

## **A Brief Guide To Protecting Your Idea**

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### **Patentability v. Marketability**

Even though your idea may be patentable, this does not necessarily ensure that it's marketable. You should ask yourself several questions to assess the marketability of your idea. Such questions include:

- Is your device or innovation an improvement over the existing art
- Is your device absent of an existing market
- Would your device compete with an existing product
- Would it be cost-affordable to manufacture your device
- Is your device quick, easy, and efficient to use
- Is the device safety-driven
- Is there currently a target market for your device
- Does your invention have enough demand at a price that will yield a profit to justify developing it as a product
- Does anyone need your product
- What's the best market for your device and how healthy is that market
- Would the price of your device fall within the range set by competing products or services

### **Can I Just Sell My Idea To A Company Without Getting A Patent**

In theory yes. However, generally, without "property rights" in your invention, a company may freely make, use, or sale your device without your permission. Thus, a company would likely never pay for something that it could obtain freely or that others could use freely. This concept can be understood by the following old adage, "you can't sell what you don't own." It can also be understood by way of the following example: Think of that beautiful beachfront home you've always wanted. A stranger approaches you, believing you are the owner, and asks if you would sell it to him. You can't sell him

the home if you don't own it. Patent Property is generally analogous to Real Property. In fact, the term **Intellectual Property** (IP) refers to "property rights" created through intellectual and/or discovery efforts of a creator that are generally protectable under patent, trademark, copyright, trade secret, trade dress, and the like.

### **What's The First Thing I Should Do**

DO NOT DISCLOSE your idea to anyone. It is understandable that you are excited about your invention and you're eager to tell someone about it. However, your first concern should be confidentiality. Initially, acquire the services of a Patent Attorney or Patent Agent to perform an evaluation and review of your idea to determine if the idea is technically feasible and capable of receiving protection. The evaluation and review should include a recommendation as to the appropriate type of protection, such as a Patent, Trademark, or Copyright. In some instances, the idea may warrant more than one type of protection. Other services may be recommended which include but are not limited to patent search, disclosure document registration, trademark search, and the like.

Because the United States is a *first to invent country*, it is very important for you to *diligently* establish your record of invention in writing. I provide each inventor with an **Official Record of Invention** within which inventor provides a general description of his/her invention in addition to a simple, non-technical sketch or drawing of their concept. Thereafter, the submitted Record of Invention is reviewed and a **FREE** private consultation is conducted. I provide each inventor with the opportunity to get answers to their questions and to receive my evaluation of their new product. No fees are incurred for the preliminary review and evaluation. Importantly, the Attorney-Client Privilege protects all subject matter submitted by you, therefore binding myself and The McGougan Law Firm, LLC to nondisclosure.

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### **What If I Live Out-of-State**

As a Registered Patent Attorney, I am licensed to practice before the United States Patent and Trademark Office in Patent Cases, thereby affording myself Federal Jurisdiction. Federal Licensure allows me to accept and represent clients nationwide. I have prosecuted patent and trademark cases and have performed copyright filings for clients all over the country. Essentially, there has been no discernible difference between

representing local clients versus out-of-state clients. Generally, communication and document transfer between attorney and client consists of mailings, faxes, telephone communication, and email.

### **What About Those Invention Submission Companies Advertised On TV And The Internet**

AVOID THEM. Be extremely cautious of invention companies that charge considerable up-front fees and claim that they will try to find a possible manufacturer for your invention. Typically they will do a “blind” mass mailing to manufacturers. Others claim they will present your invention at invention tradeshows. I have even found in many instances that if the company actually attends a tradeshow, the client is responsible for all the expenses entailed by the marketing representative, i.e., plane ticket, booth, hotel, food, transportation, and other necessary expenses. Thus leaving the client scratching his head thinking, “what did the \$4,000 I paid up-front cover?”

In the past, numerous disgruntled clients who had signed with an invention submission-type company contacted myself in a panic to determine whether I could provide help with their particular issue. In some instances I could remedy their problem, but in others I was unable to do so. For example, most inventors who sign with these companies are “counseled” to engage in an intense marketing campaign as described above which includes the presentation of their idea at trade shows and the publication of their idea through press releases and internet websites, while foregoing the initial appropriate filings for receiving patent protection. **Publication or sale of an idea before filing a patent application can present an issue of serious concern.**

Importantly, 35 U.S.C. §102(b) states “a person shall be entitled to a patent unless the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States. In simpler terms, this means that once you publish or sale your idea, you have one (1) year from the date of sale and/or publishing to file a patent application, otherwise, if this time period lapses, you are forever BARRED from receiving patent protection.

In addition, ask the invention submission company if they have in-house patent attorneys. More likely than not, an attorney is hired by the company as an independent contractor to provide clients with legal services, if any such services are actually ever engaged in. Patent Attorneys have both a State and Federal license that can be placed in jeopardy for ethical misconduct. Certain conduct such as fraud could lead to permanent disbarment. Coincidentally, many of these invention companies employ a staff with no such professional license to lose.

## **Do I Need A Prototype To File For A Patent**

No. There is no United States Patent and Trademark Office (USPTO) requirement mandating that a patent applicant have a prototype in order to file for patent protection.

## **Should I Build A Prototype**

Maybe. I understand that that's not exactly the answer you were looking for. However, let me explain. Initially, I would recommend that you don't build a prototype, but if you already have a prototype, great. Nevertheless, I adhere to the philosophy that you retain as much capital as you can until it is absolutely necessary to expend.

Many clients have entered into licensing and assignment agreements with companies without ever having a prototype. Likely, however, there will be instances where companies will require a prototype before reviewing your idea. Obviously, in such instances you'll need a prototype unless you decide to quit and give up on your idea. The reality of having a prototype is that people have a more positive response when they have something tangible to manipulate that transcends drawings, pictures, and abstract ideas. Also, your prototype will allow observers to closely examine your invention and arrive at their own conclusions about its potential. However, in most cases, once you submit your prototype to a company, you waive the right to have it returned. Thus, numerous prototypes may likely be required.

There are many companies and engineers in the U.S. offering their services to build prototypes, including the invention submission companies referenced above. Be wary of exorbitant prototype fees. In the past, I have worked with several engineers who provide cost-affordable prototypes, including both aesthetic and working prototypes.

## **Prototype Alternative**

Recently, rotatable static and rotatable 3-D cad images have become the rage. This technology is particularly significant for inventors. For a reasonable fee, inventors can now have a website designed and created which features his/her new innovation as a fully-rotatable static or 3-D cad image. The image provides viewer with a seemingly "tangible" 3-D image that can be viewed quickly and easily simply by clicking on inventor's website. Also, the website with image can be downloaded onto DVD, thus allowing for any number of copies to be mailed to countless companies for their quick, easy, and efficient review of your innovation. Additionally, a website provides inventor with a means for generating leads, a description of his/her invention, a point of contact, and a custom email address. I also suggest that each inventor have his/her webpage search engine optimized.

I currently have a working relationship with an internet-marketing company that is highly proficient at building and designing cost-affordable websites.

## **What is a Disclosure Document**

The Disclosure Document Program was eliminated by the USPTO effective as of February 1, 2007.

The Disclosure Document will be retained for two (2) years after the date it was received by the USPTO and will be destroyed thereafter unless it is referred to in a related patent application filed within the two-year period. This Document is not a “patent pending” but is the proper filing in order to continue *diligence* since the establishment of an inventor’s first to invent date.

Importantly, once an invention is conceived, a Disclosure Document should be filed as soon as reasonably possible.

## **How Do I Acquire “Patent Pending” Status**

“Patent Pending” is acquired once an applicant files a particular patent application with all required elements at the USPTO. This includes provisional, utility, design, and plant patent applications.

Acquiring “patent pending” status is significant in that most companies insist on reviewing only *patented* or *patent pending* devices. Once patent pending status is acquired, inventors are urged to conspicuously mark his/her invention and refer to it in writing as *Patent Pending*.

Warning: Marking or applying the term “patent pending” to a product not actually patent pending is a felony.

## **What Is A Patent**

A patent for an invention is the grant of a property right to the inventor, issued by the United States Patent and Trademark Office. Generally, the term of protection for a new patent is twenty (20) years from the date on which the application for the patent was filed in the United States or, in special cases, from the date an *earlier* related application was filed, subject to payment of maintenance fees.

The right conferred by the patent grant is, in the language of the statute (35 U.S.C. §101) and of the grant itself, “the right to exclude others from making, using, offering for sale, or selling” the invention in the United States or “importing” the invention into the United States. What is granted is not the right to make, use, offer for sale, sell or import, but the right to exclude others from making, using, offering for sale, selling or importing the invention. Once a patent is issued, the patentee must enforce the patent without aid of the USPTO.

*There are three types of issuable patents:*

- 1) **Utility patents** may be granted to anyone who invents or discovers any new and useful process, machine, article of manufacture, or composition of matter, or any new and useful improvement thereof, 35 U.S.C. §101;
- 2) **Design patents** may be granted to anyone who invents a new, original, and ornamental design for an article of manufacture, 35 U.S.C. §171; and
- 3) **Plant patents** may be granted to anyone who invents or discovers and asexually reproduces any distinct and new variety of plant, including cultivated sports, mutants, hybrids, and newly found seedlings, other than a tuber propagated plant or a plant found in an uncultivated state, 35 U.S.C. §161.

**Provisional Patent.** A provisional application for patent is a U. S. national application for patent filed in the USPTO under 35 U.S.C. §111(b). The provisional application provides the means to establish an early effective filing date in a non-provisional patent application filed under 35 U.S.C. §111(b). It also allows the term "Patent Pending" to be applied to the product, device, or innovation.

A provisional application has a pendency lasting 12 months from the date the provisional application is filed. The 12-month pendency period cannot be extended. Therefore, an applicant who files a provisional application must file a corresponding non-provisional application during the 12-month pendency period of the provisional application in order to benefit from the earlier filing of the provisional application. Otherwise, failure to do so results in abandonment of the provisional application and a loss of the "priority" filing date provided by the provisional application.

### **What Is A Trademark**

A trademark is a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs, that identifies and distinguishes the source of the goods of one party from those of others. Typically, a trademark for goods appears on the product and/or packaging utilizing the "TM" or "®" designation to alert the public of a party's claim. However, you may use the federal registration symbol "®" only after the USPTO actually registers a mark, and not while an application is pending. The symbol "TM" may be used regardless of whether you have filed an application with the USPTO.

A **service mark** trademark, symbolized by the "SM" designation, is a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs, that identifies and distinguishes the source of a service rather than a product.

### **What Is A Trade Dress**

Trade Dress is a distinctive, nonfunctional feature, which distinguishes merchants' or manufacturers' goods or services from those of another. The trade dress of a product involves the "total image" and can include not only the configuration, shape and design of the goods, but also the color of the packaging as well.

### **Can You Claim Trade Dress Protection**

To establish a superior right to your unique trade dress, your trade dress must indicate or be distinctive towards your business or product. This is accomplished by showing that the public associates your trade dress with a particular source. You can also claim trade dress protection if the public associates other products with your trade dress and believes the source to be your company, causing a likelihood of confusion.

### **What Is A Trade Secret**

A trade secret is information, including a formula, pattern, compilation, program device, method technique, or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

In more basic terms, a trade secret is any valuable business knowledge or information affording economic advantage over others and being subject to reasonable efforts to maintain its secrecy. Generally, a trade secret can be protected from exploitation by those acquiring its access through improper means or parties. Trade secret misappropriation is similarly related to a type of unfair competition. Remedies for infringement of a trade secret include damages, profits, reasonable royalties, and injunctive relief.

### **What Is A Copyright**

Copyright is a form of protection provided to authors of "original works of authorship," including literary, artistic, musical, dramatic, and certain other tangible works. The owner of the copyright generally has the exclusive right to reproduce the work in copies or phonorecords, to prepare derivative works based on the work, and to distribute copies or phonorecords of the work to the public by sale or other transfer of ownership. With respect to literary art, musical, dramatic, choreographic works, pantomimes, audiovisual works and similar artistic works, the owner of the copyright generally has the exclusive right to publicly display and perform the work.

Copyright protection may also extend to pictorial, graphic, and sculptural works. The following is a list of such works:

- Advertisements
- Labels
- Greeting Cards
- Weaving Designs
- Cartoons
- Lithographs
- Figurines
- Bumper Stickers
- Dolls
- Games
- Models
- Stencils
- Holograms
- Collages
- Paintings
- Posters
- Postcards
- Bumper Stickers
- Decals
- Stickers
- Carvings
- Posters
- Comic Strips
- Molds
- Artificial Flowers and Plants
- Toys
- Puzzles
- Craft Kits
- Technical Drawings
- Jewelry Designs
- Drawings
- Murals
- Stained Glass Designs
- Stationary

**Copyright Protection For An Original Work Of Authorship Does Not Extend To The Following:**

- Ideas, concepts, discoveries, principles
- Formulas, processes, systems, method, procedures
- Words and short phrases, such as names, titles, and slogans
- Familiar symbols or designs
- Mere variations of typographic ornamentation, lettering, or coloring

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