

Contents

Preface *XI*

Authors *XV*

Abbreviations *XVII*

1	Terminology	1
	<i>Claas Junghans</i>	
1.1	The Terms of Patenting	1
1.1.1	The Patent	1
1.1.2	The Process of Patenting	2
1.1.3	The Value in a Patent	6
1.1.4	Anatomy of a Patent Document	9
1.1.5	Patentability of an Invention	13
1.1.6	Inventors and Applicants	15
1.2	Business Brief	16
2	The Economic Objectives of Protection	19
	<i>Claas Junghans</i>	
2.1	Filing Strategy	20
2.1.1	When to File?	20
2.1.2	Where to File: National Offices and International Treaties	20
2.1.3	Where to First File?	24
2.1.4	Follow-up Filings and the Territorial Extent of Protection	24
2.2	Claim Breadth: The Scope of the Desired Protection	25
2.3	Factors Influencing Filing Strategy and Claim Breadth	25
2.3.1	The Invention, the Product and its Market	25
2.3.2	Market Economics	26
2.3.3	Technology Density	28
2.3.4	The Commercialisation Plan	29
2.3.5	The Competition	31
2.4	Financial Resources and Attitude Towards Risk	32

2.5 Business Brief 33

3 Patenting 35

Claas Junghans

3.1 Preparation 35

3.1.1 Planning 36

3.1.2 Assembling Material 36

3.1.3 Researching the Literature 38

3.2 Drafting the Patent Application 44

3.2.1 Attorneys 44

3.2.2 The Initial Filing as a Basis for Amended Claims 46

3.2.3 Non-Obviousness 50

3.2.4 Unity 52

3.3 Prosecution 53

3.3.1 Formalities 53

3.3.2 Representation 54

3.3.3 The Process 55

3.4 Strategy 58

3.4.1 Overview 58

3.4.2 Patenting an "Invention in Progress" 58

3.4.3 Patent Deadlines Driving Development 63

3.5 Conflict 64

3.5.1 Opposition 65

3.5.2 Revocation 65

3.5.3 Infringement 66

3.6 Business Brief 67

4 Ownership 69

Rolf Sander

4.1 The Rights of the Inventor 69

4.1.1 What is an Applicant? 70

4.1.2 Applicants in the United States of America 70

4.1.3 Joint Applicants 70

4.2 Disputed Ownership 72

4.2.1 Interference Procedure in the United States of America 72

4.3 Employee or Service Inventions 73

4.3.1 Germany 74

4.3.2 United Kingdom 75

4.3.3 France 76

4.3.4 Spain 76

4.3.5 Russia 77

4.3.6 USA 77

4.3.7 Japan 77

4.3.8 Korea 78

- 4.3.9 China 78
- 4.3.10 Hungary 78
- 4.3.11 Czech Republic 79
- 4.3.12 Poland 79
- 4.3.13 Sweden 80
- 4.3.14 Conclusion 80

5 Trademarks and Designs 81

Tobias Boeckh

- 5.1 Protection of Distinctive Marks 81
 - 5.1.1 Trademark Protection 82
 - 5.1.2 Internet Domains/e-Commerce 90
 - 5.1.3 Trade Names, Company Names and Titles 91
 - 5.1.4 Appellations of Origin 91
 - 5.1.5 Enforcement of Rights 91
- 5.2 Designs 92
 - 5.2.1 What is a Design? 92
 - 5.2.2 National and International Protection of Designs 93
 - 5.2.3 How and Where are Designs Registered? 94
 - 5.2.4 Implementation of Design Rights 95

6 Licensing 97

Jan Dirk Heerma

- 6.1 Licence Agreements – an Overview 98
 - 6.1.1 Introduction to Licensing 98
 - 6.1.2 Subject 98
 - 6.1.3 Scope 99
 - 6.1.4 Exclusivity 101
 - 6.1.5 Term and Termination 101
 - 6.1.6 Consideration 103
- 6.2 Sub-Licences 106
- 6.3 Up-Front Payments 107
- 6.4 Milestone Payments 108
- 6.5 Non-Cash Consideration 108
- 6.6 Taxation of Consideration 108
- 6.7 Representations and Warranties 109
 - 6.7.1 Ownership 109
 - 6.7.2 Third Parties' Rights 109
 - 6.7.3 Other 110
- 6.8 Maintenance and Prosecution of IP Rights 110
- 6.9 Confidentiality 111
- 6.10 Competition Law 111
 - 6.10.1 General Principles 111
 - 6.10.2 European Competition Law 112

- 6.10.3 US Competition Law 114
- 6.11 Governing Law and Dispute Resolution 114
 - 6.11.1 Governing Law 115
 - 6.11.2 Dispute Resolution 116
- 6.12 Negotiating Licence Agreements 117
- 6.13 Business Brief 118

7 Starting up and Financing Your Venture 119

Adam Levy

- 7.1 Risk, Return and Control 119
 - 7.1.1 What is the Return? 120
 - 7.1.2 Understanding Risk 121
 - 7.1.3 Managing Risk 122
 - 7.1.4 Control 123
 - 7.1.5 Inventive Myopia 125
- 7.2 Strategy 126
 - 7.2.1 Strategic Alignment 126
 - 7.2.2 Flexibility and Commitment 127
 - 7.2.3 The Extent of Product Development 127
- 7.3 Company Formation 128
 - 7.3.1 Assignment of IP 129
 - 7.3.2 Ownership Structure 130
- 7.4 The Business Plan 130
 - 7.4.1 People 131
 - 7.4.2 Invention 131
 - 7.4.3 Market 131
- 7.5 Financial Forecasting and Valuation 132
 - 7.5.1 Revenue Modelling 133
 - 7.5.2 Cost Modelling 133
 - 7.5.3 Net Present Value 133
 - 7.5.4 Real-World Valuation 135
- 7.6 Financing the Venture 136
 - 7.6.1 Start-up Funding 136
 - 7.6.2 Angel Investors 136
 - 7.6.3 Venture Capital 137
 - 7.6.4 Shareholder Structures and Agreement 138
 - 7.6.5 Working With Investors 139
- 7.7 Negotiation 140

8 The Importance of Business Structures to the Exploitation of IP 143

Christoph Regierer

- 8.1 Legal Forms of Transferring IP Ownership 144
- 8.2 Intellectual Property and Financial Reporting 146
- 8.3 Tax Aspects 149

- 8.3.1 Tax Considerations on the Company Level 149
- 8.3.2 Tax Considerations on the Shareholder Level 150

9 List of Annexes 151

- Annex 1 Paris Convention for the Protection of Industrial Property (January 3rd, 2005) 152
- Annex 2 PCT Contracting States (as of July 7th, 2005) 154
- Annex 3 EPO member states and extension states as of July 2005: 157
- Annex 4 Nice Classification of goods and services (8th edition) – Headings Goods and Services 158
- Annex 5 International Classification for Industrial Designs under the Locarno Agreement – Headings Goods and Services 161
- Annex 6 European Community Member States 162
- Annex 7 Member countries of the Madrid Agreement and Madrid Protocol 162
- Annex 8 ARIPO member states 162
- Annex 9 OAPI member states 163
- Annex 10 Country Codes 163

Index 167