

UNIVERSITY OF ILLINOIS
AT URBANA-CHAMPAIGN

Patent Law And Its Impact on ECE Grads

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Who the heck is Joe Barich?

- ECE grad – 94 BS, 96 MS
- 2010 ECE Young Alumni of the Year
- About 13 years experience at a large IP/Patent specialty law firm - Shareholder
- Adjunct Professor, CoL for 6 years - teaches Patent Prosecution, founded Patent Clinic
- Visiting Lecturer in College of Engineering teaching Engineering Law
- *Illinois Rising Star* on the *Super Lawyers* list – 2008, 2009, 2010



- What is a Intellectual Property (IP)?
- Copyrights, Trademarks, and Patents – and how they compare
- My path from ECE to Law



What is IP? - 1

- “Intellectual Property” is a generic category for several very different rights including:
 - Copyrights
 - Trademarks
 - Patents
- Note: there are a number of other IP rights
 - Trade Dress
 - Trade Secret
 - Maskworks, etc.



What is IP? - 2

- Right to exclude or prevent someone from doing something
- Civil right – government registration and you go to court to enforce
- Each of the three main rights are directed to something different
 - Copyright – How it looks or sounds (expression)
 - Trademarks – Who sold it
 - Patent – How it works (functionality)



What Is A Copyright?

- Exclusive right to a work of expression, such as a written story, a painting, or a song.
- The subject of the copyright must NOT be functional – if it's functional, look to patents
- Lasts for a LONG time – life +70 or 120 years
- Copyrights provide exclusive rights with regard to appearance or expression, but may be curtailed in certain situations such as fair use or parody, for example.



How Do I Get A Copyright?

- Copyright “subsumes” in the work at the moment of the work’s creation
- Register your copyright at Copyright Office
 - If unregistered, must prove damages
 - If registered, then statutory damages
 - RIAA - \$0.23/song vs. \$5000 per song
- Mark your work to provide notice
 - © 2010 Joe Barich OR Copyright 2010 Joe Barich



What Is A Trademark?

- A mark that identifies the origin of goods or services in trade
 - Protect consumer from counterfeit products
 - Can last forever – as long as you use it
- Infringement if “consumer confusion”
 - If a consumer would think that goods from a second company actually originated from the company owning the trademark, then there may be infringement.
- Same mark may be used in different fields without confusion



How Do I Get A Trademark? - 1

- Start selling goods with a mark on them.
- Common Law Trademark Rights – arise when you sell your first product
 - Limited geographic scope
 - Must prove damages
 - May not be able to expand
 - Use of “Happytime™” – provides notice that you are claiming Happytime as a trademark, but you may not be legally entitled to it
 - No examination – sue them to test their right



How Do I Get A Trademark? - 2

- Registered Trademarks - register with the Patent and Trademark Office (PTO)
 - Mark is examined
 - Mark is published for opposition
- Federally Registered Trademark = ®
 - Geographic scope of the entire US
 - Statutory Damages
 - May become incontestable
- Mark your product to provide notice
 - Only registered products can use ®



What is a Patent? - 1

- Legal right to exclude others from practicing your invention
 - Make, use, sell, offer for sale, import
 - Not a right for you to use, make or sell
- Does not guarantee that you are not infringing other patents
- A sword, not a shield - does not “protect”, except as deterrent
- In the Constitution itself – Art 1, Sec. 8, Clause 8



What Is A Patent? - 2

- Functionality - How something works.
 - Not expression – see Copyright
- Lasts for 20 years from its date of priority (typically its date of filing).
 - But! takes 3-5 years to issue as a patent right thus providing an enforceable term of approximately 15-17 years.



When Do Rights Arise?

- Copyright – rights at creation, registration increases rights
- Trademark – rights at first use, registration increases rights
- Patent – no rights at creation. Patent rights must be applied for at the Patent and Trademark Office (PTO) and issued by PTO.



How Do I Get A Patent?

- Draft patent application and submit to PTO
 - Patent application is long, technical document
 - Best to seek legal assistance
- Patent application includes:
 - Specification describing the invention
 - Claims – very specific - what you can exclude others from doing.
 - Claims are only legal right you can use to sue
- PTO rejects your claims and you negotiate, argue, and amend



Patent Statutory Requirements

- To get a patent, claims must:
 - §101 – Claim statutory subject matter - fit within the statutory classes of patentable subject matter.
 - §102 – Be Novel - no one single piece of prior art teaches all of the limitations in your claim.
 - §103 – Be Non-obvious - seven PTO rationales based on prior art
 - Note: Claims may be narrower than you suspect - may be possible to “design around”



Patent Terminology Note

- Filing = “Patent Pending”
- Someone who has filed a patent application with the PTO is said to be “prosecuting a patent” and the process is often called “patent prosecution.”
- No rights to enforce patent until issuance
- “Patent Pending” has even less of a right than “TM”



Warning! - BAR DATES!

- U.S. has One Year Grace Period from date of first disclosure/commercialization – file app or lose it
- Foreign = No Grace Period – disclose/commercialize before filing and you blew it
- Foreign rights can be preserved by filing an application in the U.S. before disclosure and then later filing foreign app claiming priority to U.S.
- Disclosures in confidence (to attorney, under agreement of confidentiality), without commercialization, are typically OK



Computer Software

- May be able to obtain both copyright and patent for computer software
- Software written on paper is considered a non-functional literary work, therefore copyrightable
- Software executing on a computer is considered functional. If it is statutory subject matter, novel and non-obvious, it may be patentable.



How ECE Grads Can Use Patents - 1

- Patents can be truly powerful
 - Can provide for exclusive use/sale of a function
 - May give you an exclusive market
 - Strong barrier to entry
 - Most valuable IP type – “strongest lever”
 - IP is really a way to legally distort market power to your advantage
 - Often the primary asset of a start-up
- Can be expensive to obtain and defend
- Compare with trade secret which can give competitive advantage, but no barrier



Ownership of IP Can Be Tricky

- Lots of mistakes here in practice
- Understand when IP is created and lock it up immediately – if not before
 - Vendor and supplier IP agreements
 - Employee contracts
 - Joint venture provisions
 - Open Source concerns
- Document creation and ownership of work
- When in doubt, document again



Joe's Path

- The fateful decision maker – hot chocolate
 - Explorations
 - Engineering Law
- Law school or grad school?
- Reconsideration!
- Choosing a law school = ~
- Choosing where to practice = +
- Choosing my firm = +
- Working really, really hard = ~



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Thanks!

Questions?



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