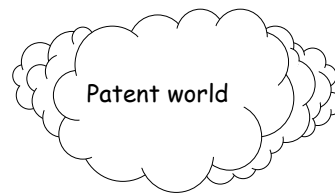


# Patent course

Monday January 16, 2012

## The foundation of the patent world What is a patent?

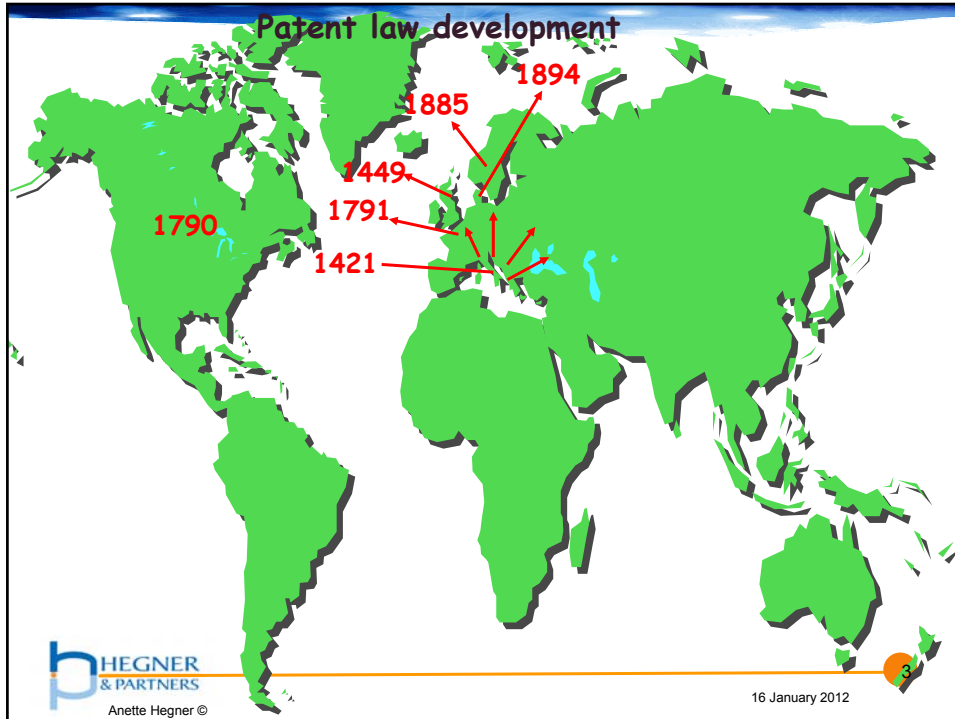


*Anette Hegner*

## The foundation of patents



- The historical background
- What is a patent
- The game of patents
- Value-cost
- The patent world - the science world



***THE PATENT  
SYSTEM ADD THE  
FUEL OF INTEREST  
TO THE FIRE OF  
GENIUS***

Abraham Lincoln 1859

A world map with a light green landmass and blue oceans. The quote by Abraham Lincoln is overlaid in the center of the map.

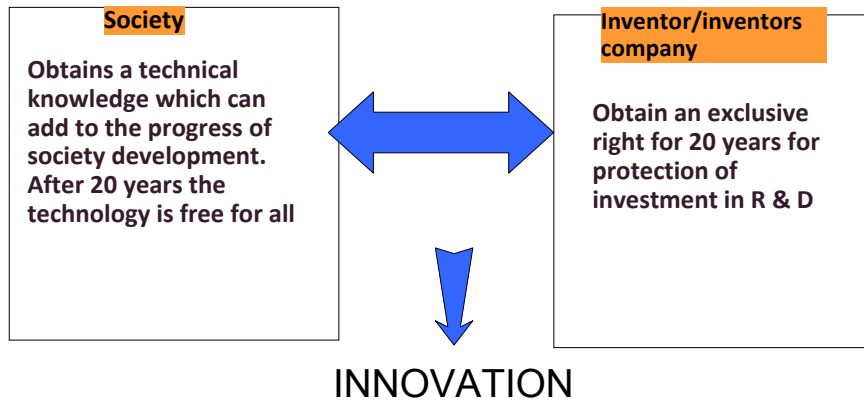
**p** HEGNER & PARTNERS  
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16 January 2012

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## What is a patent?

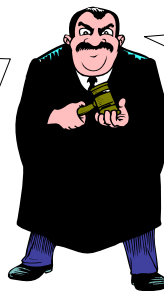
A trade between an inventor or her company and the society



## What does the patent give the owner?

A right to prohibit other from

- Making
- Offer for sale
- Bring on market
- Using
- Importing or Possess
- Importing/exporting a patented product or a product of a patented method



- Using
- Offer for use a patented method



## What is a patent

For many years a patent was considered to be a kind of insurance of your development investments?



## BUT – is that all – and how does it work?

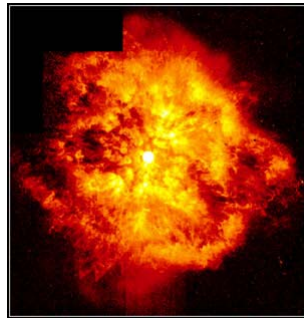
What is a patent actually?

Why using resources on patents?

For which reasons will you need a patent?



# The patent world – a big clash of three different worlds?



## The world of laws

A patent is a 'negative right'


A patent is a 'little law'. A Law that needs basis for interpretation



The patent attorney  
The examiner  
The judge

are working with the  
'little law'  
-to shape it, and  
-to interpret it

**The world of technology**




**Inventor**

**Patents are like articles.**  
**It is good to get your name on a patent, but it takes lots of time and may prevent other kind of publication**


↓

<p>The Inventors</p> <p>The Technical experts</p> <p>The Sales/Marketing</p>	}	<p>Provides technical input.</p> <p>Read an understand some of it.</p>
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**The world of business**



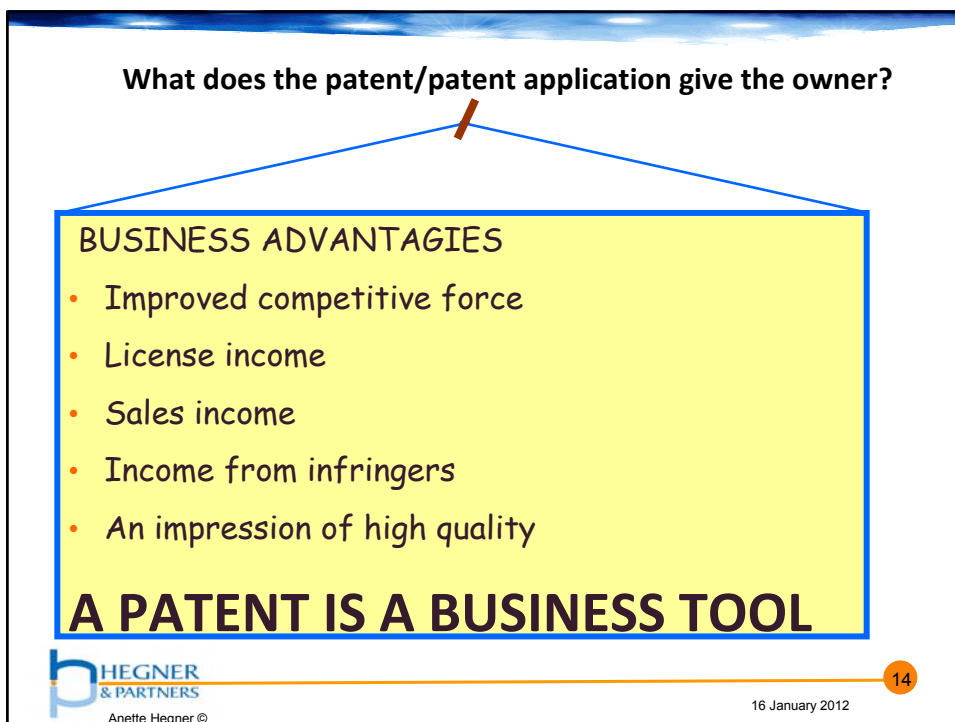
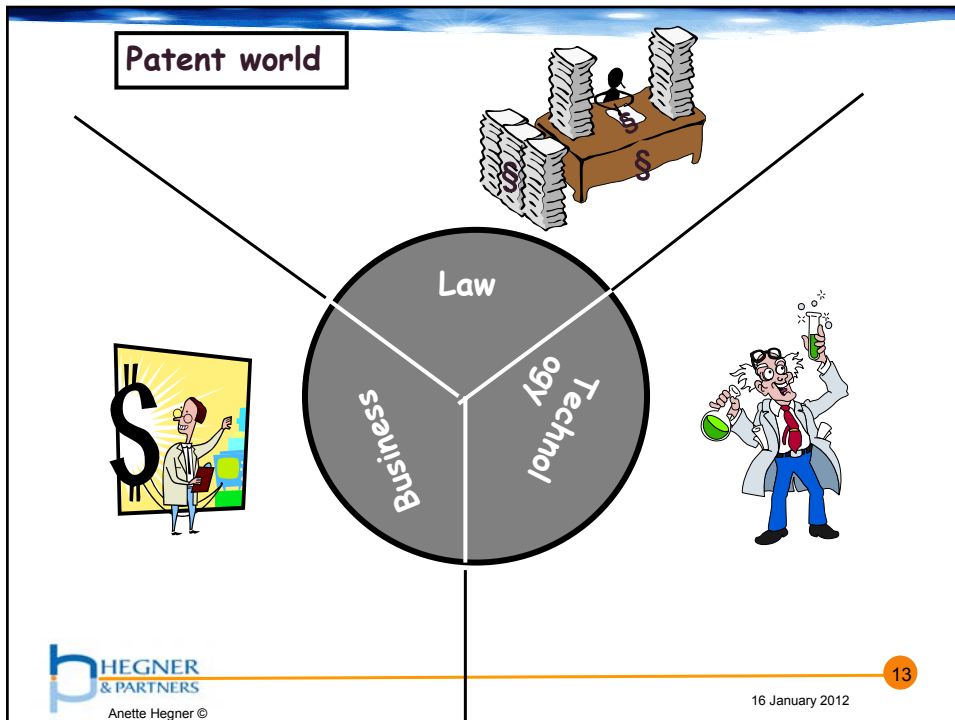
**Money makes the world go around!**

↓

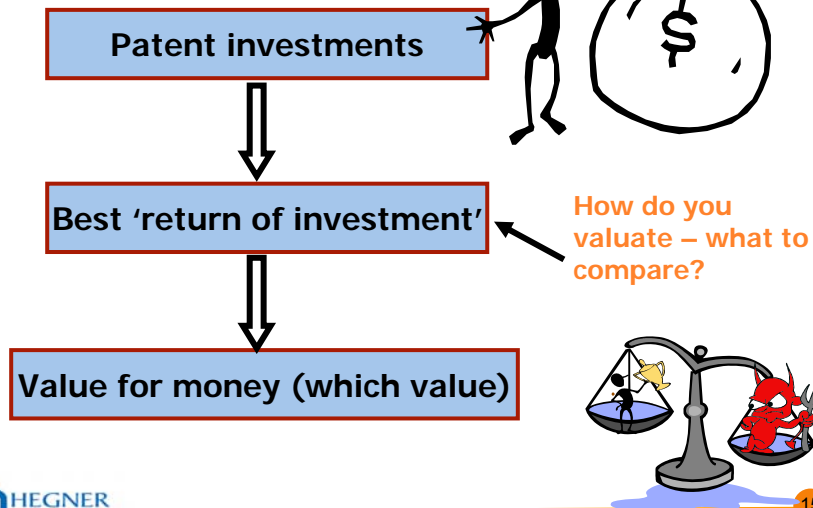
<p>The CEO/CFO</p> <p>The Board</p> <p>The Investors</p>	}	<p>Wish it to be there</p> <p>Do not read and understand it.</p>
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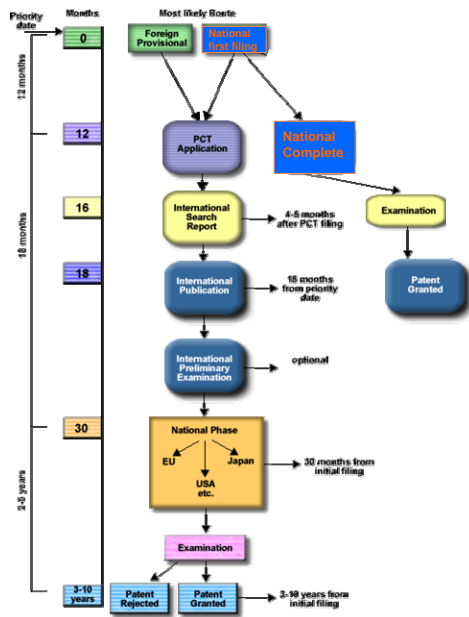
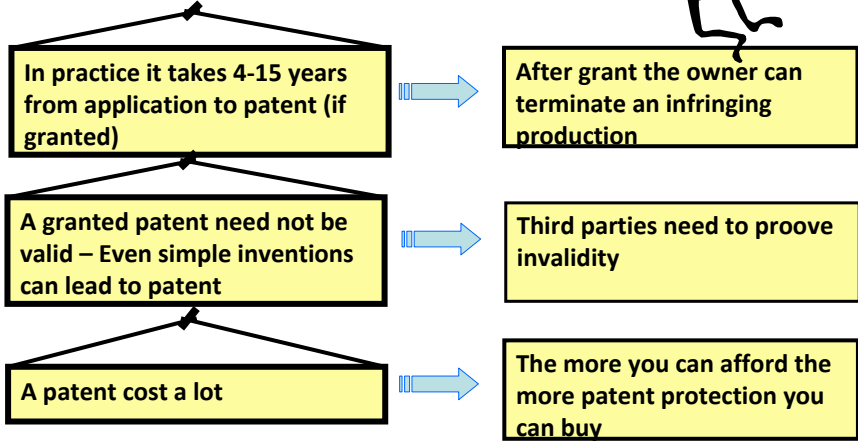
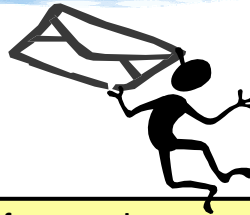
# The game of Patents



## Value for whom?

Value for inventor	→	To be mentioned on a patent
Value for universities	→	To show prod. of Innovation
Value for start ups	→	To get investment
Value for firms with exit strategies	→	To increase company value
Value for SMEs	→	To have something to trade
Value for production firms	→	To obtain market shares
Value for large international companies	→	To have dominance

# World of Patents



## Patent investments?



Our patents



Competitors Patents

For many companies –  
freedom to operate is what matters

## Patent investments?

Freedom of  
operation



Area of  
dominance

Competitors Patents

Our patents

THE LIMITING FACTOR

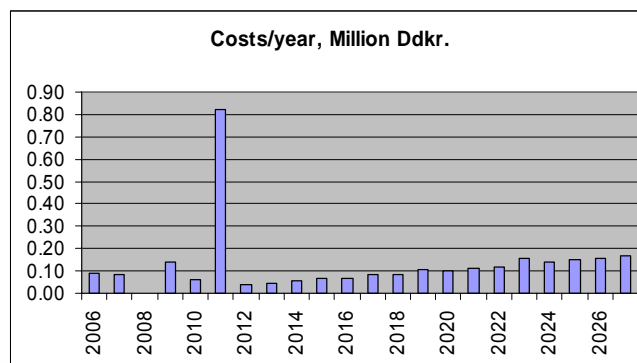
COST

## Value of what?

Value of a patent	→	Depend on scope and strength The value is proportional with how much it bothers competitors
Value of a patent application	→	As a patent + it is more difficult for competitors to evaluate
Value of a license	→	Depend on scope-exclusive/non-exclusive – may open up market
Value of an opposition/nullity action	→	May bring FTO – show strength of company (Also consider the gun in the drawer)
Value of an FTO evaluation	→	Bring knowledge to take proper and informed decisions/actions - to be proactive

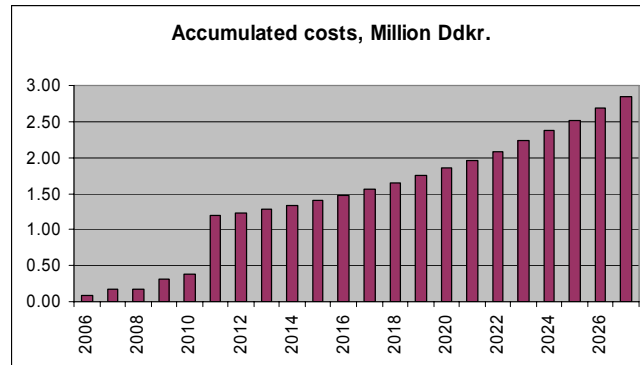
## The cost of patents?

**COST** → En patentfamilie  
EP(alle), JP, CN, US

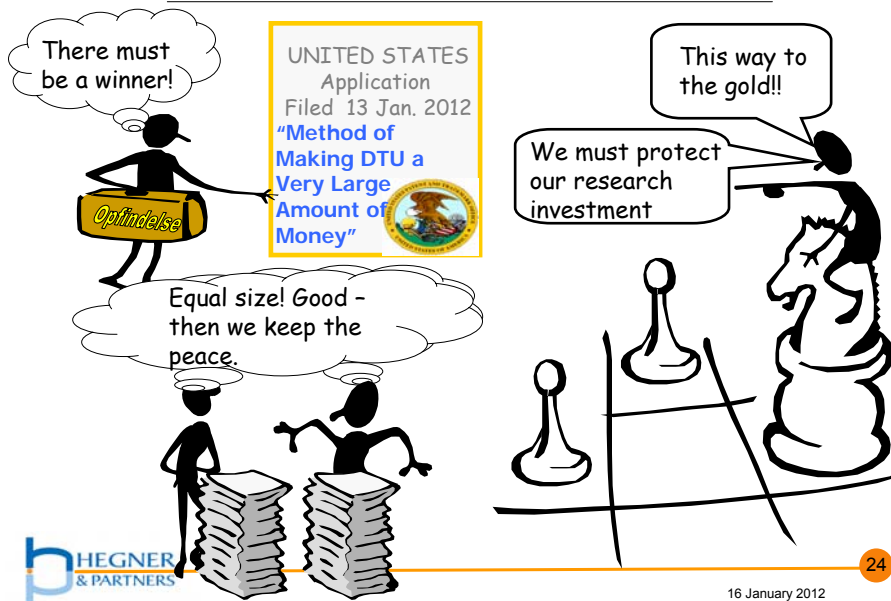


## The cost of patents?

**COST** → En patentfamilie  
EP(alle), JP, CN, US



## The game of patents?



## World of Patents – real world

### Business assets

Monetary assets



Tangible assets

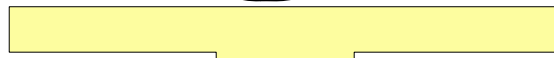


Intangible assets



+

+



Enterprise value

Unknown value

Trade value

Stock value

## World of Patents – real world

### Patent world

Taking time from developers

Cost a lot of money

Make a lot of uncertainties

Difficult to understand

Difficult for CEO to handle

Can provide large business advantages

### Real world

Making good product

Be on the technological front

Deliver on time

Good design

Good reputation

Good contacts

Good employees

Good business strategy

Good prices

## World of Patents – world of science

### How do we behave?

Do we need to have made the invention?

Do we need to understand the invention?

Do we need to prove that it works?

Do we need to test examples?

Do we need to be honest?

## World of Patents – world of science

### What about fairness?

Patents are not  
about fairness!



In practice it takes 4-15 years  
from application to patent (if  
granted)

After grant the owner can  
terminate an infringing  
production

A granted patent need not be  
valid – Even simple invention  
can lead to patent

Third parties need to prove  
invalidity

A patent cost a lot

The more you can afford the  
more patent protection you  
can buy

