Attorneys

Effective IP Strategy a must

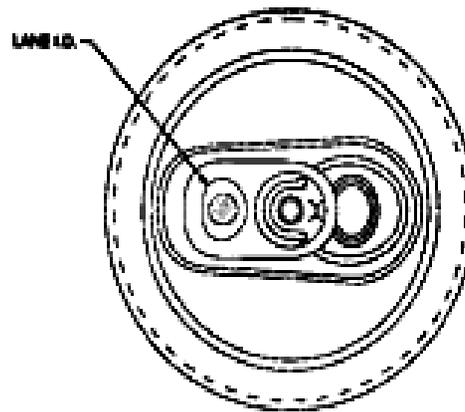
“Over the last 10 years, it has become imperative for CEOs to have not just a general understanding of the intellectual property issues facing their business and their industry, but to have quite a refined expertise relating to those issues...It is no longer simply the legal department’s problem.

CEO’s must now be able to formulate strategies that capitalize on and maximize the value of their company’s intellectual property assets to drive growth, innovation and cooperative relationships with other companies”

Bill Gates, 2004

Monetizing IP

The Coke Can Story



- Ermal Creon Fraze invented and patented flip top cans in 1959.
- Licensed the system to Coca-cola.
- Earned 0.1 cents per bottle sold !!
- During the period of validity of the patent the inventor received 148,000 UK pounds a day on royalties.



Intellectual Property Attorneys

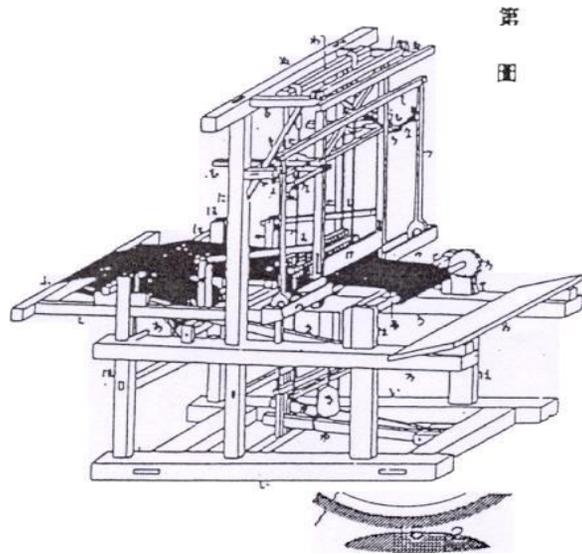
Post-it

Glue used for “Post-it” was discovered by chance. Initially ignored, it was then patented.

Post-it subsequently brought huge profits to the company.



Sakichi Toyoda's weaving machine - 1929



What does this have to do with what is now a world class Japanese Company!!

- 1929 Granted Patents on Automatic Weaving Machine
- Earned huge royalties post 1929
- Invested in R/D on Automobiles
- Founded "TOYOTA Motor Company



Intellectual Property Attorneys

Weaving patent strategy into your business

- Link your IP protection strategy to your business plan
- Analyze the risks of not patenting your innovative technology
- Open innovation an effective means to collaborate globally
- Patentability search, landscape and white space analysis - patent information a powerful tool for R&D
- Value of a patent never absolute, relative to competitor patent - market intelligence as important as claim construction
- Focus on competitive advantages of your innovation – look for licensing opportunities
- Budget per year to protect your patent portfolio
- Engage professionals for smooth sailing

Why patent?

A patent gives the owner an exclusive right to **prevent others from**

- **Making**
- **Using**
- **Offering for sale**
- **Selling**
- **Importing (the patented product)**



STOP

- **Using** (the patented process) **OR**
- **Using**
- **Offering for sale**
- **Selling**
- **Importing** (the product obtained directly from the patented process)



Intellectual Property Attorneys

Before drafting a Patent Application

- Conduct prior art search
- Is the invention patentable?
- Has any publication ensued?
- Ascertain whether complete or provisional is to be filed – Foreign filing permissions wherever required
- Enlist problems in prior art
- What is the problem sought to be solved by the invention?
- What is the novelty?
- Is the solution obvious?



25% of all R&D efforts are wasted each year on inventions that have already been invented. **Don't start your R&D until you have done a search!**



Intellectual Property Attorneys

Where all to file

- Patent is a territorial right
- Filing strategy would depend on:
 - Company's patent strategy
 - Whether patent is to stop others from infringing?
 - To get competitive advantage
 - Revenue generation from licensing/selling
 - Use patents for generating funding
 - Limited protection on certain kinds of inventions in some countries
 - Demand for the invented product/technology
 - Available Budget
- Filing routes – PCT/Convention



Intellectual Property Attorneys

Some inventions are not patentable in India

- abstract ideas, theories; natural phenomenon
- naturally occurring things/mere discovery of new form of known substance
- new use of known product/process
- mere admixtures
- arrangements /rearrangement of known components
- method of agriculture/horticulture
- method of treatment/surgery
- plants, animals, parts thereof/production thereof
- computer programs/business methods/mathematical methods
- method of teaching/learning/playing games
- artistic creations
- semiconductor layout design
- traditional knowledge



Intellectual Property Attorneys

Key practice pointers for drafting and filing

- Include data in the specs – be ready with more (Chemical/Lifesciences)
 - Synergy
 - Efficacy
- Be mindful of any law/regulatory hurdles (e.g., BD Act)
- Include technical features/hardware details in case of software/electronics)
- Draft strong claims (based on prior art search)
- File for expedited examination, especially where fear of obsolescence (for StartUps and who have chosen India as ISA.
- For StartUps – several incentives created by Government
- Stagger costs (PCT may be a good idea)



Intellectual Property Attorneys

Reaping the benefits

- Commercialization of patents brings big rewards
- Technology majors like Microsoft, Facebook, Apple, Pfizer, GE, etc. have proved this
- Even simple inventions could have big takers
- Global story: Less than 5% of the patents are commercialized
- Even lesser become blockbuster products
- India story : limited success
- Licensing : early days but promising signs
 - Significant interest in some sectors : telecom
 - Innovative licensing programs



Intellectual Property Attorneys

Commercialization – challenges and opportunities

- Academia and industry disconnect
- Classic problem lab tadpole to commercial frog : from R to D
- Delays in patenting : risk of obsolescence
- Underdeveloped entrepreneurial ecosystem : some green shoots emerging
- Regulatory hurdles – especially in life sciences sector
- Lack of understanding of valuation of IP
- Concerns about enforcement
- Some pain points : e.g., furnishing confidential commercial data to IP Offices
- Tax incentives : rationale for discrimination



Intellectual Property Attorneys

THANK YOU