

Monitors "Beyond the Law" / IP Asset Management
May 21, 2008

Presented by New to In-house Committee of Association of
Corporate Counsel

Panel

Presenters:

- Cheryl H. Agris, PhD, The Law Offices of Cheryl H. Agris, PhD, PC, Pelham, NY
- Mark Medice, Business of Law, Westlaw Business a Division of Thomson-Reuters

Moderator:

- Susanna McDonald, General Counsel, Director of Information, Claimant Management Systems

Polling Question #1

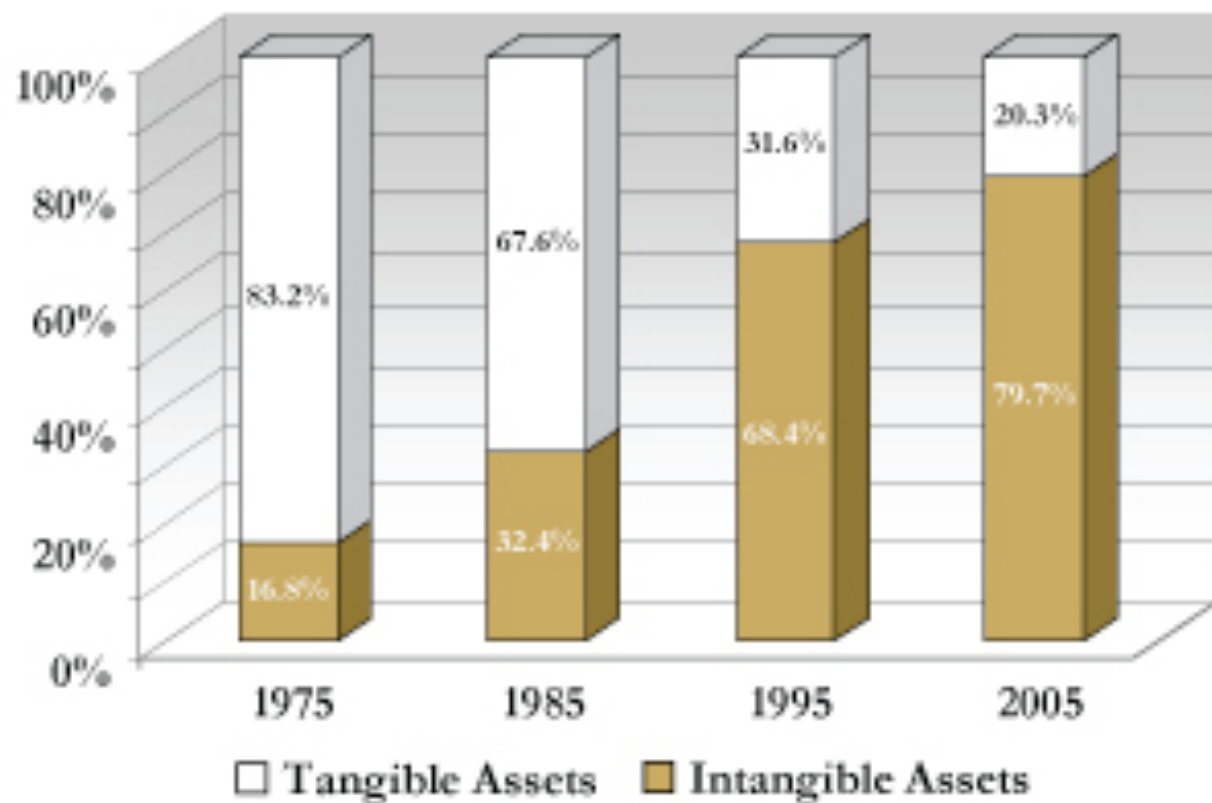
◆ I am the:

- A. General Counsel
- B. IP Attorney or Chief Patent Counsel
- C. Attorney
- D. Licensing Executive
- E. Other

Patents as Assets

- ◆ Patents have value
 - ◆ Can sell them
 - ◆ Can license them
 - ◆ Can be used as collateral
- ◆ Have offensive and defensive uses

Components of S&P 500 Market Value



Source: Ned Davis Research

Agenda

- Patent Uses
- Managing Your Patent Assets throughout its Lifecycle
- Tools
- Resources

Patent Uses

- Offensive Uses
 - Generate/enhance revenue (licensing, securitization)
 - Establish foothold with respect to product and/or technology
 - Prevent others from copying product/establish exclusivity (litigation)

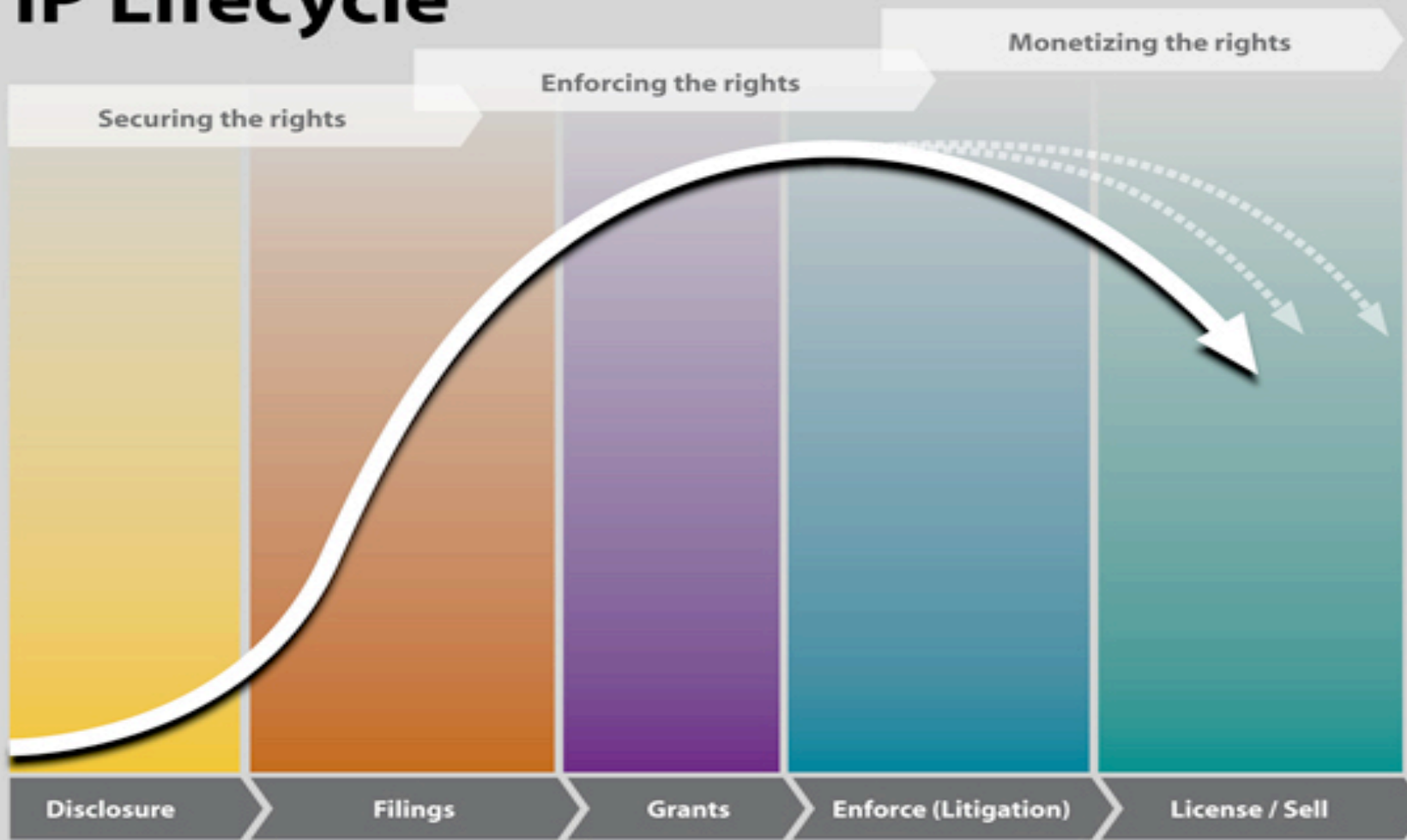
Patent Uses

- Defensive Uses
 - Freedom to Operate
 - Use as a bargaining chip with a competitor

Polling Question #2

- My company
 - A. Does not have any program for managing IP
 - B. Outsources management of IP to outside counsel
 - C. Has a program for managing IP in-house
 - D. Actively licenses IP in addition to the above

IP Lifecycle




Disclosure

- Before obtaining patent protection, the following steps need to be taken
 - Freedom to Operate
 - Patentability Determination
 - Scope of Patent Protection

Freedom of Operation

- Search currently issued U.S. and pending applications to determine if your proposed process would potentially infringe claims of U.S. patents or pending application.
- If potential markets in other countries, extend investigation to non-US patents

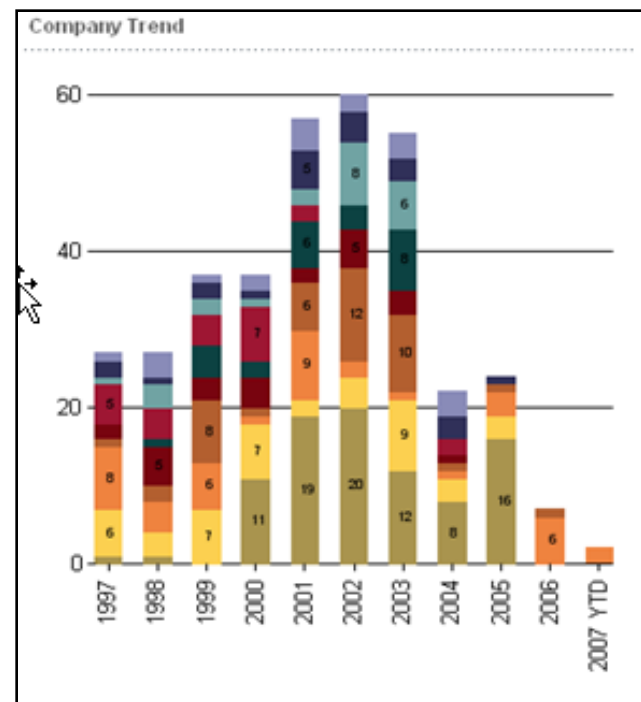
Freedom of Operation-How?

- Search competitors or other players in technology area
-  Search subject area

Freedom to Operate

Robotics-Which companies prolific?

Company		
	Events	%
SONY CORP	88	7.4 %
FANUC LTD	44	3.7 %
MATSUSHITA ELECTRIC INDUSTRIAL CO LTD	43	3.6 %
INTUITIVE SURGICAL INC	43	3.6 %
SAMSUNG ELECTRONICS CO LTD	25	2.1 %
KUKA ROBOTER GMBH	24	2.0 %
APPLIED MATERIALS INC	24	2.0 %
COMPUTER MOTION INC	23	1.9 %
ABB PARTICIPATION AB	22	1.9 %
TOKYO ELECTRON LTD	19	1.6 %
Other Companies	833	70.1 %



Case Study

- Researcher in Pharmaceutical Company proposes to Group Leader a project for obtaining a novel non-aspirin analgesic. Proposes making compounds A, B and C with a certain core structure.
- What steps should be taken?

Case Study

- Search patent portfolios of Pharmaceutical Company Y and Z, makers of analgesics
- Conduct patent search for aspirin free analgesics
- Conduct search of core chemical structure

Freedom of Operation

- Identify Patents/Published Patent Applications of Interest
 - Determine status of patent application(s)/issued patents
 - Still pending if patent application? If so, where in the process?
 - If issued, have maintenance fees been paid?
 - Review chain of title
 - Determine if subject to reissue/reexamination/interference/litigation
 - Determine if patent has been licensed or subject to security interest

Freedom of Operation

- Identify Related Filings
- Determine if Foreign Counterparts have been filed
- Review patents to determine scope of protection

Patentability

- Review patent searches
- Search technical literature
- Consider defensive publication

Patentability Determination

- Is it novel?
- Is it non-obvious?
- Does it constitute patentable subject matter?

Scope of Patent Protection

- Determine scope of protection that may be obtained in view of prior art
 - Product claims?
 - Could related compounds be covered?
 - Method of use?
 - Method of Making?
- Ease of designing around

After filing the patent application.....

- Continue freedom of operation studies
- Continue to monitor non-patent literature
- Continue dialog with respect to potential markets
- Set up Competitive Intelligence Program

Polling Question #3

- My company closely monitors IP activity:
 - A. By industry
 - B. By technology
 - C. By company
 - D. All the above
 - E. None the above

Review by Technology Area – Robotics (901)

Patents

Classification Industry Inventor Location
Company Firm Attorney

Taxonomy: U.S. Patent Classification ▼

Classification Code or Name: robot I

Go 901 - ROBOTS

To search for a classification, select a taxonomy from the pull-down, enter a code or classification name in the search field, select a classification from the dropdown and click the "Go" button. To browse all classifications, click the View All Classifications link.

[View All Classifications for Selected Taxonomy](#)

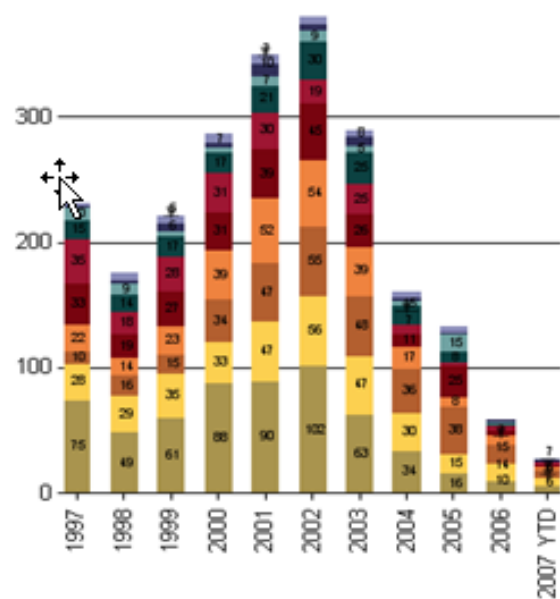
Competitive Intelligence

Robotics–Patenting Distribution–10 Years

Patent Classification

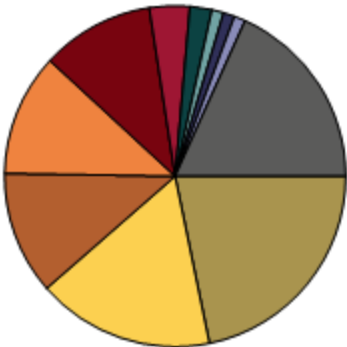
	Events	%
901.030: END EFFECTOR	594	25.6 %
901.002: ARM MOTION CONTROLLER	340	14.6 %
901.001: MOBILE ROBOT	321	13.8 %
901.046: SENSING DEVICE	278	12.0 %
901.014: ARM MOVEMENT (SPATIAL)	261	11.2 %
901.019: DRIVE SYSTEM FOR ARM	203	8.7 %
901.027: ARM PART	164	7.1 %
901.049: PROTECTIVE DEVICE	67	2.9 %
901.048: COUNTERBALANCE	44	1.9 %
901.050: MISCELLANEOUS	39	1.7 %
Other Classifications	12	0.5 %

Patent Classification Trend



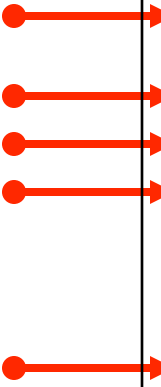
Medtronic 10-Year Trend

Patent Classification Distribution

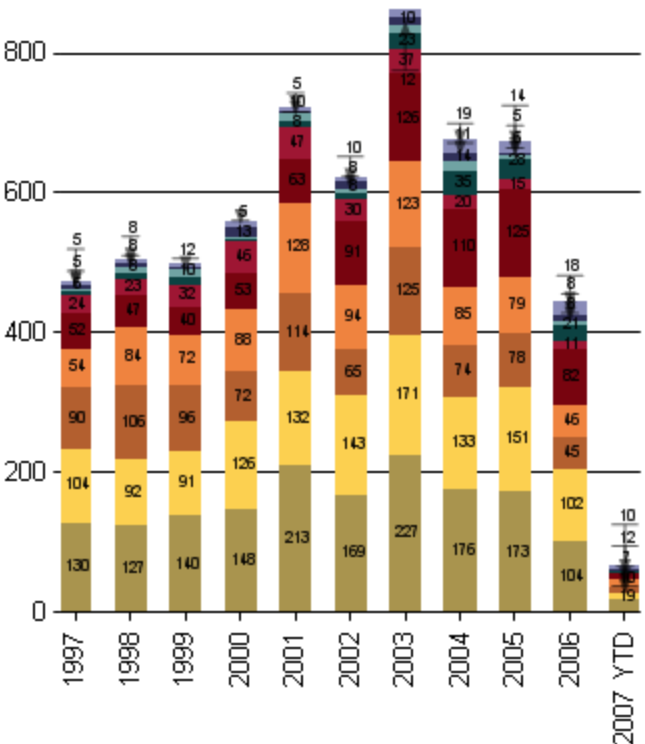


Patent Classification

Patent Classification	Events	%
607: SURGERY: LIGHT, THERMAL, AND ELECTRICAL APPLICATION	1626	21.8 %
606: SURGERY	1255	16.8 %
604: SURGERY	872	11.7 %
600: SURGERY	865	11.6 %
623: PROSTHESIS (I.E., ARTIFICIAL BODY MEMBERS), PARTS THEREOF, OR AIDS...	799	10.7 %
128: SURGERY	285	3.8 %



Patent Classification Trend

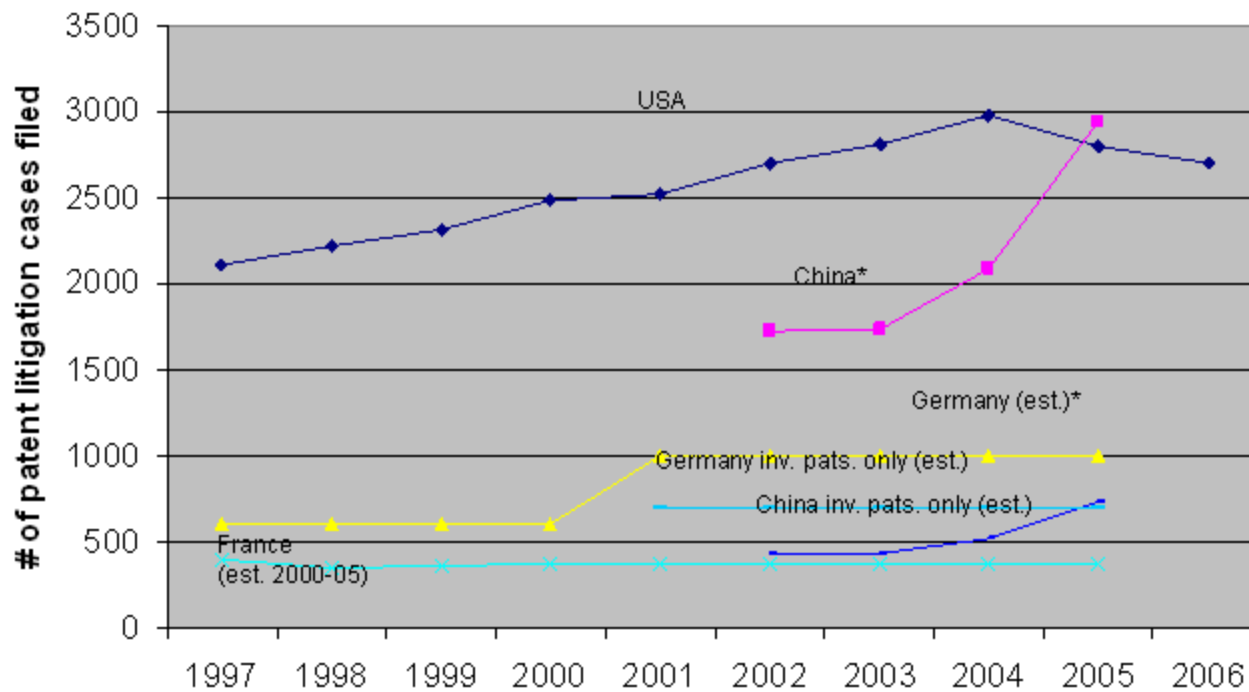


Report Criteria

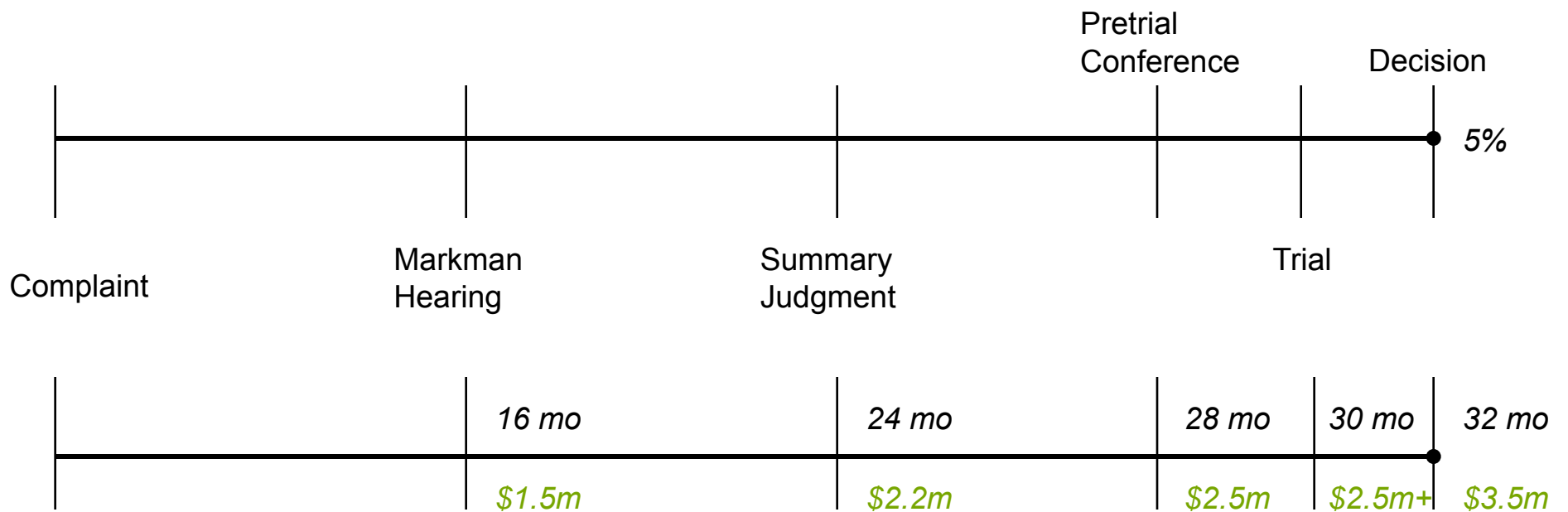
Post Issuance Activities

- Enforcement
- Raise Revenue
 - Licensing
 - Securitization
 - Sell portfolio

Post Issuance Activities-Enforcement Litigation Trends - Patents



Costs of Patent Litigation Skyrocketing



Costs of Patent Litigation ~25% More Than Other Litigation

Intellectual Property Business Models

Licensing-focused entities (e.g. Thinkfire, IPvalue)	- Help companies commercialize intellectual property
Auctions (e.g. Ocean Tomo)	- Organize multiple auctions per year - Sellers include individuals, large companies
Portfolio assertion companies (e.g. Acacia, Mosaid)	- Assert individual portfolios
Investment companies (e.g. Rembrandt IP, Altitude Capital)	- Private investment companies - Finance later-stage development or litigation

Source: *Intellectual Ventures, LLC*

Post Issuance Activities

- Review patent portfolio
 - Acquire Related Technologies
 - Determine whether to maintain or abandon patent position
- Continue competitive intelligence

Effective Patent Portfolio Management

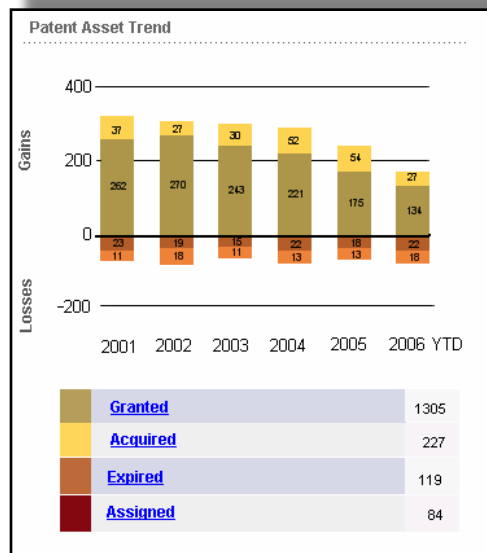
- Keep track of your company's patent portfolio
- Competitive Intelligence
- Communicate!
 - R & D
 - Business Development Teams

Tools

- Publically and commercially available scientific (<http://www.ncbi.nlm.nih.gov/sites/entrez/>), business (<http://www.sec.gov/cgi-bin/srch-edgar>) and/or patent databases (www.uspto.gov)
- Patent docketing systems
- Cost estimating systems
- Competitor assessment services

West IP Monitor (<http://www.westmonitor.info>)

- Provides analysis of important patent and trademark activities, applying exclusive content from Thomson, including Derwent.
- Analyzes entire IP lifecycle, accessing 30 million patent / mark records from 41-patent issuing authorities.
- Provides push-of-a-button insights to very difficult to gather intelligence, such as patents -in-litigation by class, company, etc.



Example Uses:

- Portfolio review
- Supporting filing strategies
- Supporting licensing activities
- Analyzing risks to litigation
- Supporting FTO analyses

Westlaw Patent Practitioner

The screenshot displays the Westlaw Patent Practitioner interface. At the top, the Westlaw logo is on the left, and navigation links for FIND&PRINT, KEYCITE, DIRECTORY, KEY NUMBERS, COURT DOCS, and SITE MAP are in the center. On the right, there are links for HELP, SIGN OFF, Preferences, Alert Center, and Research Trail. Below the navigation bar, a series of tabs includes Business & News, 50 State Surveys, Patent Practitioner (which is selected), Trademark, UK IP, International IP, and Add/Remove Tabs.

The main content area is divided into several sections:

- Shortcuts:** Includes Andrews Litigation Reporters, Current Awareness (with a dropdown for updates and a Go button), Search (with links to Court Documents and Litigation Reporters), KeyCite this Patent (with a search box and Go button, and an example: US PAT 4491377), Find by citation (with a search box, Go button, and a checkbox for "and Print", and an example: US PAT 4491377), Search for a database (with a search box, Go button, and dropdowns for Recent and Favorite Databases, and links to View Westlaw Directory and View IP Directory), and Case Evaluator (with a Create Report link and a link to What is Case Evaluator?).
- Resources:** Includes West eLearning Center (with a link to Free Westlaw lessons), Prior Art (with links to U.S. Patents & Assignments, U.S. Patents - Pre 1976, Patent Cooperation Treaty Patents, World Patent Families (Derwent), Industry Background / News, Order Patent File History, Link to Delphion Patent Research, and Search More Prior Art), Prosecution Practice Guides (with links to Patent Practitioner Analytical Library, Practitioner's Manual of Patent Examining Procedure, Moy's Walker on Patents, Patents Handbook Series (PLI), Patent Applications Handbook, Patent Law Fundamentals, Patents Throughout the World, Biotechnology and the Law, and Search More Practice Guides), and Court Records & Litigation Tracking (with links to Dockets - Patents, Patent Docket Summaries, Patent Trial Filings, Patent Briefs, Expert Witness Filings, Civil Jury Instructions Filings, and Search More Litigation Sources).
- Jury Verdicts:** Includes a link to All Jury Verdicts.
- Litigation Practice Guides:** Includes links to American Law Reports - Patents, Patent Damages Law & Practice, Intellectual Property Litigation Guide, Patents and the Federal Circuit (Harmon) (BNA), Patent Litigation, Protecting IP Rights Across Borders, and Search More Practice Guides.
- Cases, Statutes & Regulations:** Includes links to Fed. IP - Decisions and Annotated Patent Digest (Matthews).

QUESTIONS

- For Further Information Contact
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