

IMPORTANT FACTS REGARDING U.S. PATENT PROTECTION

1. You have only one year in which to apply for patent protection in the U.S. after any “public” disclosure of your invention, i.e. a one-year “grace period.” Any disclosure of your invention via publication, offer for sale, sale, or even “secret” use of the invention of a commercial nature could trigger the start of this one-year period. If you are unsure whether your commercial activity might have triggered the beginning of this one-year grace period, consult our office.
2. If you are interested in foreign patent protection, for most countries, your U.S. application must be filed before any nonconfidential disclosure of the invention. In other words, any nonconfidential disclosure of the invention could prevent the grant of a valid foreign patent, even though the U.S. patent is filed within the above-noted one-year grace period. One well-recognized way to preserve foreign patent rights is to file the U.S. application before any disclosure of the invention, confidential or otherwise, and then to file any foreign applications within one year of the U.S. filing date to obtain the priority date of the U.S. application.
3. A patent will only be granted if the invention is (1) useful, (2) novel, and (3) unobvious to one of ordinary skill in the art as determined by viewing all relevant prior art. A patentability investigation is required if we are to evaluate the novelty and unobviousness of your invention.
4. Any relevant prior art you are aware of must be called to our attention. There is a duty of candor to the U.S. Patent Office, placed on you and us, to call to the attention of the Patent Office any and all relevant prior art. By “prior art” we mean anything relating to the subject matter of your invention which occurred before the filing of your patent application. This could take the form of, for example, prior publications, patents, sales, offers for sale, prior uses or demonstrations of the invention by you or others, written descriptions, etc. If there is any doubt about what information should be disclosed, please disclose all potentially relevant information to us so that we may make the determination as to whether it should be disclosed to the Patent Office to meet the duty of candor.

5. The following points relate specifically to the prosecution and pendency of a U.S. patent application, once it has been filed:
 - A. The application will be held in confidence by the U.S. Patent Office and by all of the attorneys and employees of our firm, so that third parties may not see it without your approval. In most situations, the Patent Office will publish the application 18 months after it has been filed.
 - B. It will take several months, i.e., generally at least 9-12 months, though sometimes longer, before a U.S. patent examiner reviews the application to determine if the conditions of patentability have been met. Many times a rejection over the prior art will be given, most often based on obviousness. If the application is rejected, we must prepare a written amendment or argument, or both, to overcome the rejection. Normally, it will be about 1½-3 years before any patent is granted; but in some cases it could be granted in a shorter, or a much longer, period.
 - C. After the application is filed you may use the notice “patent applied for” or “patent pending” on the invention, brochures, or any material advertising or describing the invention. Such a notice puts competitors on notice that you have applied for a patent; but these competitors will not know the scope of patent coverage until the application is published and later granted. These designations may not be used unless an application has actually been applied for.
 - D. It is the policy of our firm to keep you advised of the proceedings in the U.S. Patent Office.
6. Even though you have or may obtain a U.S. patent, the manufacture, use or sale of your invention may infringe someone else’s unexpired U.S. patent. In other words, your patent does not give to you a right to make, use, or sell your invention, but only a right to exclude, i.e. to stop, others from making, using, or selling your invention. To determine whether or not any making, using, or selling of your product or invention would infringe the patent of another, we must perform an infringement investigation. In an infringement investigation, which is more comprehensive than the patentability investigation discussed above, we search for and review those unexpired U.S. patents which would most likely be infringed by your invention, and then we provide a legal opinion on the issue of infringement for all of

the relevant patents located in the search. Because of the rather exhaustive nature of the patent searching required in an infringement search, the depth of review required for the relevant patents located in the search, i.e. analysis of every claim, and the current legal standard for patent infringement opinions, the costs of an infringement investigation can be fairly high. These costs are typically in the range of about \$4,000 to \$25,000, or even higher. We usually recommend performance of an infringement investigation before any significant commitment of resources to tooling, inventory, or advertising.

7. Before discussing your invention with someone else, there should be a written document signed by the other party which indicates that the disclosure of the invention is in confidence and that the invention will not be used by the other party or subsequently disclosed to others. We can prepare such agreements. Such agreements are frequently used to establish confidential relationships with prospective licensees and to maintain the confidential nature of the invention, which can be particularly important if foreign patent protection on the invention is sought.
8. In assisting us to prepare a patent application, you should thoroughly consider what alternatives might be used as a substitute for each element of your invention and what variations are possible. Write down and sketch, if possible, all of your concepts related to, and possible alternatives to, your invention; then have someone you trust read and witness the documents by signing and dating them. Keep these records. This is especially true of your first written description.
9. We are not marketing experts and we do not evaluate the market prospects for your invention. We can, however, assist you with licensing your invention once you have found an interested investor or manufacturer. Sometimes we can provide advice as to how you can obtain worthwhile marketing assistance.
10. Check with us before signing any agreement with an invention broker. You should exercise extreme caution in dealing with providers of such services since it is easy to part with large fees for very little real value received.

If you have questions, call HASSE & NESBITT LLC at (513) 229-0383, ext. 105 and ask for Ron Richter.