

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



USPTO and the Role of IP in Business

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UNITED STATES
PATENT AND TRADEMARK OFFICE



Leveraging IP for Business Success

IP and the U.S. economy

27.9M

IP-intensive jobs (2014)

38.2%

IP-intensive industries
share of total US GDP
(2014)

\$6.6 trillion

Value add of IP-intensive
industries (2014)

\$1,312/week

(46% higher)

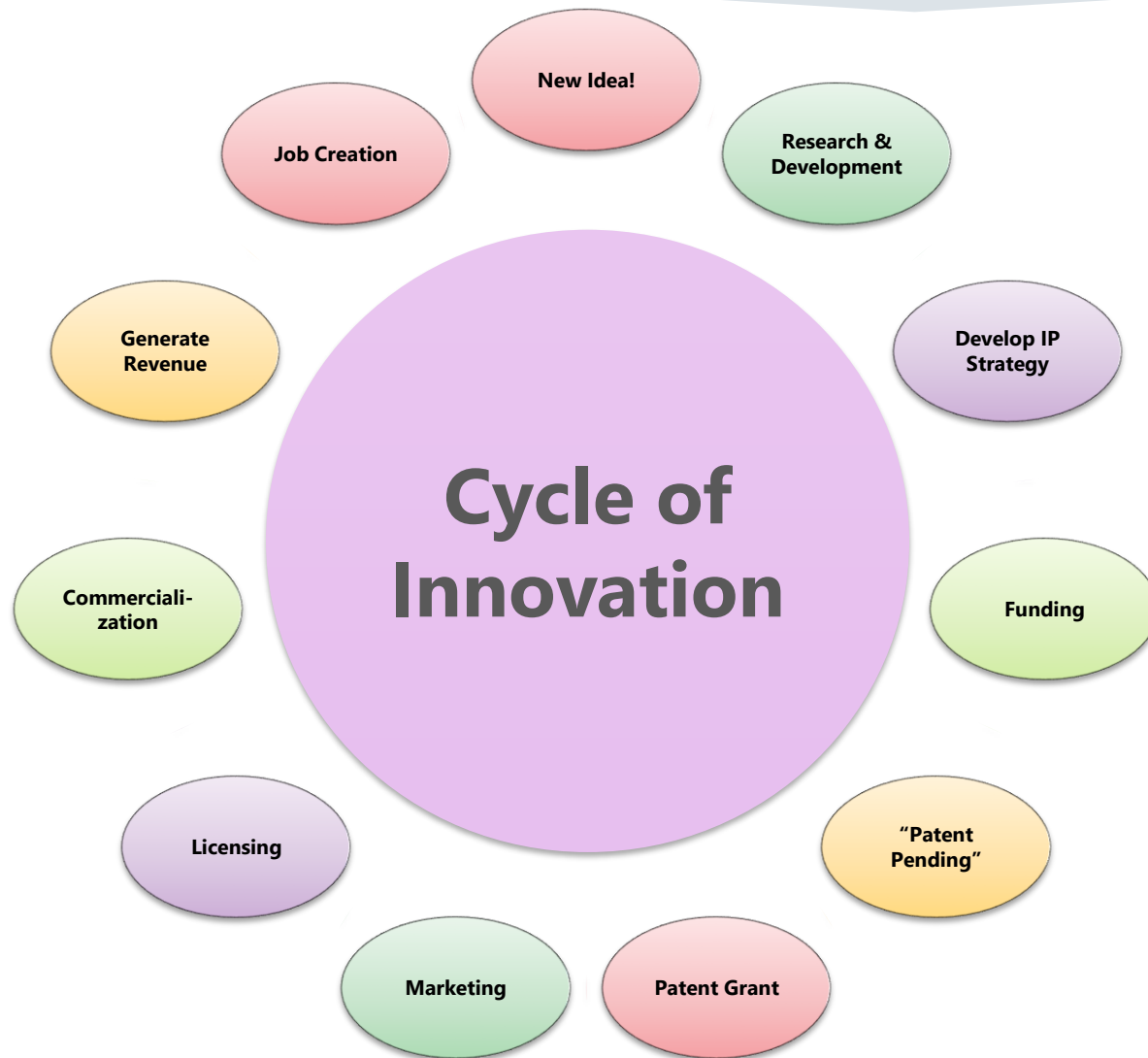
Avg. weekly wages for
workers in IP-intensive
industries

\$115.2 billion

Revenue specific to the
licensing of IP rights
totaled (2012)

28 Industries

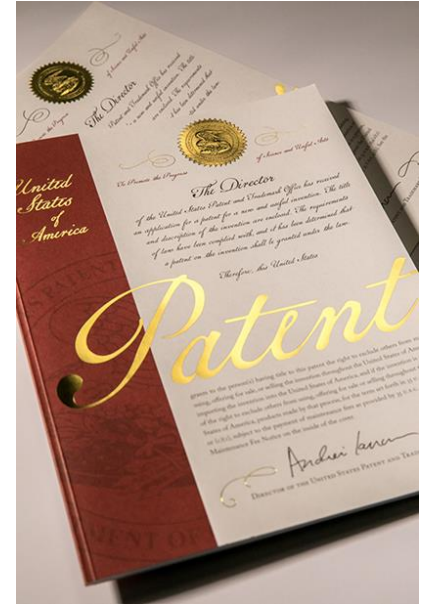
Deriving revenues from
licensing



First patent grant advantages

Five years from first patent

- 36% employment increase
- 51% increase in sales growth



First patent grant advantages

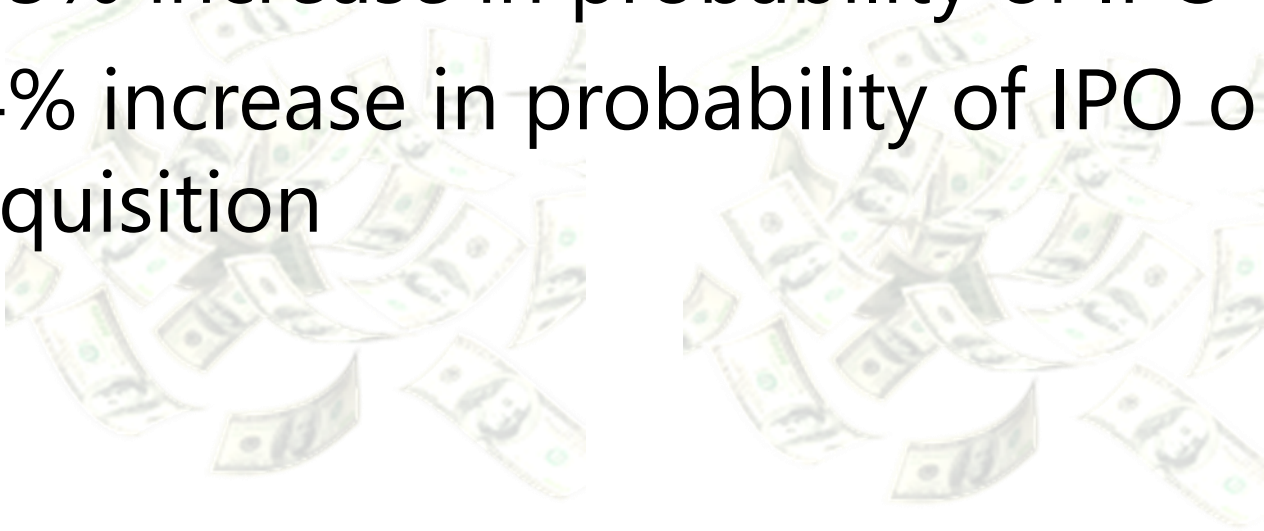
- Increases likelihood of additional patents
- Increases quality of patents
 - Number of citations to patents increases 26%
- Facilitates access to capital
- Rewards investors

Facilitate access to funding

- 53% increase in probability of VC funding
- Small increase in likelihood of seed round
- 47% increase in probability of 2nd round of funding

Reward investors

- 153% increase in probability of IPO
- 84% increase in probability of IPO or acquisition



Value upon dissolution

- Extraction of value possible even at the end of business lifecycle
- *Example:* Jawbone – estimated value of assets between \$25 and \$40 million



4Ws of IP

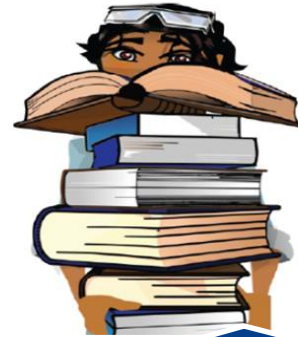
Intellectual property



Patent



Trademark



Copyright



Trade Secret

IP strategy is a business strategy

- Attractive to investors and buyers
- Deters infringement lawsuits
- Can increase leveraging power
 - Mergers and acquisitions
 - Canary in the coal mine
- Property right that can add value to a company
- Global

Intellectual Property (IP) Considerations for Your Business

Have you established the following IP programs to identify, protect, and use the IP that you develop?

- ☐ Invention Harvesting or Mining System
- ☐ Invention Disclosure System
- ☐ Licensing/IP Monetization Strategy
- ☐ Enforcement Strategy
- ☐ IP Portfolio Management System
- ☐ Trade Secret Theft Program

Have you thought about how you will deal with IP ownership in the following employment contexts?

- ☐ Former employees
- ☐ Current employees
 - Including those who may have multiple jobs or own their own business.
 - Including potential employees under a non-compete agreement
- ☐ Contractors
 - Work for Hire
 - Joint Developments

Have you thought about the IP rights you need to operate your business in the following context?

- | | |
|---|--|
| <input type="checkbox"/> Software licenses | <input type="checkbox"/> Intellectual Property licenses |
| <input type="checkbox"/> Joint Development Agreements <ul style="list-style-type: none">- With universities and non-profits- With Federal, state, and local governments- With other companies | <input type="checkbox"/> Procurement agreements and purchase orders with suppliers and vendors |
| | <input type="checkbox"/> Intellectual Property Insurance |
| | <input type="checkbox"/> Non-disclosure agreements |

Intellectual Property (IP) Considerations for Your Business

Have you looked at IP rights when you are purchasing or selling a company or a line of business?

- ☐ Transferred (received or sold) intellectual property assets and the associated rights
- ☐ Chain of title for the intellectual property asset
- ☐ Representations and warranties securing the intellectual property right
- ☐ Third party rights encumbering the intellectual property asset
- ☐ Software licenses and rights transferred with the software license

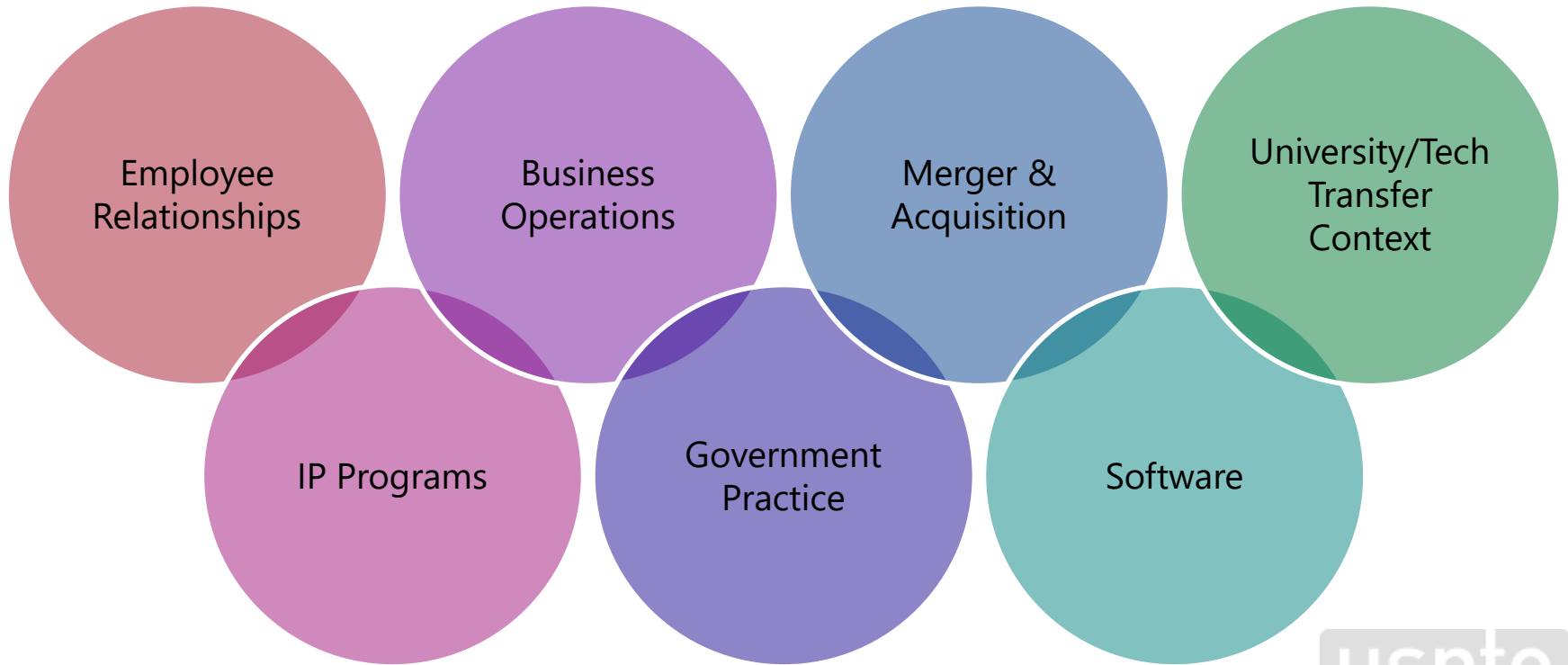
Are you working with a university or a government entity and have you considered IP ownership in the following context?

- ☐ Joint Development Agreements
- ☐ Government license and march-in rights
- ☐ Technology transfer ability
- ☐ Ownership of work developed by professors and students (undergraduate & graduate)
- ☐ Technology developed under secrecy orders

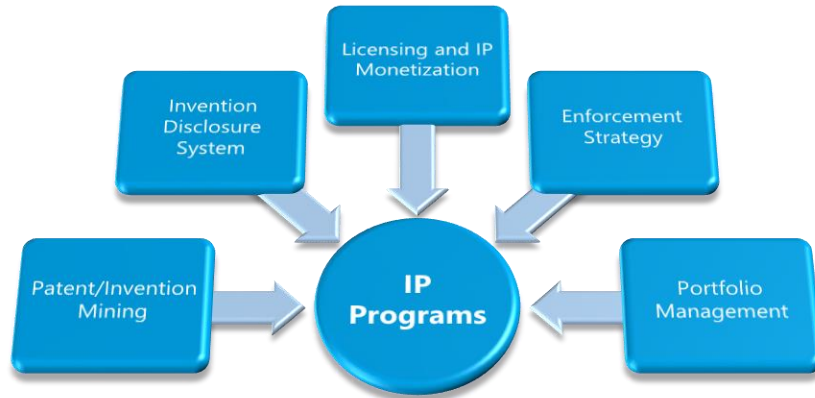
What are your intellectual property obligations for the software that you purchased or licensed?

- ☐ Audits and reporting requirements
- ☐ Usage of open source software
- ☐ Clickwrap Agreements
- ☐ Shrinkwrap Licenses
- ☐ Development projects and software code development with mix of new and licensed software

Where do IP rights come into play?

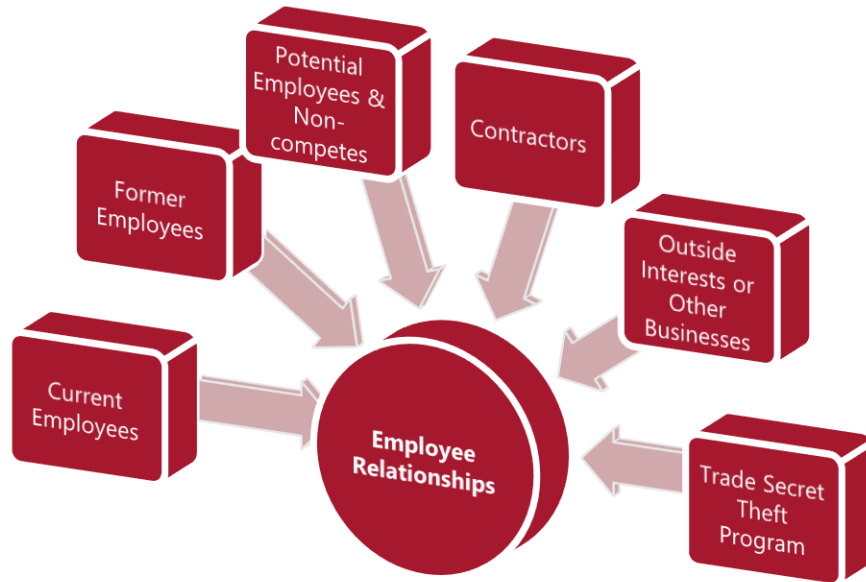


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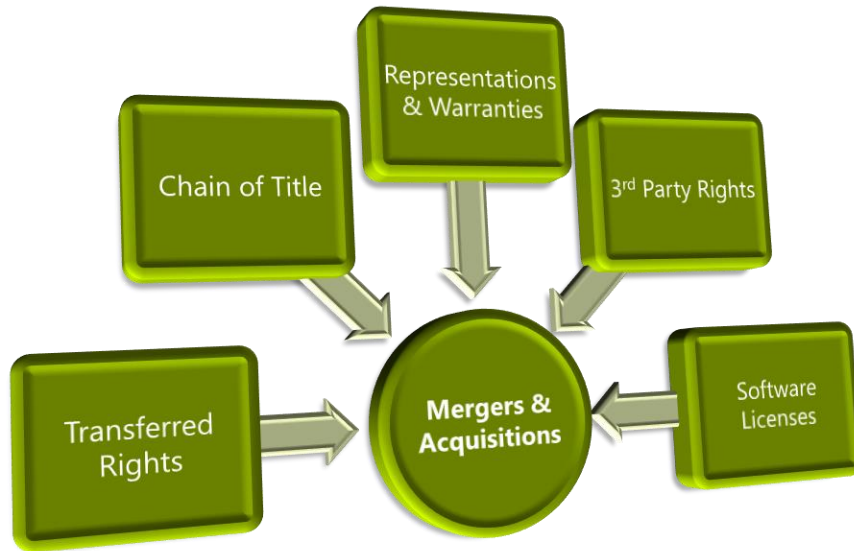
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- ☐ Contractors
 - ☐ Work for Hire
 - ☐ Joint Developments

Have you thought about the IP rights you need to **operate your business** in the following context?



- ☐ Software licenses
- ☐ Joint Development Agreements
 - ☐ With universities and non-profits
 - ☐ With Federal, state, and local governments
 - ☐ With other companies
- ☐ Intellectual Property licenses
- ☐ Procurement agreements and purchase orders with suppliers and vendors
- ☐ Intellectual Property Insurance
- ☐ Non-disclosure agreements

Have you looked at IP rights when you are **purchasing or selling a company or a line of business?**



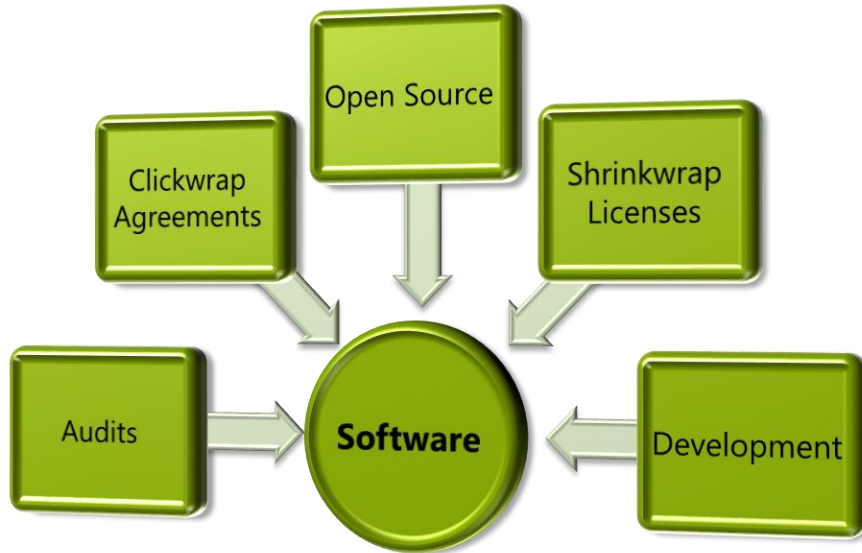
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Thank you!

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