



**FINNEGAN**

Finnegan, Henderson, Farabow, Garrett & Dunner, LLP

# **Creating, Implementing, and Maintaining a Strategic IP Portfolio**

By

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# The IP Portfolio

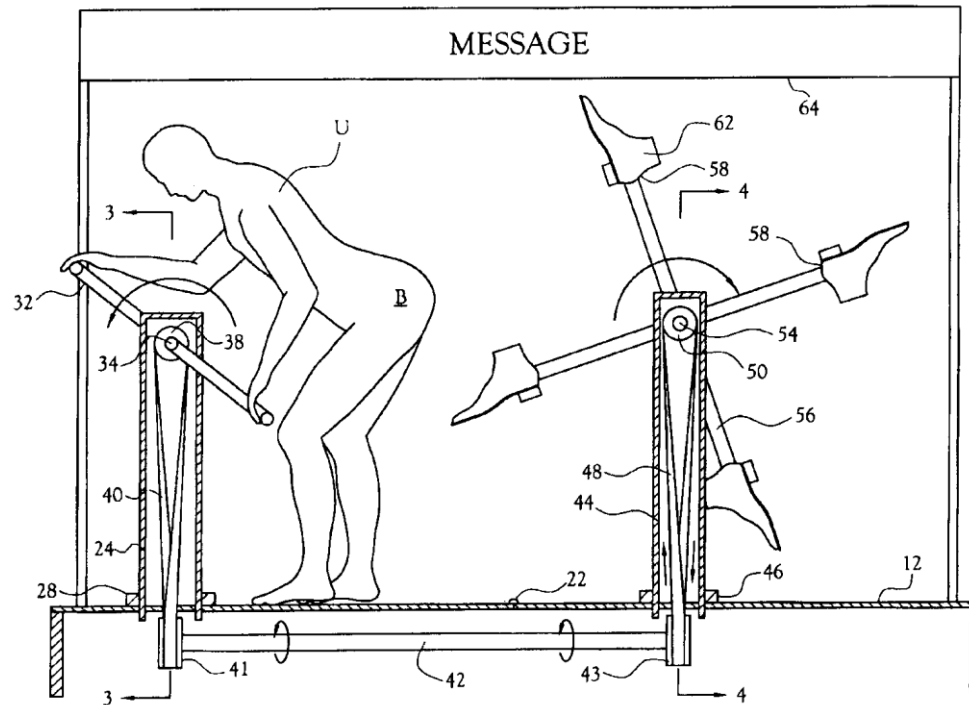
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- Patent: exclusive rights over invention for a limited term
- Trade Secret: useful confidential information
- Trademark: mark for source of goods
- Copyright: exclusive rights over expression of idea or information

# There are Patents... And Then, There are Patents

U.S. Patent 6,293,874

USER-OPERATED AMUSEMENT APPARATUS FOR  
KICKING THE USER'S BUTTOCKS

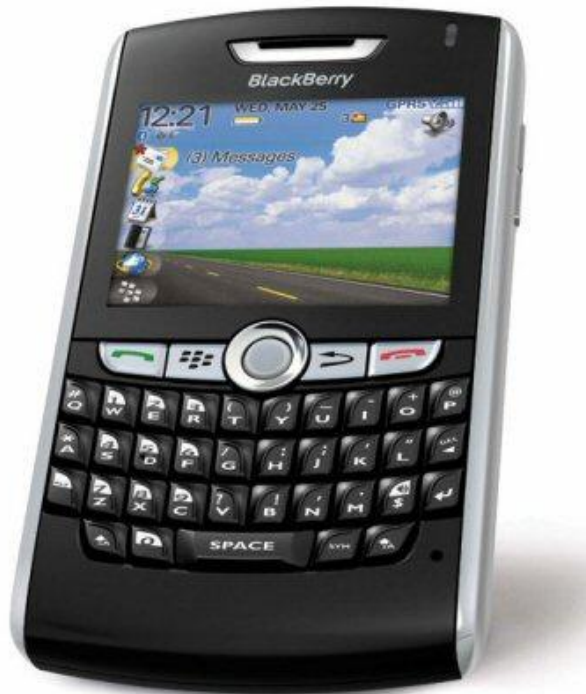


# There are Patents... And Then, There are Patents

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U.S. Patent 6,317,592

ELECTRONIC MAIL SYSTEM WITH RF  
COMMUNICATIONS TO MOBILE PROCESSORS



Blackberry Settlement:  
-RIM paid NTP **\$612.5M** in full and  
final settlement of all claims  
against RIM

# There are Patents... And Then, There are Patents

- Pharmaceutical patents protecting billion dollar



(19) **United States**  
 (12) **Reissued Patent**  
 Hirai et al.

US00RE37314E  
 (10) **Patent Number:** US RE37,314 E  
 (45) **Date of Reissued Patent:** Aug. 7, 2001

(54) **PYRIMIDINE DERIVATIVES**  
 4,925,852 5/1990 Kessler et al. .... 514/256  
 5,026,708 6/1991 Fujikawa et al. .... 514/256

(75) **Inventors:** Kentaro Hirai, Kyoto; Teruyuki Ishiba, Osaka; Haruo Koike, Kyoto; Masamichi Watanabe, Shiga, all of (JP)

**FOREIGN PATENT DOCUMENTS**

0 330 057 8/1989 (EP) .  
 0 367 895 5/1990 (EP) .

(73) **Assignee:** Shionogi Seiyaku Kabushiki Kaisha, Osaka (JP)

**OTHER PUBLICATIONS**

(21) **Appl. No.:** 09/141,731

Moore et al, *J. Am. Chem. Soc.*, vol. 107, pp. 3694–3701, 1985.\*

(22) **Filed:** Aug. 27, 1998

G. Beck et al., *J. Med. Chem.*, 33, 52–60 (1990).

B. Roth et al., *J. Med. Chem.*, 34, 463–466 (1991).

**Related U.S. Patent Documents**

Reissue of:  
 (64) **Patent No.:** 5,260,440  
**Issued:** Nov. 9, 1993  
**Appl. No.:** 07/897,793  
**Filed:** Jun. 12, 1992

\* cited by examiner

(30) **Foreign Application Priority Data**

Jul. 1, 1991 (JP) ..... 3-188015

(51) **Int. Cl.<sup>7</sup>** ..... A61K 31/505; C07D 239/34; C07D 239/38; C07D 239/42

(52) **U.S. Cl.** ..... 514/316; 544/318; 544/322

(58) **Field of Search** ..... 514/756; 544/297

*Primary Examiner*—Richard L. Raymond  
 (74) *Attorney, Agent, or Firm*—Pillsbury Madison & Sutro, LLP Intellectual Property Group

(57) **ABSTRACT**

The compounds of the present invention inhibit the HMG-CoA reductase, and subsequently suppress the biosynthesis of cholesterol. And they are useful in the treatment of hypercholesterolemia, hyperlipoproteinemia, and atherosclerosis.

(56) **References Cited**

**U.S. PATENT DOCUMENTS**

4,868,185 9/1989 Chucholowski et al. .... 514/256

**3 Claims, No Drawings**

# Trade Secret Protection

- **Trade secrets**
  - Recipes for soft drinks
  - **Coke formula, "Merchandise 7X," invented in 1886, is kept in the vault of a bank in Atlanta**



*Coca-Cola*

# Preference for Patents

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- Medical/Medical Devices
  - Profit margin per product large
  - Often requires great R&D + regulatory investment
  - “Copy Cats” are common
- Method of use
  - May be readily ascertainable by public
- High technology that has a short half-life

# Preference for Trade Secret

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- Technology that has a longer half-life (Recipes, Business methods)
- Manufacturing process
  - Not readily ascertainable
  - Infringement of patented process hard to detect
  - Discovery for civil suit expensive
- Software
  - Infringement of patented software hard to detect
  - Algorithms in abstract not patentable
- Know-how, design details, and business information
  - May not be patentable



# Creating Strategic IP Portfolio

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- Employee agreements
  - Protecting proprietary and confidential business info
  - Patents, trade secrets, trademarks, copyrights
- Invention capture
  - Research Notebooks
    - Proper record keeping
    - First to invent v. first to file
  - Invention disclosure forms

# Creating Strategic IP Portfolio

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- IP strategic committee
  - Scientists/engineers and management
  - Business objectives
    - Evaluate invention disclosures
  - Patent or trade secret?
  - Foreign filing; maintenance
  - Monitoring third party activity
    - Patents
    - Products/services
  - Publication review of employees

# Creating Strategic IP Portfolio

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- Education of scientists/engineers
  - How patent system works
  - Loss of rights
    - Dispel publish or perish mentality
    - Disclosure to 3<sup>rd</sup> parties (incl., potential collaborators)
    - Presentations at conferences
    - Delay in pursuing patent protection
  - Drafting of patent application
  - 3<sup>rd</sup> party IP
  - 3<sup>rd</sup> party products/services versus company IP
    - Language advisory!
  - Duty of disclosure
    - Avoiding inequitable conduct

# Creating Strategic IP Portfolio

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- Establishing trade secret policy (what you have and how you work it)
  - Information and material marked, stored, and handled to maintain confidentiality
  - Documenting
    - Marking
    - Providing notice (e.g., area, machine)
  - Nothing in plain view
  - Encryption, password protection
  - Periodic reminders
  - Registration of visitors, badges
  - No information on home computers
  - Trade secret officer; education
  - Speeches, papers, demonstrations

# Creating Strategic IP Portfolio

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- Protecting trade secrets regarding employees
  - Employee agreement
  - Notice of confidentiality and marking of documents
  - Limited access to trade secrets
  - Speeches and papers
  - Procedures when employee leaves (exit interview)
    - Identify trade secrets employee had access to
    - Work at new job
    - Reminder of obligations and responsibilities

# Creating Strategic IP Portfolio

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- Protecting trade secrets with outsiders
  - Security and procedures with visitors
  - Confidentiality agreements with consultants
  - Confidentiality agreements with companies

# Implementing Strategic IP Portfolio

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- Choose between patents or trade secrets
- Patents
  - Be judicious: cost (money and selection inventions)
  - Filing strategy
    - Domestic filing
    - Foreign filing (PCT application system)
  - US filing (example)
    - Provisional; non-provisional a year later
    - PCT
      - National stage: 20 months (Chapter I) or 30 months (Chapter II)

# Implementing Strategic IP Portfolio

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- Ownership
  - Assignments: perfection ownership
  - U.S.: no accountability among co-owners
- Prosecution strategy
  - Full knowledge of prior art
  - Full understanding of invention
  - Strategic use of interviews



# Implementing Strategic IP Portfolio

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- Patents are business assets with different uses
  - Protect company's commercial products
  - Impede competitor's R&D
  - Use in negotiations with third parties
  - Possible use for revenue generation (licensing a patent)

# Maintaining Strategic IP Portfolio

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- Maintenance and annuity services
- Pruning!
  - Inventions unpatentable
  - Patents or applications don't fit with business objectives
- Enforcement against 3<sup>rd</sup> parties
  - Monitoring 3<sup>rd</sup> party activity (IP committee)
  - Cost and distraction to business
  - Reputation
  - Alternatives to litigation
    - Settlement
    - Mediation
    - Arbitration

# Maintaining Strategic IP Portfolio

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- Freedom to operate (FTO)
  - Competitive landscaping
  - Snapshot in time; requires updating
  - Policy to respect valid patents of 3<sup>rd</sup> parties
  - Designing around
  - Licensing
  - Challenging
    - Pre-issuance submissions
    - Inter Parties Review
    - Post Grant Review

# Maintaining Strategic IP Portfolio

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- Benefits: target in potential acquisition
  - Scope, validity and enforceability of IP
    - Patents:
      - marketed products and follow-on inventions (life cycle management)
      - Ownership: employee agreements, assignments, annuities
    - Trade secrets: policy in place and followed
  - Freedom to operate
    - Knowledge of competitive landscape
    - Know where problems lie and have positions/strategies worked out
    - Have necessary licenses

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# Thank you!

The logo for Finnegan, consisting of the word "FINNEGAN" in white, uppercase, sans-serif font, centered within a dark green rectangular box with a thin white border.

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