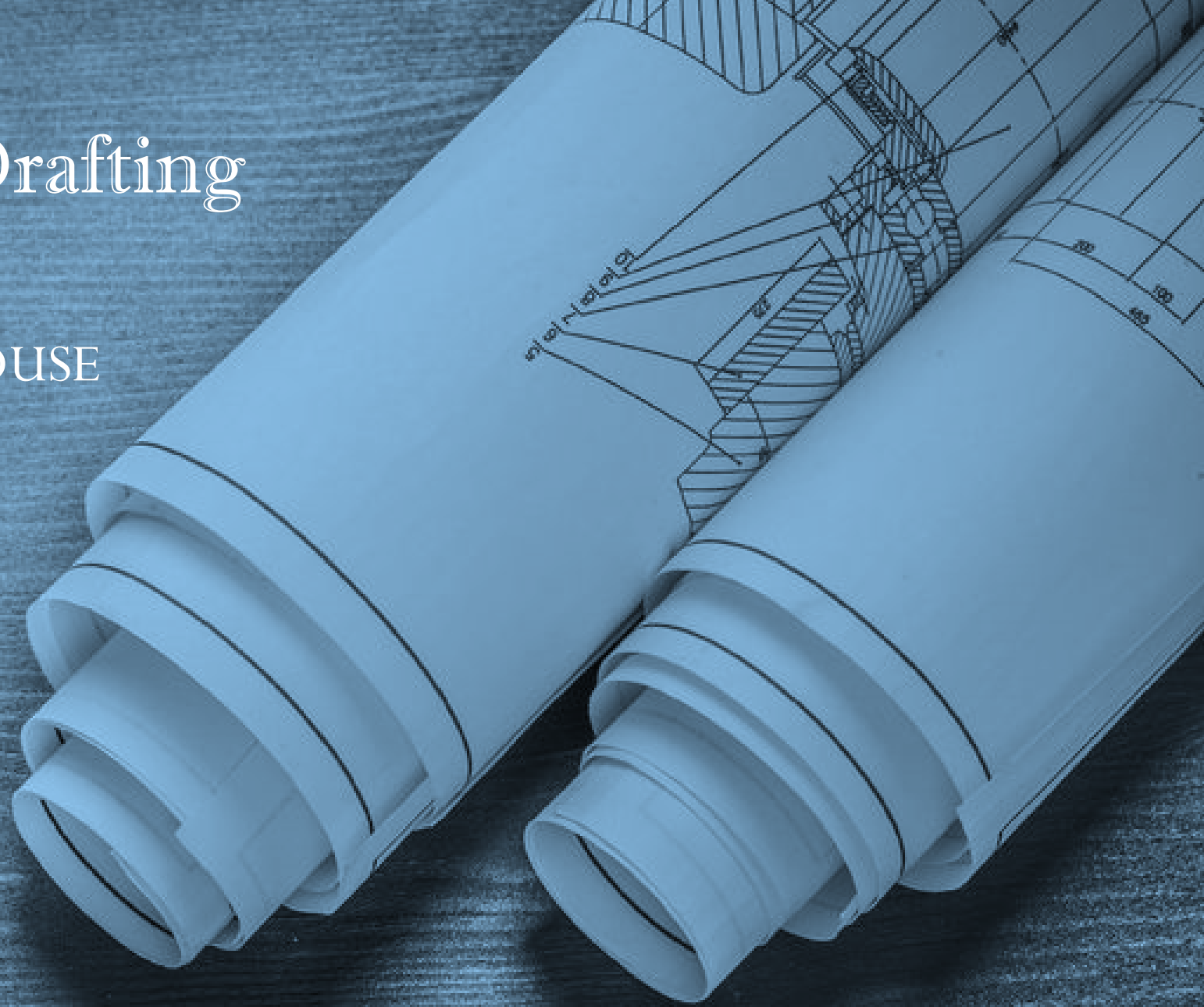


Patent Application Drafting

PATENT BEST PRACTICES: "INSIDERS" ADVICE FOR IN-HOUSE COUNSEL 2017

Premiere Date: February 16, 2017

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MEET THE FACULTY

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ABOUT THIS WEBINAR

Managing the patent drafting process requires interaction amongst many parties, at the least including an inventor, outside counsel and in-house counsel or other management. This may expand to include multiple inventors, licensing and/or marketing input and different levels of management, both in-house and in an outside firm. Managing this group to achieve a high quality patent application that is accurate from the standpoint of the inventor(s) and related technologies, cognizant of current law and ongoing changes, relevant to a business purpose and efficient with respect to the inventor's time, all while enabling outside counsel to remain profitable, can be challenging. This webinar provides insight into these aspects, with experienced panelists on both sides of the fence.

ABOUT THIS SERIES

Using outside counsel to assist in patent application preparation and prosecution is an incredibly valuable manner in which to generate and maintain a robust patent portfolio. Having patent applications prepared and prosecuted by outside counsel can improve short-term workflow management and provide many long-term advantages once a patent has issued. However, utilizing outside counsel can be costly, ensuring quality can be challenging and managing patent portfolios can require a balance of information not always available to all involved. Whether working with a small or large number of outside firms and whether they are small or large in size, this series provides insight that will assist both inside and outside counsel in creating a more effective working relationship.

Each episode is delivered in Plain English understandable to business owners and executives without much background in these areas. Yet, each episode is proven to be valuable to seasoned professionals. As with all Financial Poise Webinars, each episode in the series brings you into engaging, sometimes humorous, conversations designed to entertain as it teaches. And, as with all Financial Poise Webinars, each episode in the series is designed to be viewed independently of the other episodes, so that participants will enhance their knowledge of this area whether they attend one, some, or all of the episodes.

EPISODES IN THIS SERIES

EPISODE #1	Patent Application Drafting	2/16/2017
EPISODE #2	Patent Prosecution	4/6/2017
EPISODE #3	Patent Portfolio Management	5/4/2017

Dates shown are premiere dates; all webinars will be available on demand after premiere date

QUESTIONS OR COMMENTS?

If you have any questions about this webinar and did not get the opportunity to ask during the live premiere, or if you are watching this webinar on demand, please don't hesitate to email us at:

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Include the name of the webinar and we will get back to you to answer your question.

TARGET AUDIENCE

This series of webinars is loosely directed to providing insight to in-house counsel or other managers of patent portfolios. This may range from managers of small entities seeking to step into the patent world for the first time, to large corporate entities with large patent departments. For the latter, such insight may be useful in managing patent attorneys working in-house. Finally, we hope that this series may prove useful for outside counsel seeking to evaluate and improve the various services that they provide.

PATENT BASICS

- A patent involves conveyance of a right or title to exclude others from making, using or selling what is characterized as an invention, for a limited time period
- 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 a new patent is 20 years from the date on which the application for the patent was filed in the United States, or from an earlier priority date (if applicable).

PATENT BASICS

Types of Patents

- 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;
- Design patents may be granted to anyone who invents a new, original, and ornamental design for an article of manufacture; and
- Plant patents may be granted to anyone who invents or discovers and asexually reproduces any distinct and new variety of plant

CHOOSING YOUR COUNSEL

- Nature of your business
- Geographical needs – how important is it to have in-person contact with your outside counsel? How important is it for your inventors to have such contact?
- Technology
 - ✓ Relatively simple technology may be readily served and at lower budgets
 - ✓ Complex technologies may require counsel with more specialized technical backgrounds
 - ✓ Varied technology may require service by multiple attorneys of disparate backgrounds, possibly leading to engagement with a larger law firm having a myriad of different technology expertises.

CHOOSING YOUR COUNSEL CONT'D

- Exclusivity Trap! Finding outside counsel with experience in a specialized area may be challenging as such counsel may likely have a conflict of interest from previous work
- Jacks of all Trades: Many patent attorneys have to serve a variety of technology areas, including those that they may not be terribly familiar with. As such, it can be important to find counsel who can adapt and “roll up their sleeves” to get their arms around a specific technology.
- Communication skills may be as, if not more, important than technological background

BUSINESS FIRST!

- The decision to seek patent protection should be business-driven, as should various other decisions during the cycle of a patent application and, ultimately, an issued patent.
- When drafting patent applications, and choosing which technology area to focus on, keeping business needs in mind is a must.
- Identify inventive aspects, but then ask how these aspects affect your business in choosing which to pursue.

BUSINESS FIRST! CONT'D

- What are your competitors doing?
- Should you be building up defenses? Having an arsenal of patents to bring to the battle can deter your competitors from coming after your company and its interests.
- Are you under threat of lawsuit, and can additional patents be filed to support your purpose?

WHO ARE YOU AND WHAT ARE YOUR BUSINESS NEEDS?

Considerations for smaller entities, with little patent activity and (possibly) little patent experience:

- Define a budget, and focus on the importance of protecting certain technologies; this may involve considering how contentious the market/competitors are, or how critical your technologies are to success.
- Tailor the drafting process to the budget, focusing on bang for the buck.
- Set budgets for attorneys; ensure there is ample communication

WHO ARE YOU AND WHAT ARE YOUR BUSINESS NEEDS CONT'D?

Considerations for start-ups:

- Application drafting can be tied very closely to portfolio targets for specific investments
- Robust filings can be more useful than sparse applications
- The Provisional Application Trap: Provisional applications are often thought of lightly and given little attention. This can result in provisional applications that do not provide proper support for claims in ensuing applications, and the false sense of security can wreak havoc, as subject matter that is publicly disclosed prior to filing of the ensuing application can jeopardize the ability to protect the same.

WHO ARE YOU AND WHAT ARE YOUR BUSINESS NEEDS CONT'D?

Considerations for start-ups cont'd:

- “Look and Feel” can be more important when seeking investors
- Developing a portfolio can be useful for establishing value. This needs to be balanced against budget constraints, and available funds should be tailored accordingly.
- Ongoing filings (e.g., every ~6 months) can be helpful for covering subject matter in development while providing time to determine which of several directions to pursue.

WHO ARE YOU AND WHAT ARE YOUR BUSINESS NEEDS CONT'D?

Considerations for larger corporations:

- Business managers need to ensure applications are being drafted to meet current and ever-changing business needs
- Communicate well with the patent drafter regarding these needs
- The patent drafter should be in tune with these needs (and if not, should be asking the right questions)

CLAIM DRAFTING

Questions to ask yourself when reviewing claims:

- Do the claims cover your core technologies, and has the patent drafter considered these?
- Who would infringe the claims?
- Do the claims leave room for easy design-arounds?
- Do the claims provide for coverage of the invention using different drafting approaches to ensure robustness during interpretation?
- How would the claims stand up in litigation?

CLAIM DRAFTING CONT'D

Who would infringe the claims?

- Is there coverage for competitor activities? Supplier activities?
- Is there a single entity that would infringe at least some of the claims?
- Consider the Akamai v. Limelight decision (Fed. Cir. 2015) and related interpretation regarding single-actor and multiple-actor infringement, for direct infringement and related damages.
- Remember the law may change again!

CLAIM DRAFTING CONT'D

Do the claims meet subject-matter eligibility?

- Under Section 101, a claimed invention must be directed to a process, machine, an article of manufacture, or a composition of matter ... and cannot fall under a judicially recognized exception, such as an abstract idea, natural phenomena or law of nature.
- Additional features such as providing an improvement to another field, improvement to computer functionality, utilizing a machine, transformation, and unconventional/non-routine aspects can provide significantly more than one of the exceptions above.

See Mayo v. Prometheus, 132 S. Ct. 1289 (2012), Alice Corporation Pty. Ltd. v. CLS Bank International, et al., 134 S.Ct. 2347 (June 19, 2014)

CLAIM DRAFTING CONT'D

Do the claims meet subject-matter eligibility (cont'd)?

- Are the claims drafted toward a specific technological advancement (species), versus an overly-broad genus?
- Recent case law trends are supportive of eligibility where the claims are specific as such. See *McRO, Inc. v. Bandai Namco Games America Inc.*, Docket Nos. 2015-1080 (Fed. Cir. Sept. 13, 2016)

CLAIM DRAFTING CONT'D

Functional Claiming

- Functional limitations define an invention relative to its function
- Examples include circuits that are defined by the operation that they carry out
- Traditionally, means-plus-function interpretation under Section 112 has been invoked by claim limitations specifying the wording “means for [carrying out a function]”
- Recent decisions have raised uncertainty surrounding functional claim limitations, where a claim has no structural elements supporting functional limitations.
- For claim limitations determined to be “functional,” interpretation may turn on the corresponding structure disclosed in the patent specification.
- For software-based limitations, validity may turn on whether the specification includes a supporting algorithm

CLAIM DRAFTING CONT'D

Functional Claiming (cont'd)

- Be wary of “nonce” terms such as “processor” or “device,” which can be interpreted as not providing sufficient structure.
- Be wary of interpretation of such terms rendering claims invalid, such as those in which a “processor” is claimed, followed by a series of steps in which interpretation of a “processor” as a means clause would result in a single means; consider utilizing one or more additional structural limitations that would be inherent.

SPECIFICATION DRAFTING

While heavy emphasis is on the claims, consider the specification for:

- Supporting the claims, and any potential claims expected to be drafted in the same or other (child) application
- Avoid limiting language
- Ensure that description corresponding to claims is provided without reference to figures, so as to provide embodiments relating to the claims and which is not limited by what is shown in the figures

COST CONTROL

- Ensure a proper understanding at the outset
- Employ a process to monitor costs
- Patent drafters should be all over this and communicating regarding the same
- Individual project budgets can be useful, both for broad-based application (e.g., across large volumes of patent applications) and targeted applications
- The direction of patent applications should be controlled from the outset with efficiency in mind; obtain buy-in early

COST CONTROL CONT'D

How to get bang for your buck (or to impress your clients by giving it to them)?

- Focus attorney time on critical aspects, including defining the invention via the claims
- Law firms may use a mix of attorneys with lower and higher billing rates; done correctly, this can result in great value, but care should be taken to understand who is doing what work, and a related comfort level
- Minimize back-and forth during the drafting stage
- Prepare for time with the attorney (and prepare your inventors)
- Educate your inventors about cost and goals regarding attorney time

INVENTION DISCLOSURES

- Consider generating an invention disclosure form, or at least a series of questions to ask and answer when considering the patent application process.
- Educate inventors as to important things to consider, including the basics of what is new relative to old, but also prying questions such as, “what challenges did you see and how did you overcome them?”
- Ask the inventors about design-arounds – consider covering them with various embodiments
- Identify known background information such as issued patents, and be sure to refer to it as background (a determination of what is/isn't prior art is a legal issue that should not be asked of inventors)

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Eric Curtin is an Officer at Crawford Maunu in St. Paul, MN. His practice has included the preparation and prosecution of patent applications in the electronic, electromechanical, biomedical, chemical and optical technology areas, and further in the area of computer-implemented/software inventions. Eric also assists clients in the procurement of trademarks and copyrights, and with various aspects of trademark and copyright law including oppositions, cancellations, and license agreements. He further maintains a robust practice in client counseling, including opinions of infringement/invalidity.

Through his legal education efforts, Eric has authored multiple intellectual property articles, and serves as an expert on nationally-broadcast panels concerning patent, trademark and copyright matters. Recently, Eric has published in the International In-house Counsel Journal on topics including functional claiming and definiteness in claim terminology.

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Joseph Kuo is a partner in the Intellectual Property Law Group of Arnstein & Lehr's Chicago office. His practice encompasses a broad range of experience in intellectual property law, including patents, trademarks, unfair competition, copyrights, false advertising, and trade secrets. Mr. Kuo has counseled a wide array of clients ranging from large established companies, to young start-up operations, to individuals, regarding planning and executing effective strategies for obtaining and maintaining maximum protection of their intellectual property and trade secrets. Mr. Kuo's experience encompasses all aspects of patent law, including the preparation and prosecution of patent applications; validity, infringement and patentability opinions and analyses; and representation of both patent holders and accused infringers in patent litigation. He has represented clients in patent litigation matters in numerous district courts and the U.S. Court of Appeal for the Federal Circuit in technologies including computer software, automotive related products, physiological sensors, medical devices, agricultural equipment, sporting equipment, window coverings, heavy machinery, building products, GPS transceivers, and design patents.

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Sanjay Prasad is a Principal at Prasad IP, PC in the San Francisco Bay Area. Sanjay has practiced at the forefront of technology and intellectual property for over twenty years. He is experienced in all business and legal aspects of intellectual property from developing IP strategy for senior management to execution of the strategy, including patent portfolio development, deal development and negotiation and monetization. His experience includes serving as outside counsel, chief patent counsel to a Fortune 100 company, and a licensing and business executive.

Sanjay was recognized in Intellectual Asset Management Magazine's 2013 IAM Strategy 300 as one of the world's leading IP strategists. He has testified before a U.S. Congressional Subcommittee on hearings that led to passage of §19 of The America Invents Act and is a frequent speaker on topics pertaining to IP law. He has served on the Board of Trustees for the Software Patent Institute, the Executive Committee of the Association of Corporate Patent Counsel, the Board of the Intellectual Property Owners Association and as Chair of the IP Counsel's Roundtable of the Information Technology Association of America (ITAA).



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