

PATENTS & SMALL COMPANIES

Ronald Chichester

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Houston, Texas

OVERVIEW

- What Patents are For
- What Patents are *REALLY* For
- The Economics of Patents (for small companies)
- What Small Companies Can Do

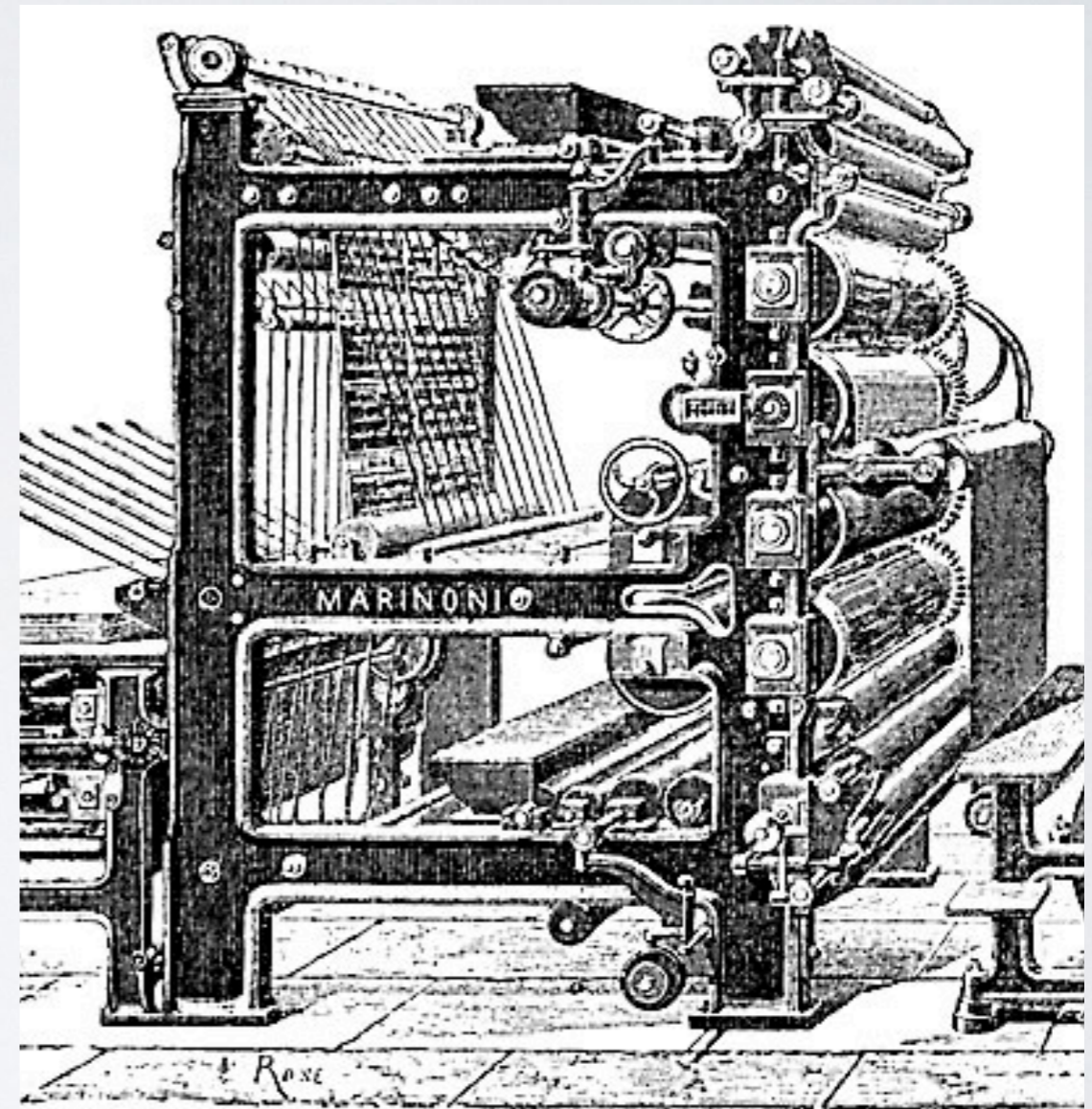


Fig. 6. Machine rotative.

WHAT PATENTS ARE FOR

TO PROMOTE THE PROGRESS
OF SCIENCE AND THE USEFUL
ARTS

— U.S. Const. Art. I, Sec. 8, Cl. 8

TO PROVIDE A COMPETITIVE
ADVANTAGE

TO RECOUP

THE COST OF R&D

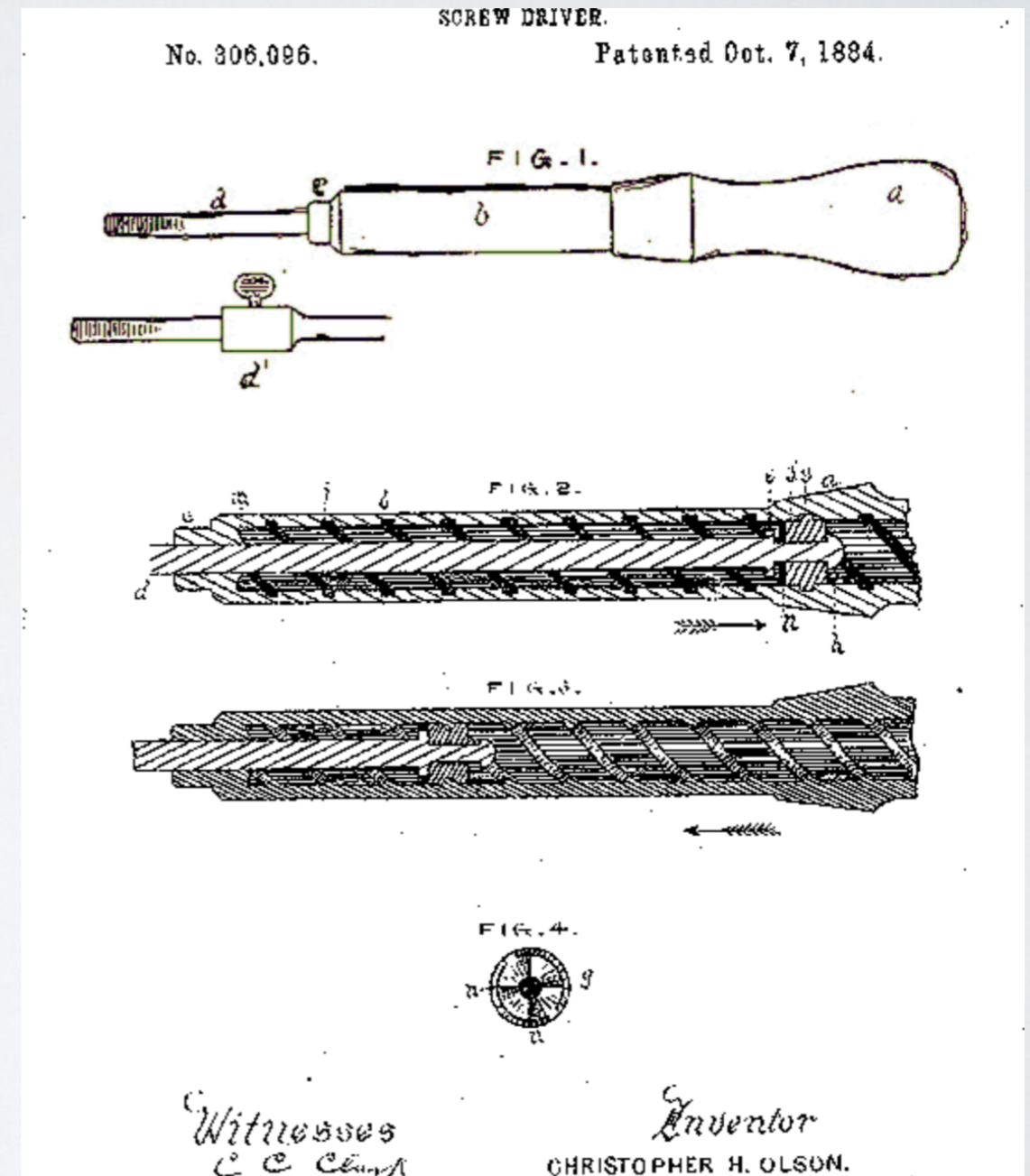
THE AMERICA INVENTS ACT

WHAT PATENTS ARE
REALLY FOR (NOW)

TO PROVIDE A COMPETITIVE
ADVANTAGE

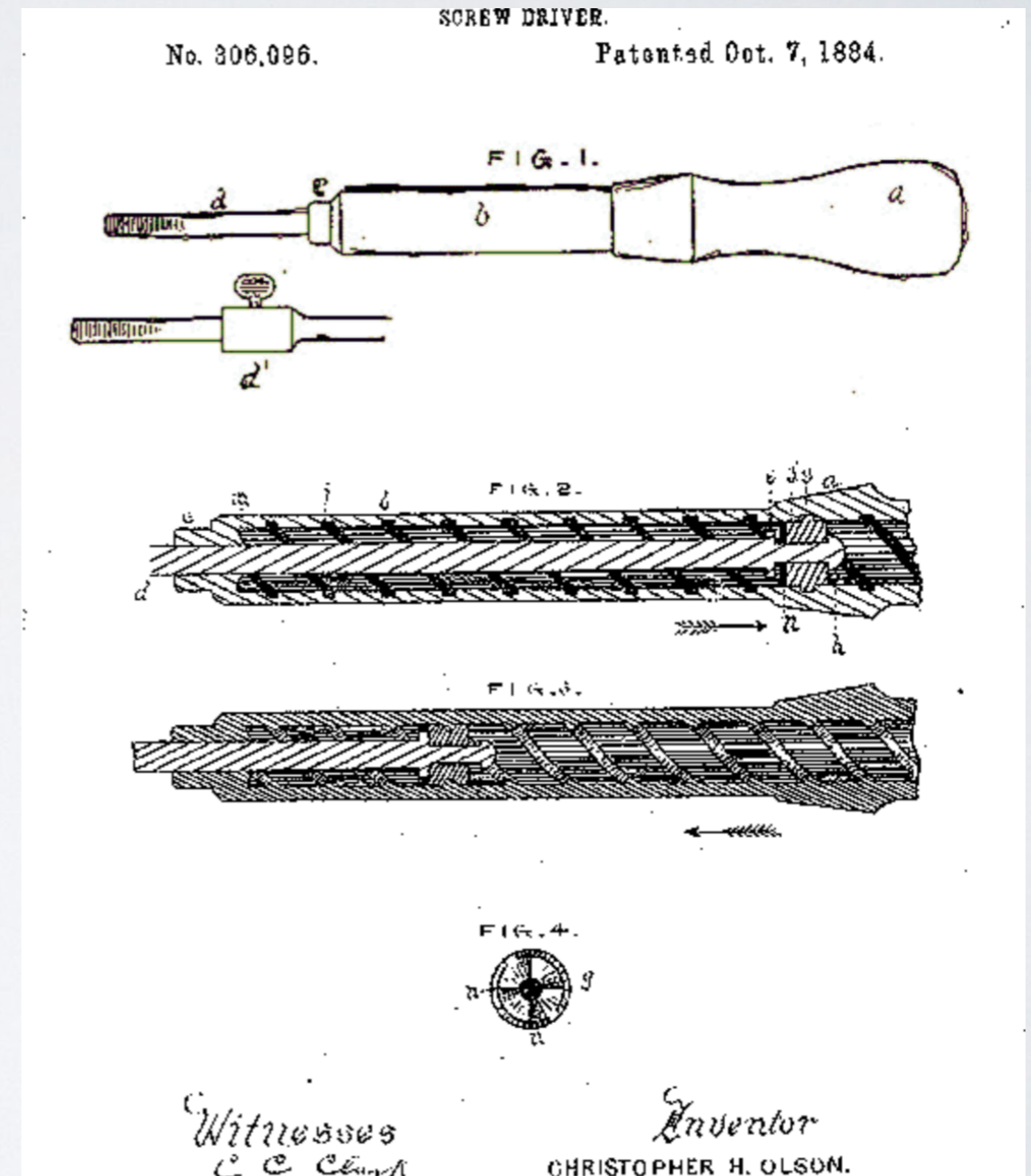
***FOR THOSE THAT
CAN AFFORD IT***

TECHNOLOGY



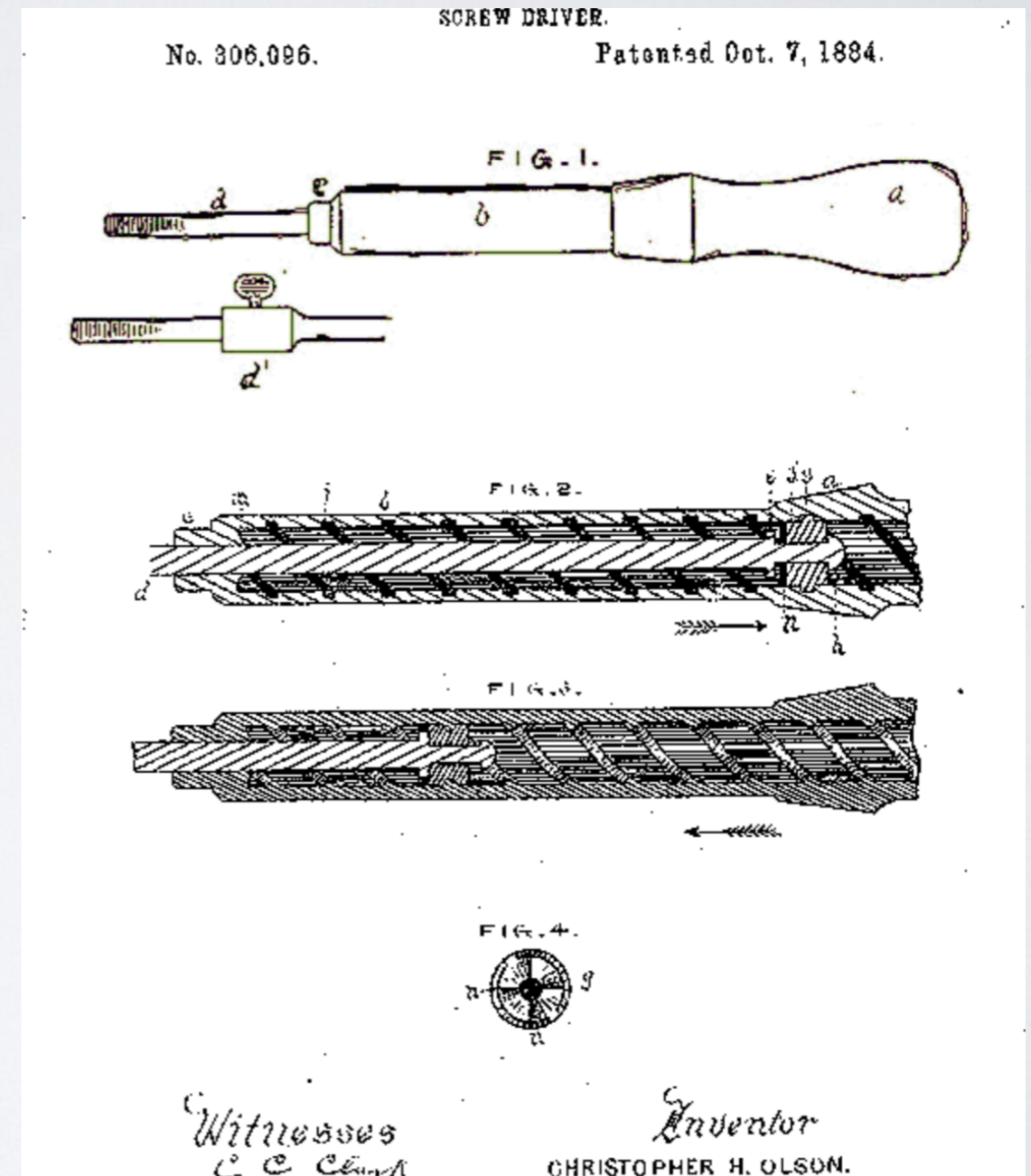
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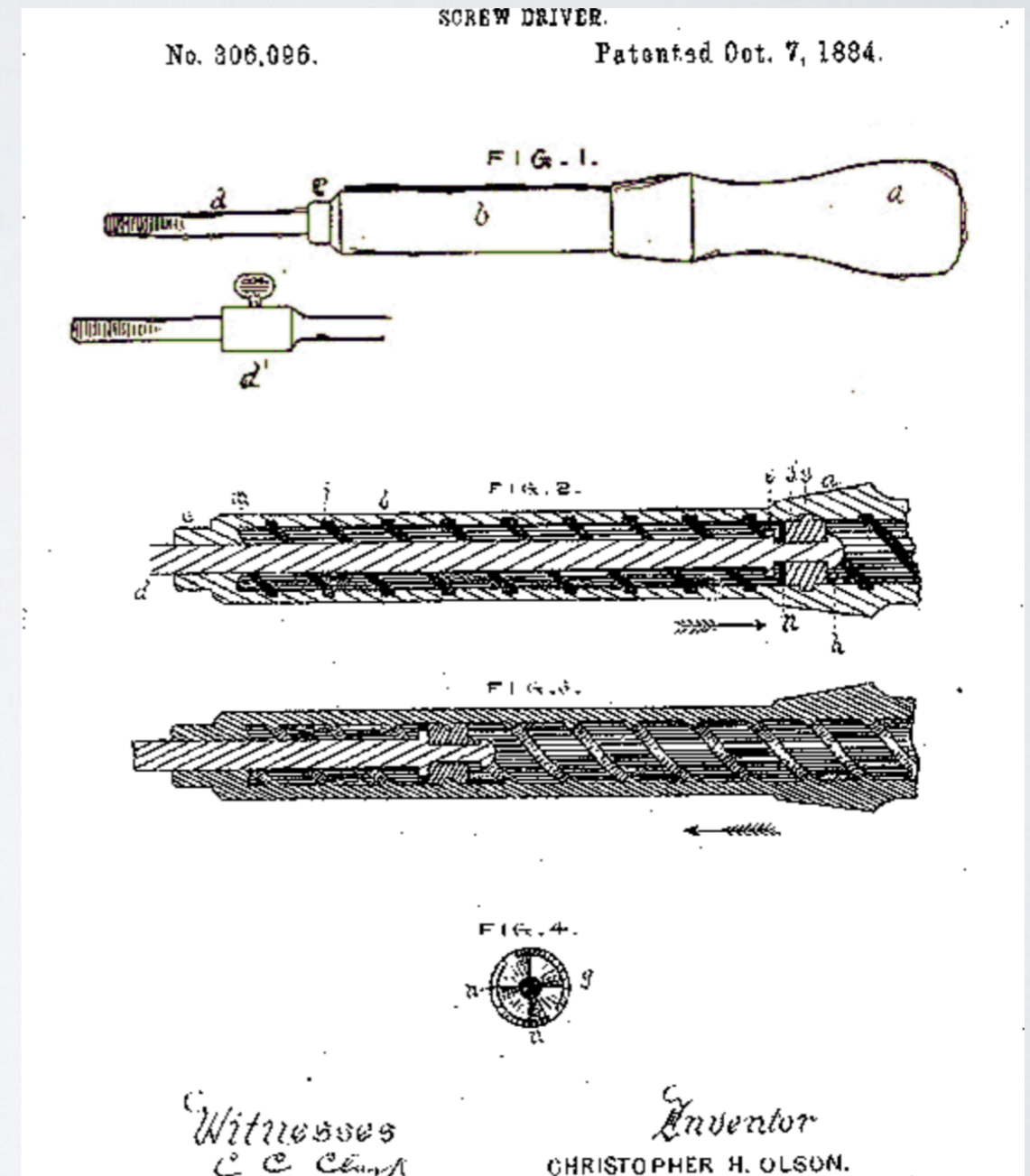
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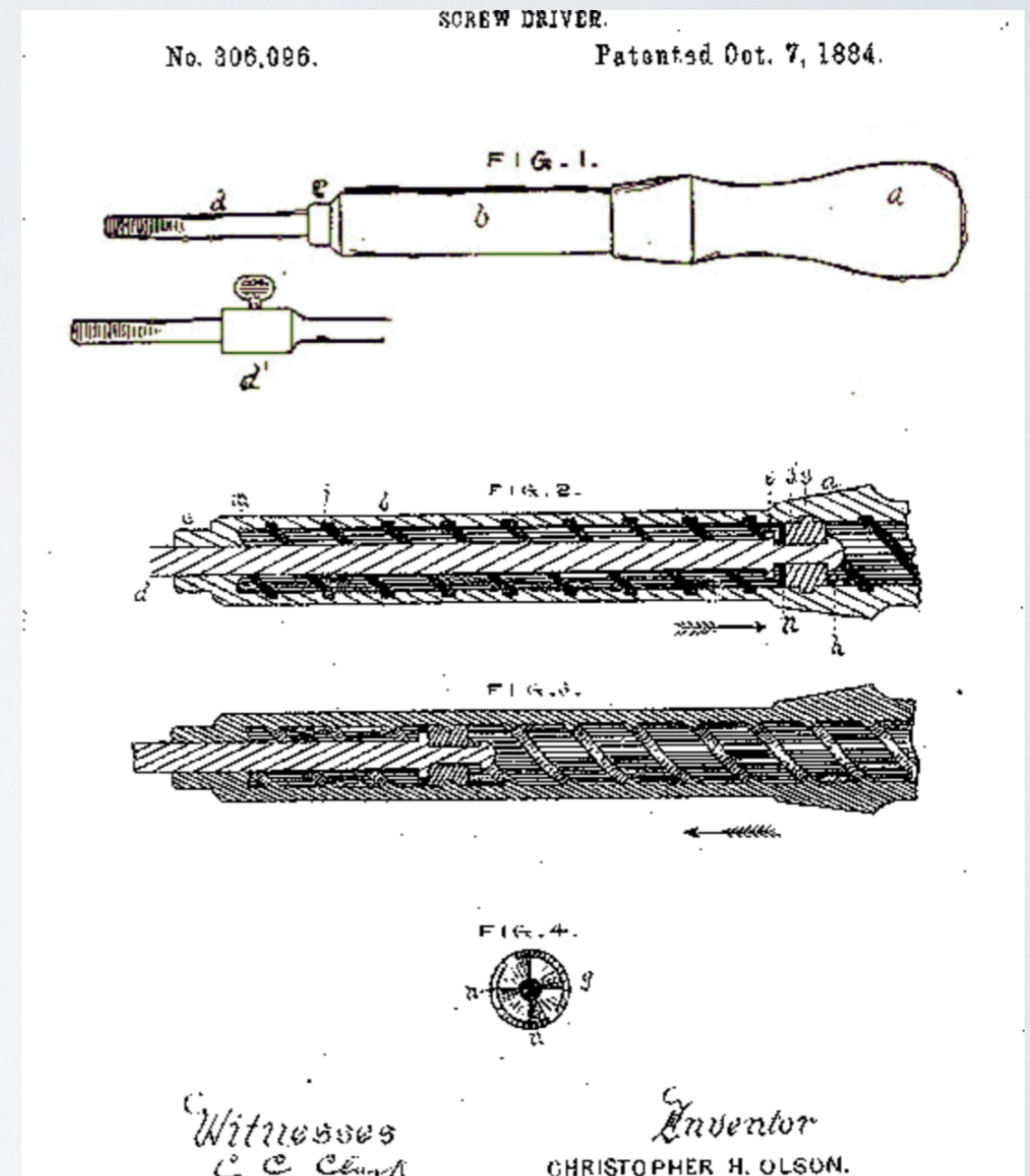
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- Some technologies don't last past the term of a patent
- Patent strategy depends upon the perceived longevity of the technology



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 - \$1,700,000 (BNA, 2017)

THE **GOOD** NEWS

Litigation Costs Went Down by 47% Since 2015

THE **BAD** NEWS

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SMALL COMPANIES ***STILL***
CANNOT AFFORD TO SUE OR BE
SUED FOR PATENT INFRINGEMENT

IT IS A BIG BOY'S GAME

THE AIA ONLY
MADE IT MORE SO

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- The financial condition of your likely opponent(s).
- What licenses do you need to pursue business?

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 - Besides, you may be more nimble than they...

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 - Even the medium may not want to risk it (but might if they have to)
 - The large have deep pockets, and their own patent portfolio

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- However, executives of small clients are more likely to say something profoundly stupid.

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- They are more likely to scrutinize validity — do your homework (called due diligence)
- If you assert a patent against them, don't be surprised if you end up in an *inter partes* review before the PTAB
- If they assert against you, look into the *inter partes* review at the PTAB

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- Financial attrition by litigation
- Best to stay below their radar

QUESTIONS?



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TexasComputerLaw.com

713-302-1679