

# Primer on Intellectual Property Overview of IP Strategy

New Ventures BC

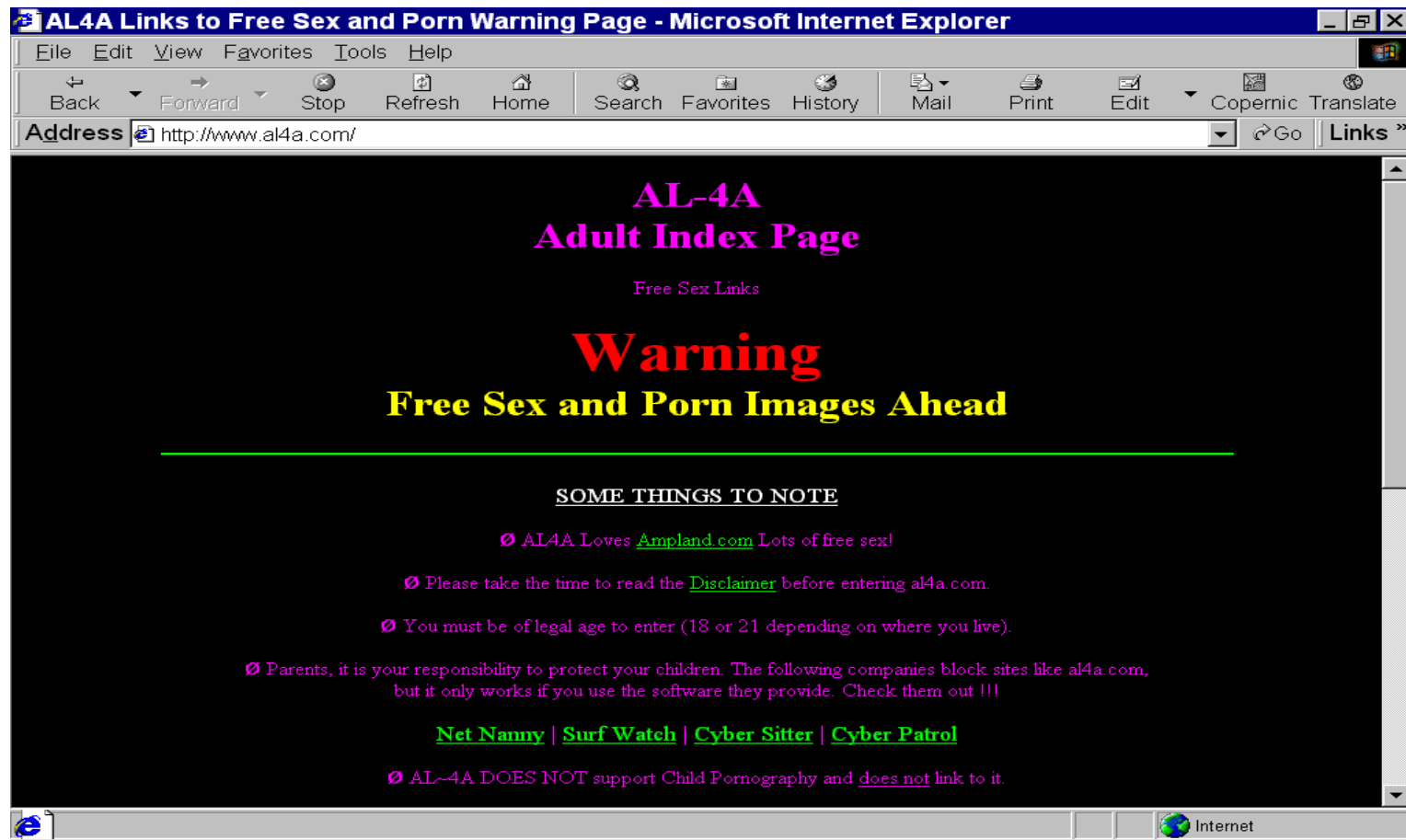
David Wotherspoon [dwotherspoon@fasken.com](mailto:dwotherspoon@fasken.com)

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# Disclaimer

- The information contained in this presentation is of a general nature. It is not legal advice and should not be construed as or in any way considered to be legal advice.

# lawsocietyofbc.ca and lsbc.ca?



# lawsocietyofbc.ca and lsbc.ca?



# Is IP Valuable?

- Revenue derived by IBM from patent licensing in 1990:  
\$30 million
- Revenue derived by IBM from patent licensing in 2000:  
\$1 billion

# Law Society of British Columbia

- Law Society domain names
  - [lawsociety.bc.ca](http://lawsociety.bc.ca)
  - [lsbc.org](http://lsbc.org)
- Defendant's domain names
  - [lawsocietyofbc.ca](http://lawsocietyofbc.ca)
  - [lsbc.ca](http://lsbc.ca)

# Identify the IP



# Id the IP





# Id the IP



# Id the IP



*Welcome to the  
Male Grooming  
Press Room*

*Your first stop for all the latest news and  
information about Gillette Grooming including  
wet shaving systems, electric shavers and  
personal care items.*



# Id the IP



# Quiz

- If you write a poem and leave it to someone in your will, can they sell copies of the poem?

# Quiz:

- How do you protect ideas?

## Quiz:

- Your company has a trade-secret (e.g., the recipe for KFC) and you are entrusted with the secret. You tell your mom. Is the information now in the public domain?

# Quiz:

- Can you obtain a patent for a perpetual motion machine?

# Ideas: creation, exploitation, protection

- For a company to exist, someone had to conceive an idea for generating revenue



# Creation

- Ideas are the things we take home in our heads at night
- They are intangible, but may have tremendous value

# Exploitation

- Not all ideas are exploited
- To derive revenue from ideas, companies must develop a product or service in relation to the idea
- This involves:
  - Research and development
  - Market testing
  - Regulatory approval

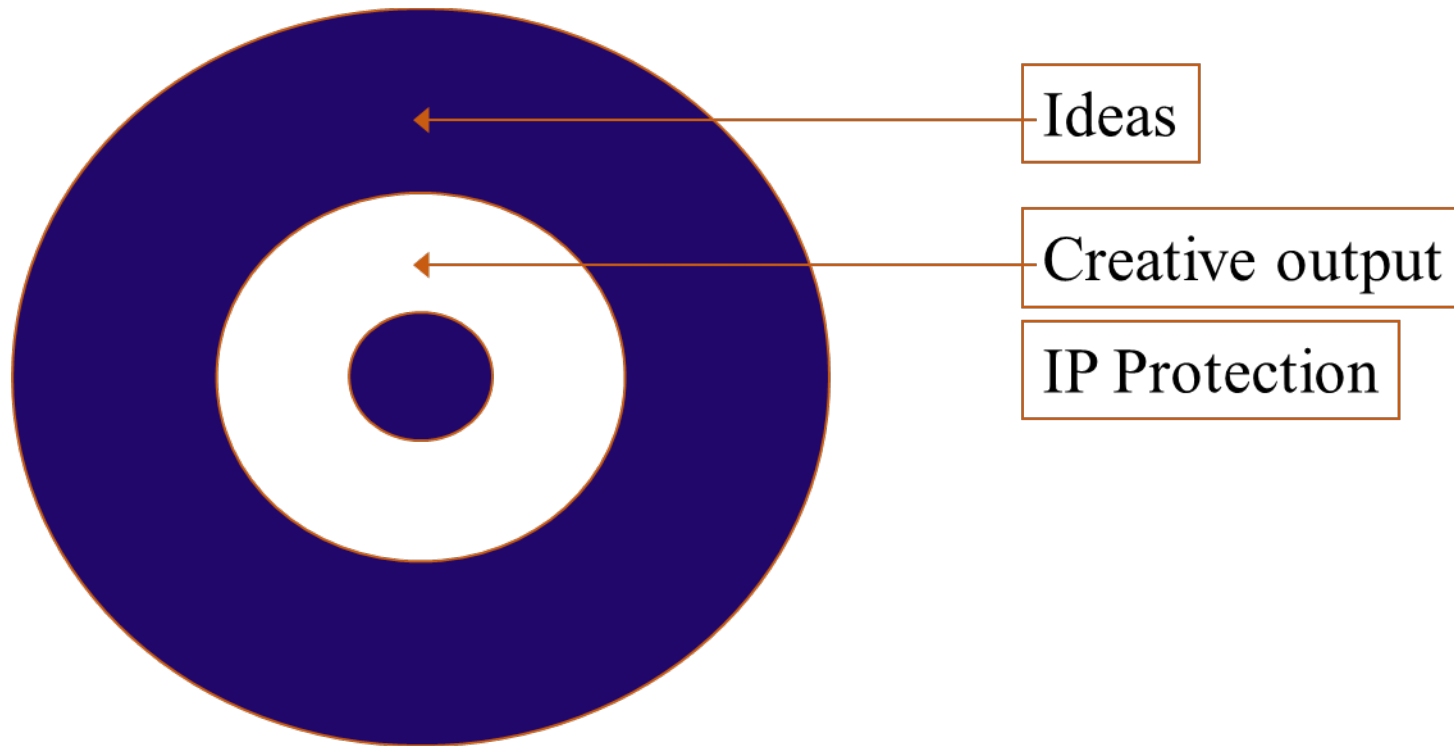
# Exploitation

- Many companies try to profit from the efforts of others by offering similar products or services
- Therefore, a competitive advantage can be obtained by protecting your products and services from being offered by others

# Protection

- Intellectual property protection is the primary means through which ideas, and resulting products and services, are protected
- Intellectual property rights arise primarily through patents, trademarks, copyright and confidentiality

# Creation, Protection, Exploitation



# What is IP?

- Wotherspoon definition
- IP is the stuff someone can take from you without taking anything from you

# What is IP?

- “intellectual”
  - Rewards intellectual efforts/achievements:
    - Writing of books, screen plays, poems
    - Logos, product or company names
    - Business plans, formulae, recipes, business processes
    - Inventions, such as drug manufacture, electronics goods, manufacturing processes

# What is IP?

- “property”
  - Usually has commercial value.
  - Gives a bundle of rights to the owner:
    - right to sell a product or service
    - right to license others to use your rights



# What is IP?

- Four pillars of intellectual property
  - Copyrights
  - Trade-secrets
  - Trade-marks
  - Patents
- Other forms of IP
  - Industrial design
  - Plant breeders rights
  - Integrated circuit topography
  - Personality rights

# Differences Between the Four Pillars

- Copyrights
  - Applies to original “works”, typically literary, dramatic, musical and artistic works, and software
  - Purely statutory rights
  - Rights arise on creation
  - Rights belong to the author
  - No need to register
  - Rights generally last for the life of the author plus 50 years
- Trade-secrets
- Trade-marks
- Patents

# Differences Between the Four Pillars

## Copyrights

- Trade-secrets
  - Must have business value, be able to be kept secret and be subject to efforts to keep it secret
  - Common law only; no statutory protection
  - Rights will last as long as the information remains secret
- Trade-marks
- Patents

# Differences Between the Four Pillars

- Copyrights
- Trade-secrets
- Trade-marks
  - Applies to names and designs that distinguish the source of wares or services of one trader from another
  - Rights exist at common law and through statute
  - Rights exist through use but are significantly enhanced through registration
  - Rights can be perpetual
- Patents

# Differences Between the Four Pillars

- Copyright
- Trade-secrets
- Trade-marks
- Patents
  - Applies to inventions that are new, non-obvious and useful
  - Purely statutory rights
  - Rights arise on registration
  - Rights will be lost by publication without registration
  - Rights belong to the inventor
  - Rights last for 20 years

# IP Strategy

- Strategy is key to successfully developing and exploiting IP
- Strategy should be based upon your:
  - Business plan
  - Financial resources
  - Place within the industry

# IP Strategy

- Identify
- Protect
- Exploit

# IP Strategy: identification

- Ensure you can own what you are developing: It might already exist
- Take care not to infringe
- Search before you invest: Many sophisticated search resources exist
  - Trade-marks
  - Patents
  - Copyright



# IP Strategy: identification

- Make sure you own it:
  - Employees
  - Outsourcing
- Don't incorporate another parties' IP without permission
- Develop with an eye towards protection

# IP Strategy: protection

- How?
  - Type of protection (e.g. patent vs. trade-secret)
  - Patent clustering and bracketing
  - Monitoring
- How much?
- Where?

# IP Strategy: exploitation

- Once IP is protected, revenue can be derived by:
  - Making and selling products or services
  - Licensing
  - Sale of the IP itself
- All of these approaches require that you have “clean IP”

