

How to Manage In-House Innovations

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CONFIDENTIAL



IP GOALS

- Identify IP assets as they are developed: be proactive
- Implement plans that will aid in leveraging IP assets: patent applications versus confidential treatment
- Assist in integrating discovery process

IP MANAGEMENT

- IP capture, tracking, enhancing protection, integration of IP with strategy and facilitating more complete IP reporting.
- Keep close relation with scientists in each group

IP MANAGEMENT

- Control the budget of patent expenses.
E.g. outside counsel, filing strategy
- Constant monitoring ongoing development of technology field
- Perform due diligence research whenever is needed
- Monitor inventions

ISSUES IN IP/R&D ACTIVITIES

- Hard to report how a company is innovating,
- Whether innovation is taking place in specific targeted areas,
- Whether R&D resources are being appropriately spread between competing projects.

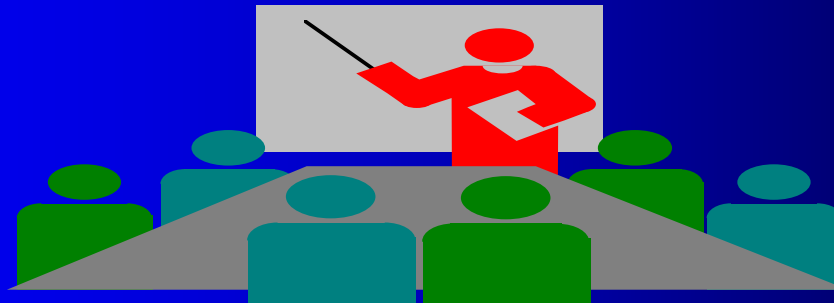
PATENT GOALS

- Identify patentable subject matter in the manufacture and discovery process
- Implement appropriate patent protection schemes
- Focus resources into commercially significant areas



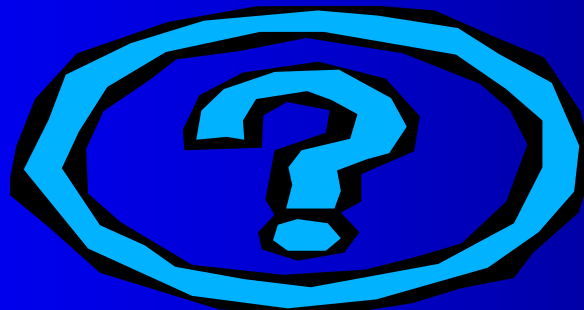
THE PEOPLE TO WORK WITH

- Scientist
- CEO or R&D Director
- Business/Marketing/Sales
- Corporate counsel



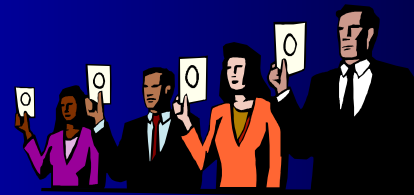
EMPLOYEES: FOR INVENTION

- Keep constant contact with patent counsel/IP manager
- File an invention disclosure form
- Decision will be made by patent review committee.



PATENT REVIEW COMMITTEE:

- The committee is usually composed by patent attorneys, scientists and business person(s).
- The committee will decide whether to patent the technology based on business need, company research and development need.
- Sometimes, patent filing of patent is delayed due to avoiding of publicizing the technology. It is strategy based.



EMPLOYEES: PUBLICATION/ DISCLOSURE POLICY



- Keep patent counsel/IP manager well informed
- Require clearance before disclosure including sales anywhere in the world
- Scientific review, business review and legal review
- Do not wait till last minute

EMPLOYEES: PUBLICATION/ DISCLOSURE POLICY

- Any public disclosure of research work outside a company requires advance approval
- Examples are:
 - Abstract
 - Seminar
 - Poster
 - Book Chapter/Review Article
 - Manuscript submission for review

WHEN TO FILE A PATENT: PATENT VS. TRADE SECRETS

- **Reverse-engineer-ability**
- **Inevitable development by others**
- **Likely scope of patent claims if patented**
- **Policeability of patent claims (is infringement detectable?)**
- **Compelling demands from marketing to publicly disclose/discuss subject matter**

BENEFITS OF TRADE SECRETS

- ◆ to protect our investment in R&D
- ◆ to prevent competitors from copying our product or developing an alternative
- ◆ to reduce the chance that a competitor will accuse us of patent infringement
- ◆ Trade Secrets can be kept forever
- ◆ Trade Secrets are valuable even if they are also covered by patents

HOW TO PROTECT TRADE SECRETS

- **Restrict access to the information (lock it away in a secure place).**
- **Limit the number of people who know the information.**
- **Have the people who know the trade secret agree in writing not to disclose the information (sign non-disclosure agreements).**
- **Have anyone that comes in contact with the trade secret, directly or indirectly, sign non-disclosure agreements.**
- **Mark any written material pertaining to the trade secret as CONFIDENTIAL.**



HOW TO MAINTAIN CONFIDENTIALITY

- Employment agreement
 - Termination
- Confidential/Nondisclosure agreement



EMPLOYEE'S RESPONSIBILITIES

- Do not disclose company's trade secrets to your new employer (Do not bring previous employer's trade secrets to the current, e.g., recent Hengrui and Lily case)
- Do not take notebooks or copy of notebooks, disks, overheads etc when you leave
- Do not provide or solicit information to your former colleagues
- Do not put patent application number/docket number and title in your resume before the patent is published
- The obligation is indefinite unless such information is in public domain

LABORATORY NOTEBOOKS

Why:

- Establish record from which patent applications are prepared
- Establish who invented what
- Protect you in current or future collaborations with outside parties
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LABORATORY NOTEBOOKS

What to do:

- ✚ Record ideas as well as actual work
- ✚ Sign and date
- ✚ Have your records “witnessed” reasonably contemporaneously
 - ✚ Witness cannot be an inventor (nor your patent attorney)
 - ✚ Witness must understand the technology
 - ✚ Witness signs and dates and write down “witnessed and understood by me”
- ✚ Inserts must be “witnessed” themselves, not just the pages in which they are inserted
- ✚ Reference to notebook pages in any invention disclosures

Contact

Thank you !

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