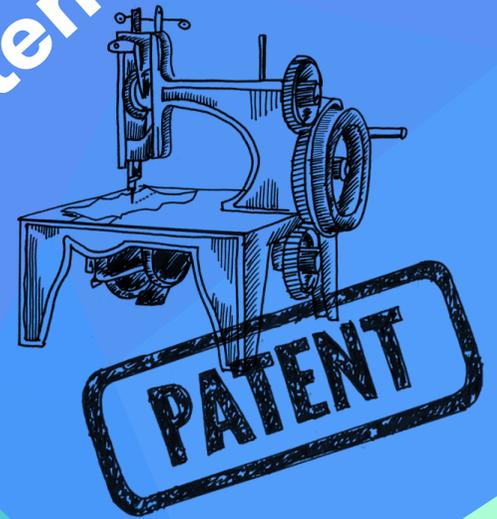




Startup Intellectual Property

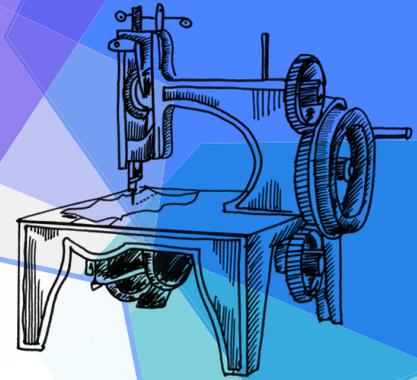
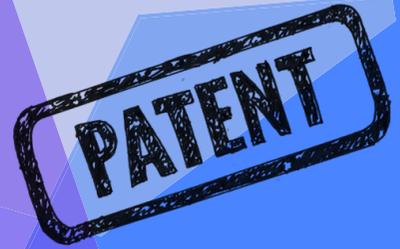
THE MAIN WAYS TO PROTECT
YOUR INTELLECTUAL PROPERTY

Patent



Startup Intellectual Property

Patent



DEFINITION

Patents are territorial Intellectual Property Rights for new technical solutions (inventions). For an invention to be patentable it must be:

- Novel
- Industrially applicable
- Involve an inventive step (i.e. a step that would not be obvious to a skilled person with knowledge of prior work in the field)

WHAT IS PROTECTED?

- Any new and useful process (An act, or method, of doing or making something, primarily industrial or technical processes)
- Composition of matter (A chemical composition that may include mixtures of ingredients as well as new chemical compounds)
- A „machine“ (Clockwork, tractor, computer, medical device, etc.)

WHAT IS NOT PROTECTED?

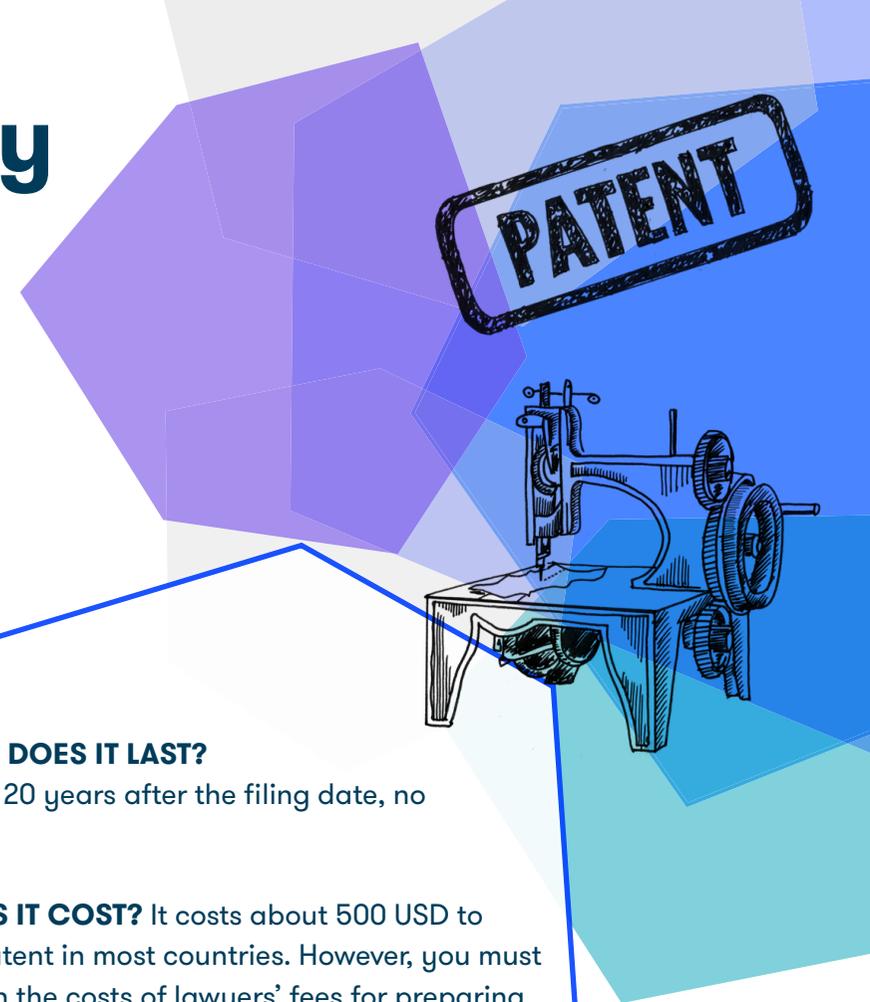
- Ideas, concepts, discoveries
- Inventions that will not work
- Computer programmes (except algorithms producing technical results)
- Scientific theories, teaching methods
- Organizational operational sequences, game rules
- Mathematical methods and aesthetic creations of form*
- New varieties of plants**, animal breeds, diagnostic methods
- Methods for therapy or surgery practiced on humans or animals

* Aesthetic creations of form may be registered as designs.

** New varieties of plants may be protected under a plant variety protection act.

Startup Intellectual Property

Patent



SUMMARY OF HOW IT WORKS

You must file the patent with the Intellectual Property Office (IPO). The patent should describe the invention in such a manner that it can be carried out by a person skilled in the art. In many jurisdictions, the patent will be checked by the IPO to ensure that it does not infringe prior art (i.e. the patent officer will check that the patent claims genuinely describe a new invention by checking patent databases and, in some cases, other public records). The filing date is the default invention date, unless an earlier date is claimed. In most jurisdictions, a period of 12 months after filing is allowed for amendments to the patent before it is either granted or rejected. To file in multiple countries takes an additional period of 6-18 months from the point the patent is granted nationally. Once registered, all patents are published. National intellectual property offices and regional and international bodies have extensive collections, which can be used for research and inspection.

HOW LONG DOES IT LAST?

Maximum of 20 years after the filing date, no renewal.

WHAT DOES IT COST? It costs about 500 USD to register a patent in most countries. However, you must also factor in the costs of lawyers' fees for preparing the patent, carrying out searches, amending it, filing it in other countries and defending it against claims by third parties. Such that a typical patent will cost a total of between 15,000 USD to over 100,000 USD to file. In addition, to renew the patent and maintain defensive searches, over its lifetime you may pay over 250,000 USD, excluding any claims made against it.

Startup Intellectual Property Patent

WHAT OTHER CONSIDERATIONS ARE THERE?

The filing of a patent is closely linked to your overall business strategy and can be a very costly and time-consuming process. It is strongly advisable to speak to a professional startup coach about your strategy before pursuing an application. If you decide to go ahead, you should hire a patent lawyer, otherwise you could incur high costs and waste a lot of time on a patent that has no value.

HOW LONG DOES IT TAKE TO PREPARE AN APPLICATION?

Months to years, depending on complexity.

HOW LONG DOES IT TAKE FOR THE APPLICATION TO BE GRANTED?

At least 12 months for a national filing, longer for additional international filings.

SIGNS/NOTATION

“pat+”, “pat. pend.” (patent pending) (use is optional)

ADVANTAGES

Gives you a monopoly over the use of your technology for 20 years. Can be a very valuable asset, which may also help attract investors and improve your market positioning.

THINGS TO WATCH OUT FOR

- Costs can escalate to hundreds of thousands of USD if you have to file your patents in multiple countries and defending any infringements on them can be similarly costly, so you should only file if the revenues you expect to generate are worthwhile and you can afford to defend any infringements
- If you do not do a thorough patent search at the start you may waste tens or hundreds of thousands of USD filing a patent with very weak claims that infringe other patents and have very little commercial value (and you will still have to pay the patent lawyer)
- Smart investors will not be tricked by a weak patent.

