

# FLYNN IP LAW

*Protecting Your Competitive  
Advantages.*

Presented June 8, 2023

**Tech Talk** for  
**Innovate Chatham**

**Kevin E. Flynn is a hybrid -- part engineer, part lawyer, part advocate, and part coach. He uses all these skills to be a patent attorney. Initially trained in both Biomedical Engineering and Mechanical Engineering, he later obtained a Master's Degree in Industrial & Systems Engineering. After working as an engineer and earning a Professional Engineering license from the State of North Carolina, he went back to school and earned his law degree with honors from Duke Law School. After a few years in patent litigation, including time spent with Fish & Neave in New York City, he moved to helping companies protect their ideas and avoid legal problems.**

**With a broad engineering background, Kevin works with companies with a range of technologies including: A) medical devices & methods; B) Consumer Goods. and C) Industrial Processes. He helps clients decide where to spend their money to get the most value while seeking patents in the United States and abroad. Then he works collaboratively with the clients to create patent applications that are part required technical disclosure and part sales pitch. In addition to helping companies obtain protection, he works with companies to help them avoid trouble with patents owned by others.**

**Kevin is a frequent speaker and commentator on intellectual property issues, especially those issues of particular relevance to entrepreneurial companies. He has been named repeatedly to the legal Elite for the category of Intellectual Property/Patent attorneys.**

# Objectives

- I am **NOT** going to make you into an Intellectual Property (“IP”) expert in 20 minutes.
- I do want to get you thinking about **identifying** and **protecting**

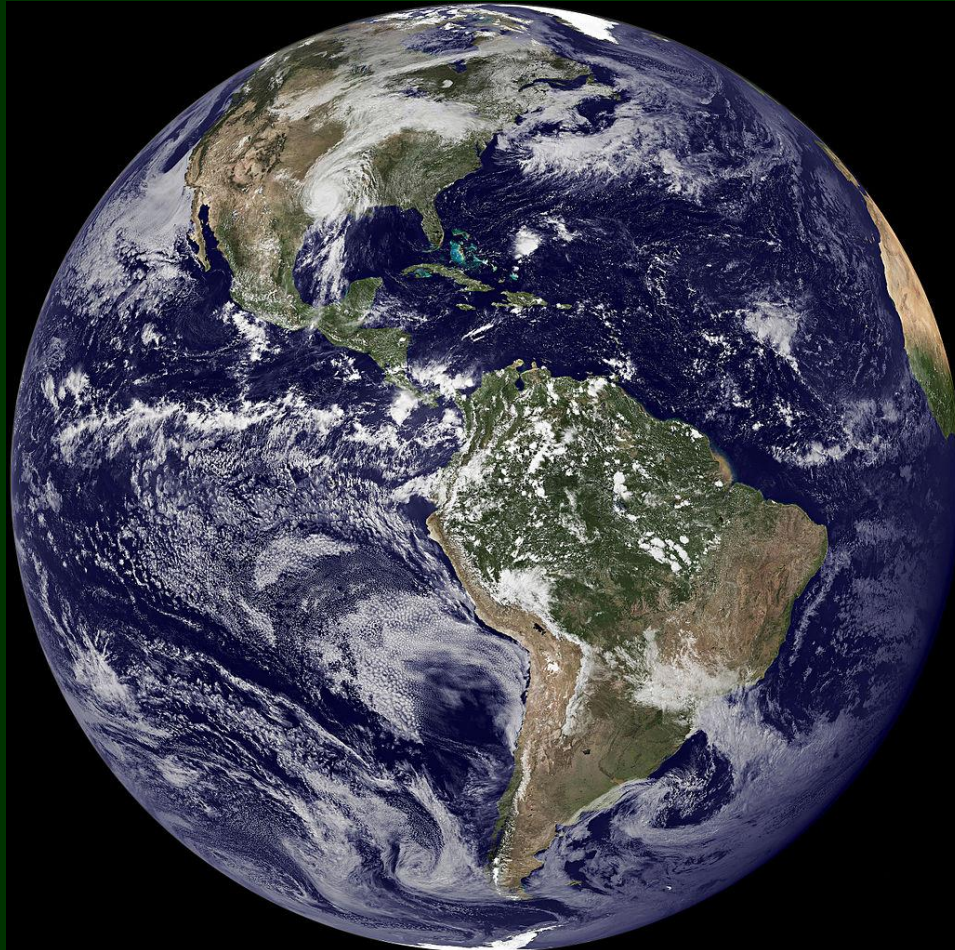
## Competitive Advantages.

<https://www.linkedin.com/in/kevinflynnpatentattorney>

# Proposed Process

- I will move quickly through the slides to ensure all topics get covered.
- Then we will open things up to questions.
- Feel free to ask more questions
  - Now or later via
  - [KEF@FLYNNipLAW.com](mailto:KEF@FLYNNipLAW.com)

# Big Picture Before the Details



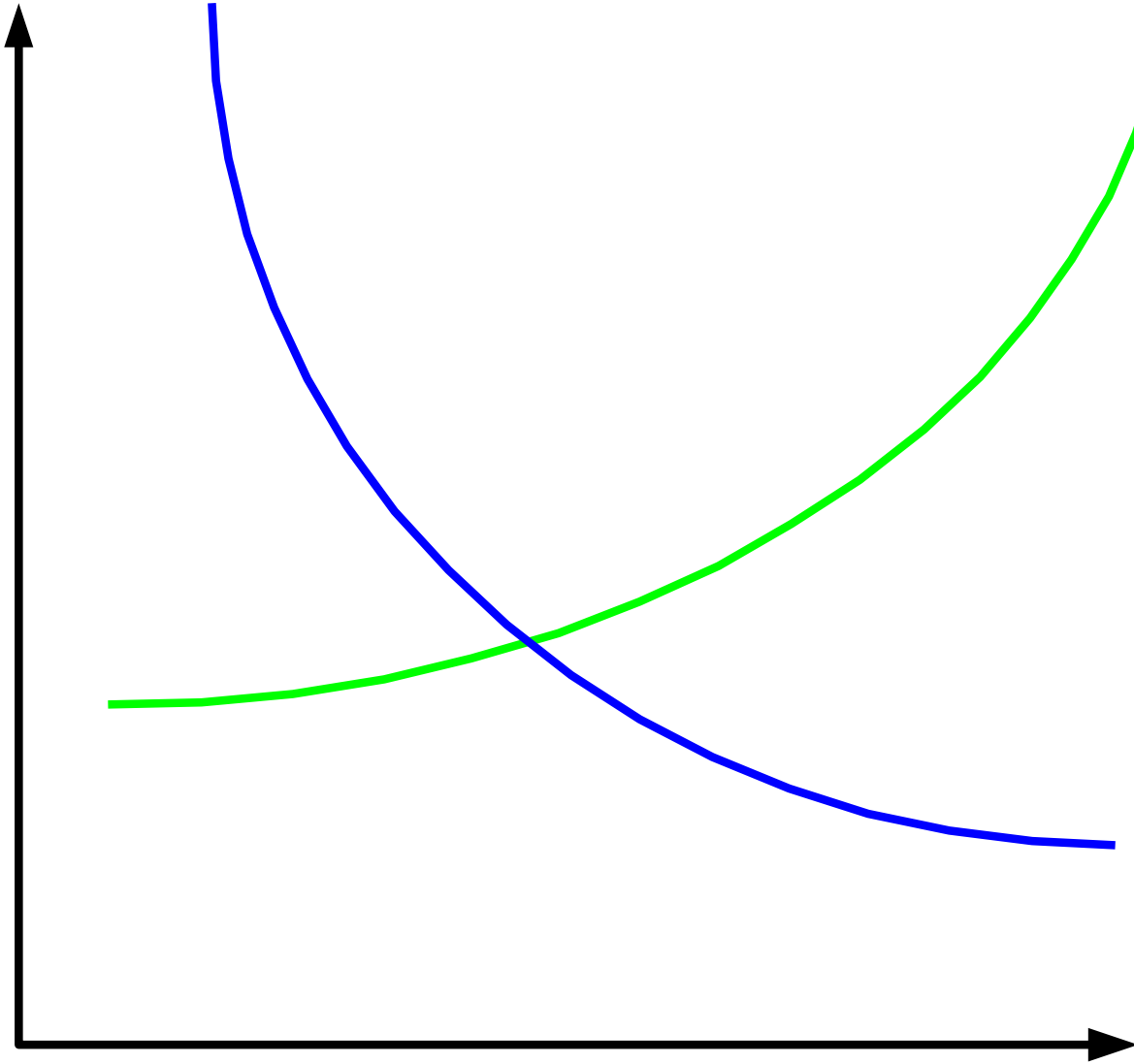
*What is the point of getting a:*  
***patent,***  
***copyright,***  
***trademark, or***  
***trade secret?***

One way to lock in success for a new company is moving the *supply* or *demand* curves to a more favorable position than the curves for the competitors.

Intellectual property can protect the curve offsets.



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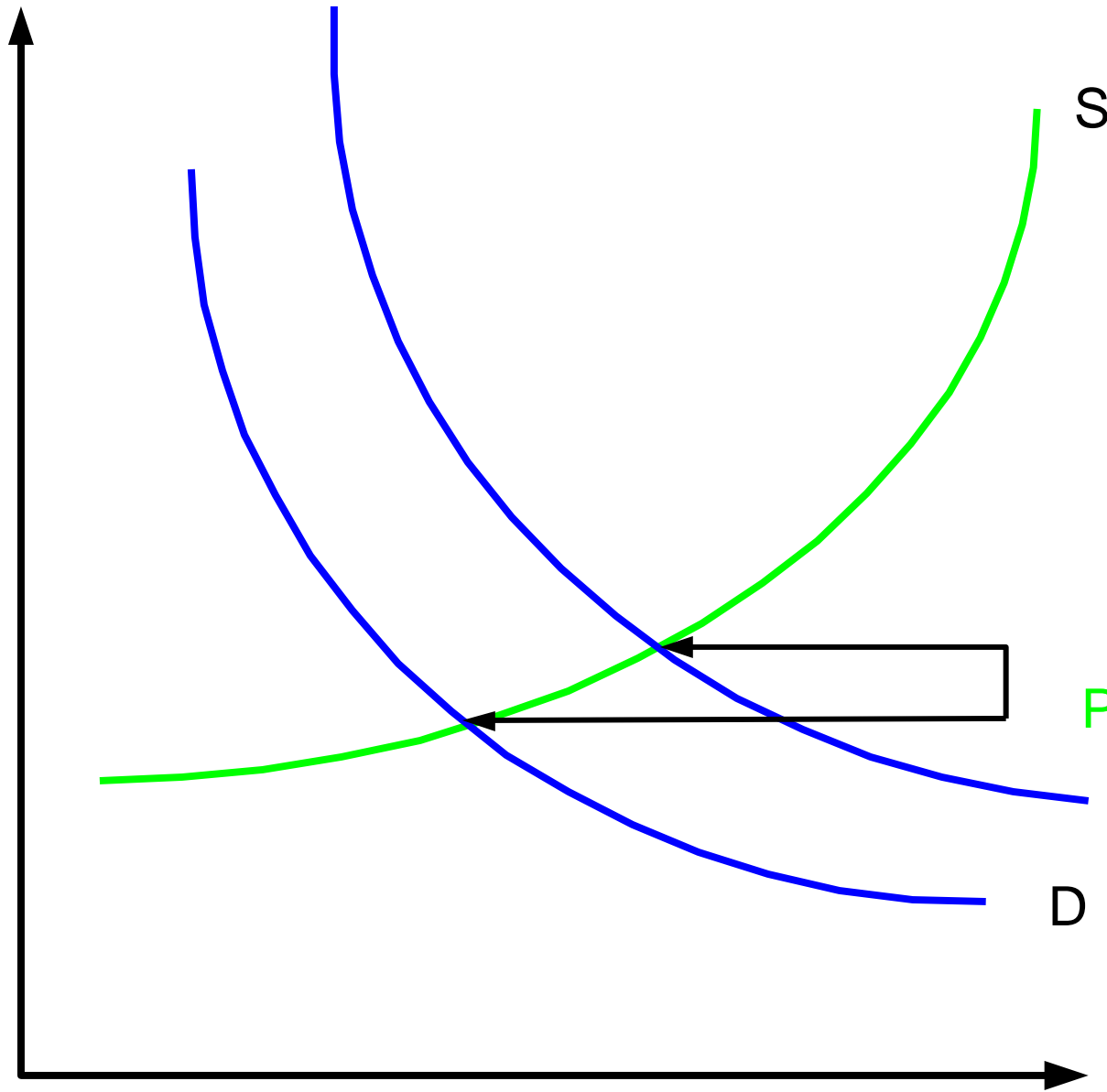


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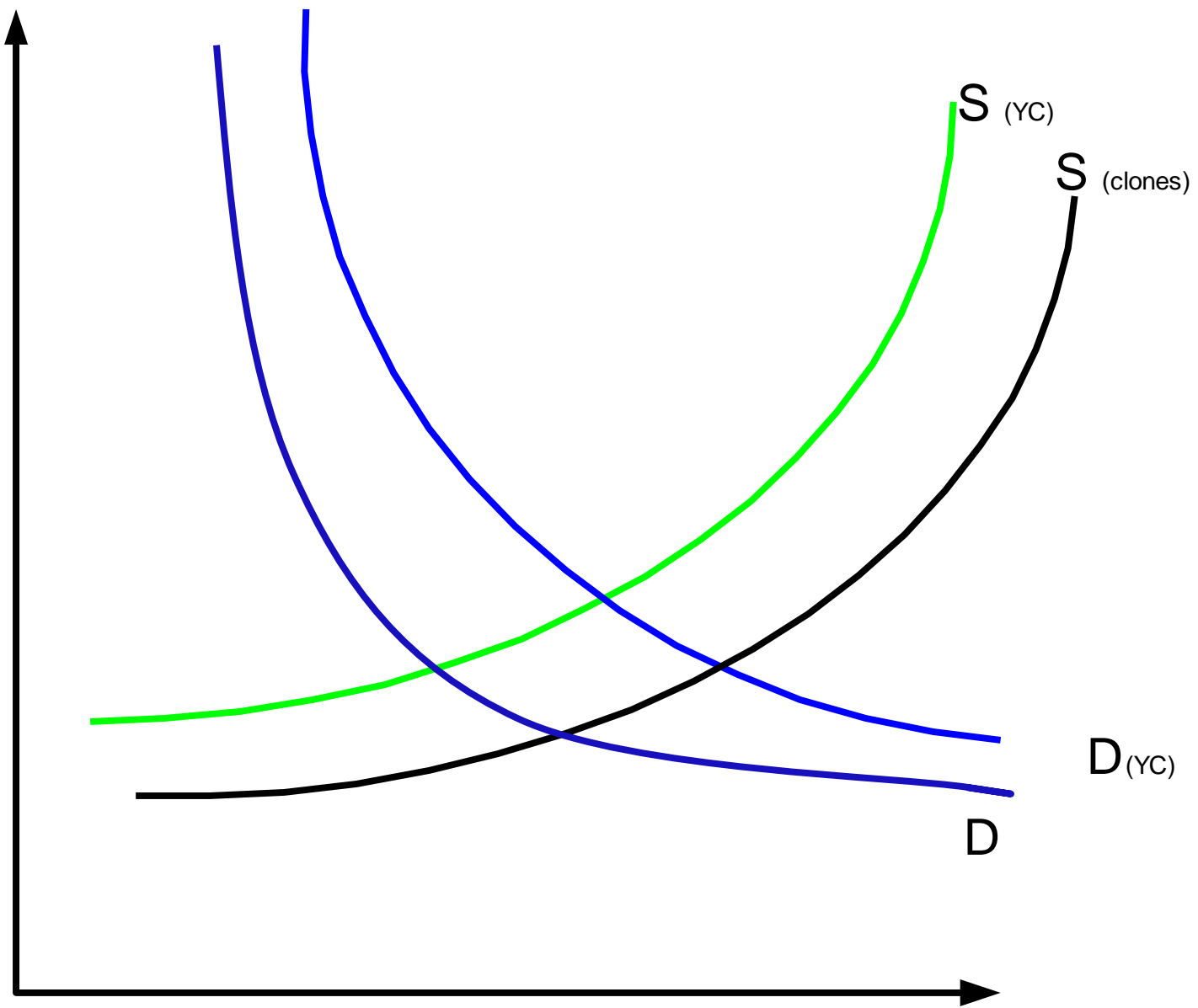
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D

Price  
Premium

Quantity

MC - RP



Quantity

# Impact of Clones

- They follow in your footsteps.
- **Clones** take less risk, have less R&D
- Followers, not leaders.
- Thus, they have lower overhead and a better supply curve.
- **Clones** erode your profitability as they
  - decrease your price premium
  - but not your **costs**.

# Impact of Clones

## Summary of Impact

- Before **Clones** hit the market

– You Get premium prices \$\$\$\$\$



- After **Clones** hit the market

– You Get only a fraction of what you had \$\$



# Way to ward off Clones

- Identify your Competitive Edge
- Protect your Competitive Edge
- With protection
  - **clones** can not create an exact substitute for your premium product.

# Competitive Edge-1<sup>st</sup> Type

- **Goodwill**

- Reputation based upon:

- Investments in Advertising & Social Media,
- Quality of product as you buy the best ingredients/components & take no shortcuts,
- Excellent customer service.

- Protect **Goodwill** with

Trademarks, Domain Names, &  
**Design Patents**

- So people looking to buy from **YOU**

do not get *siphoned off*

# Competitive Edge-2<sup>nd</sup> Type

- **Better Product**

- Special Features
- Faster, smaller, **lemon scented**,  
l o n g e r battery life...

–Consider

- **Patents**, **Trade Secrets**, and
- **Software Copyrights**



# Competitive Edge from Inventions

Often Your **Competitive Edge** will be a **Better Product** with Novel Features

But not **Always**

# Competitive Edge-3<sup>rd</sup> Type

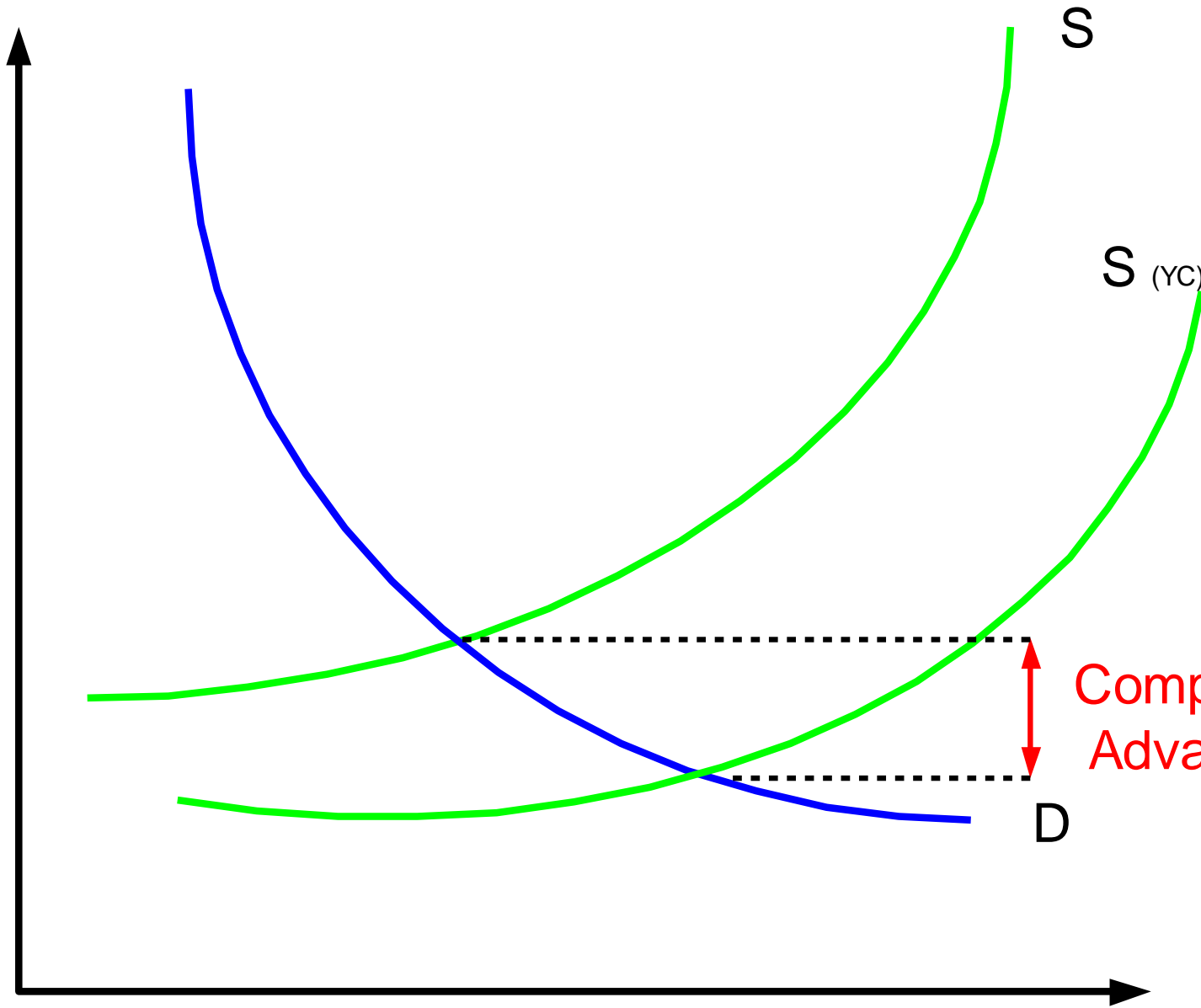
SOMETIMES

(especially as markets mature)

Better = Better Process

- Better Process Yield
- Fewer Process Steps
- Less Costly Equipment or Inputs

MC - RP



S

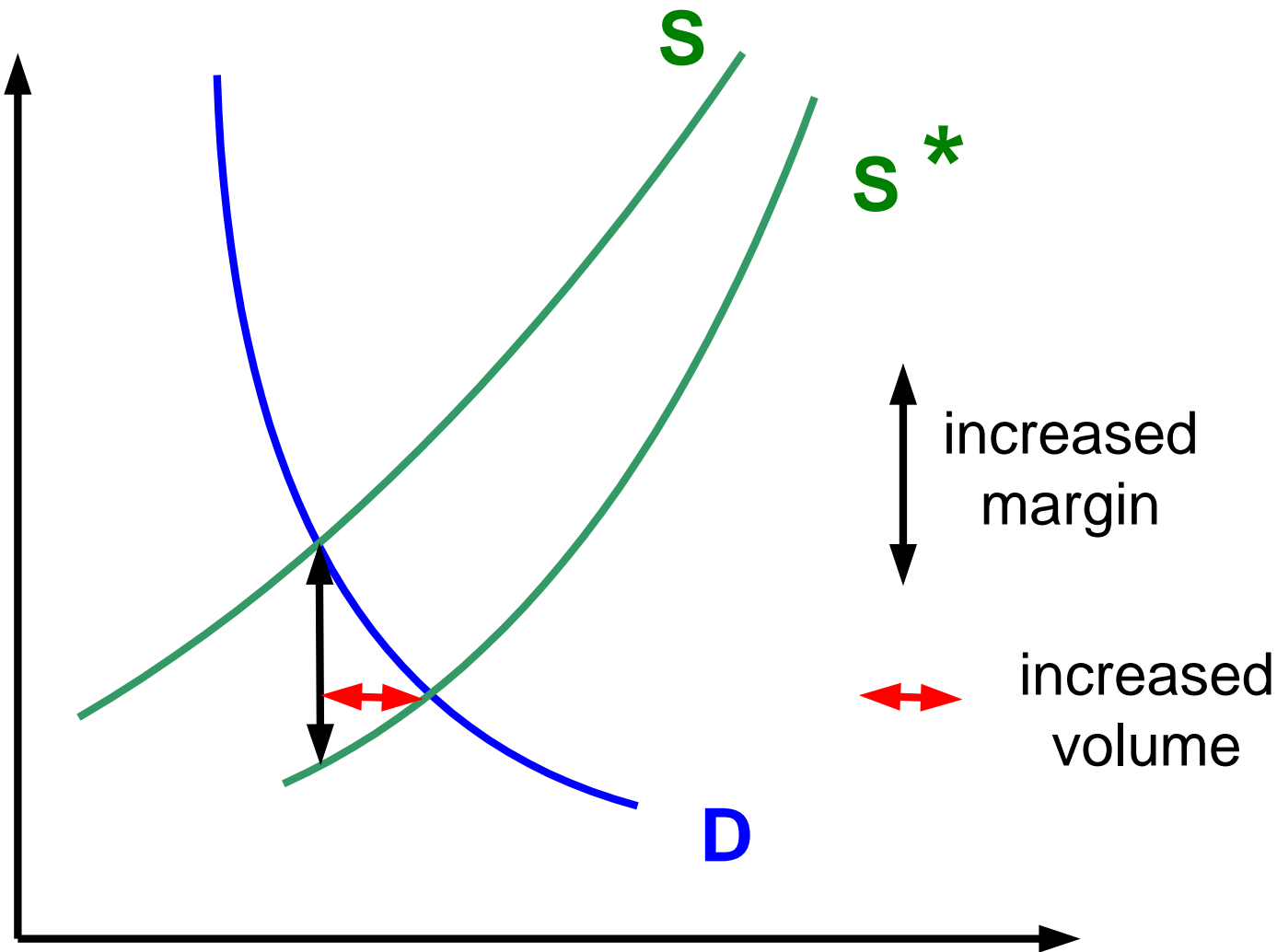
S<sub>(YC)</sub>

Competitive Advantage

D

Quantity

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Quantity

# Your **Competitive Advantage** Won't Last without Protection

Protect this type of

**Competitive Edge**

**With**

**Trade Secrets, Patents, Copyrights,**  
to keep people from **duplicating**  
your improvements.

# Your Task

- Recognize the innovations that are part of your current or future **Competitive Edge**.
- Maintain contact with an IP attorney as part of your business process.
- Protect the **Competitive Edge**  
(where possible, in cost effective ways)

# Tasks for IP Attorney

- Help you to pick items to be protected.
- Devise strategy to optimize protection.
- Determine legal **deadlines** for action.
- Coordinate work of **third-parties** including foreign patent firms and search services.

*New Topic -  
Specific Forms of  
Intellectual Property*



# Utility Patents

- These are my favorite and what I focus on...
- I can talk about this form of protection for hours and hours.
- But I find that at a meeting like this, folks are often interested in the other types of IP so I will leave Utility Patents to the end.
- For now, you should know that a utility patent allows the patent owner to prohibit others from using the **INVENTION** for about 17 years.

# Trade Secrets—

## A Possible Alternative to a Utility Patent

- **Advantages**

- Can last **forever** vs patent that expires after 20 years from start of applying.
- **Great for processes** – how to put nooks & crannies in Thomas' English Muffin.
- ***No filing fees and no costs to draft a patent.***
- Can cover things that would not get a patent, like a list with the favorite restaurants and birthdays of the key contacts at each of your clients.

# Trade Secrets

## Downsides

- Useless -- if the secret can be easily **reverse engineered** from products you sell.
- ***Does not prevent someone else from inventing the same great solution.***
- Second inventor may **patent** the idea and you have only limited protection for continued use of your trade secret under **35 USC §273**.

# Trademark

## Purpose

- This is any sort of name or other marker that allows folks to recognize that goods or services come from a particular source

**(your company)**

# Trademark

## Protects

- Name of company. (McDonalds)
- Name of product. (Big Mac)
- Slogan. (**Two all beef patties...**)
- Trade Dress (shape of a Coke bottle)
- Color – pink insulation – Owens Corning.
  - **Tiffany Blue**
- Sounds – MGM Roaring Lion

# Trademarks—two tiers

- **State Protection**

**Low cost. Register with NC and then just add **TM** or **SM** to indicate you consider something to be a mark.**

# Trademarks—upper tier

- **Federal Protection**

- Go through process with the USPTO to get the trademark examined and REGISTERED.

- Now you can use <sup>®</sup>.

- Coverage throughout the US

- Get power of Federal Law to hammer folks.

# Trademark

- Critical to protecting your **goodwill**
- Federal Registration helps when selling goods across the country. A NC trademark won't be very useful against a competitor outside of NC
- May need **foreign trademarks** too.
- A strong trademark helps customers remember who you are and **come to you for sales**.
- **Must police the trademark.**



A trademark is an **adjective** and ***NOT* a noun.**

- Buy Kodak<sup>®</sup> film
- Buy Minute Maid<sup>®</sup> orange juice.
- Asking for trouble if you use a trademark as a noun.
  - kleenex, coke, ping pong ball, xerox, or rollerblades.
- Nouns get put in the public domain for all to use.
- Do NOT your intended trademark as a noun in patent applications.

# *Copyright*

## Purpose

- Gives exclusive rights to the creator for an original *expression* of an idea –

**But not the idea itself**

# *Copyright*

## Limitations

- Someone needs to **COPY**.
- If competitor develops independently, **copyright is NOT effective.**

# *Copyright*

## **Copyright is great for:**

- Training manuals,
- Computer software – to protect from copying (not the inventions)
- Books, articles, web content,
- Music, video, other non-written items.

# *Copyright*

## **Attributes:**

- Easy to get. Just write it down.
- Upgrade to Federal Registration – **more hammers.**
- Federal Registration is **easy too.**

# Don't choose between Patents or Copyrights Use both when appropriate...

- **Copyright** violation requires that someone “**copy**” the protectable expression in your work.
- **Copyrights** don't cover ideas,
  - they protect expressions of ideas.
- **Patents** cover ideas and are effective against “innocent infringers”.
- Necessity is the Mother of Invention
  - **But she can have more than one child**  
(a/k/a Convergent Evolution).
- Use a combination of **Copyright** and **Patent**.

# *New Topic - Design Patents*

# Design Patents

- Cover the **ORNAMENTAL** aspects of the product.
- I tell clients that **ORNAMENTAL** = where you had options in how the product looks
  - without major impacts on functionality.
- Prevents **clones** from making a look-alike product to siphon off your customers.
- **Cheap to get** but **relatively thin protection**.
- Truly an **anti-clone tool** –
  - but also gives marketing buzz.



# Lots of Things Get Design Patents

- 1 [D657,935](#) **T** [Pallet support](#)
- 2 [D657,934](#) **T** [Pallet support](#)
- 3 [D657,933](#) **T** [Handle](#)
- 4 [D657,932](#) **T** [Forklift truck](#)
- 5 [D657,931](#) **T** [Winch body](#)
- 6 [D657,930](#) **T** [Ratchet scissor jack](#)
- 7 [D657,929](#) **T** [Golf trolley](#)
- 8 [D657,928](#) **T** [Mop head](#)
- 9 [D657,927](#) **T** [Mop pad](#)
- 10 [D657,926](#) **T** [Moistener pad cleaning tool](#)
- 11 [D657,925](#) **T** [Cleaning article](#)
- 12 [D657,924](#) **T** [Sponge](#)
- 13 [D657,923](#) **T** [Operating panel of a floor cleaning machine](#)
- 14 [D657,922](#) **T** [Laundry cup caddy](#)
- 15 [D657,921](#) **T** [Vacuum cleaner](#)
- 16 [D657,920](#) **T** [Pet water and food storage unit](#)
- 17 [D657,919](#) **T** [Holder for animal treat](#)
- 18 [D657,918](#) **T** [Protective mask](#)
- 19 [D657,917](#) **T** [Cold weather mask](#)
- 20 [D657,916](#) **T** [Mouth guard](#)
- 21 [D657,915](#) **T** [Cosmetic case](#)
- 22 [D657,914](#) **T** [Sonic dental flossing tool holder](#)
- 23 [D657,913](#) **T** [Disposable cleaning pick for between teeth](#)
- 24 [D657,912](#) **T** [Attachment for hair clipper](#)

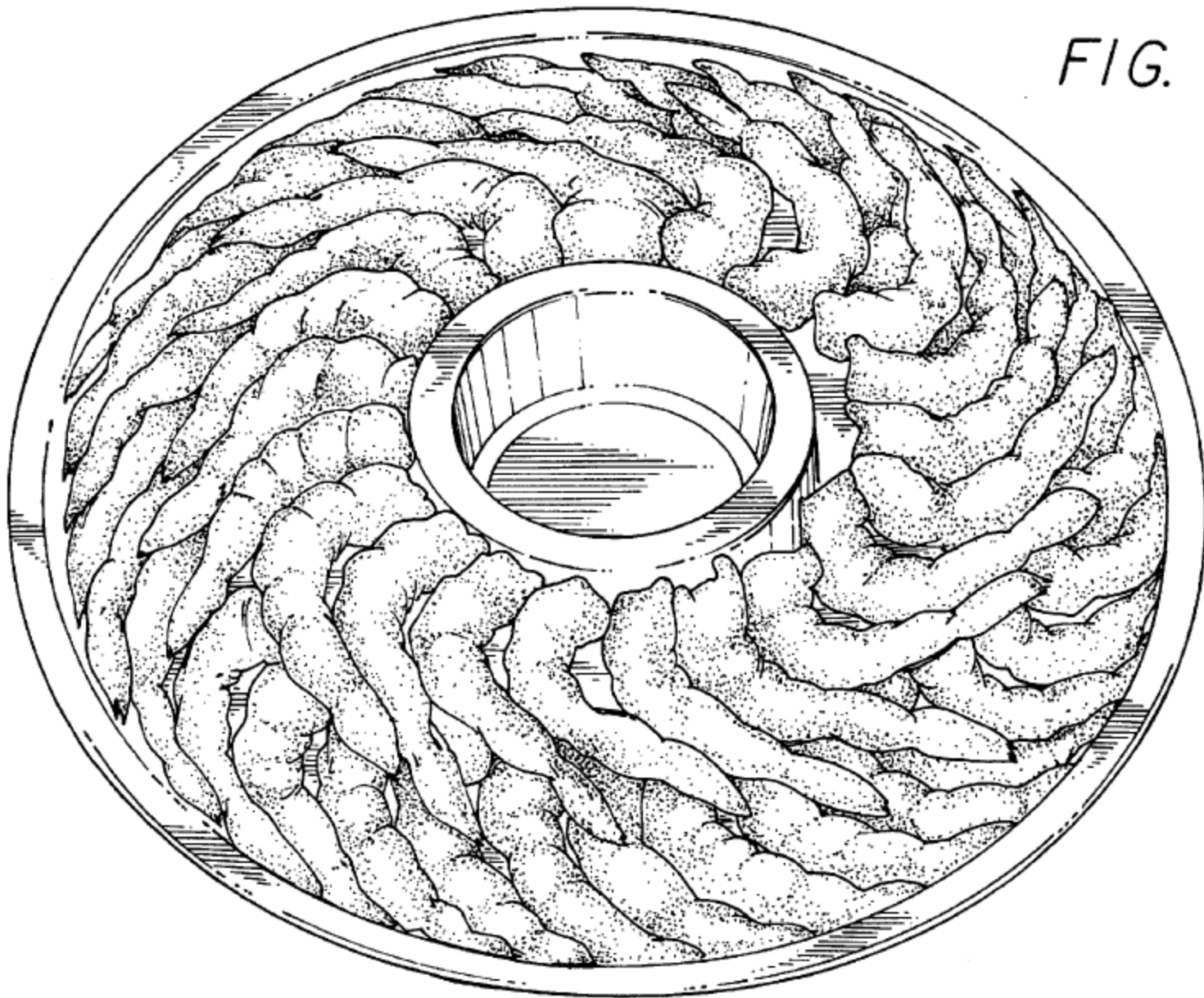
# Design Patents are everywhere...

- From Sunglasses to Automobiles
  - Oakley attempts to ward off “Jokeleys,”
  - with an array of 67 design patents
  - In 2003, Ford Global Technologies received patents on items
    - as global as entire vehicle exteriors and
    - as specific as a gear shift lever

# Design Patents are everywhere...

- Recent Litigation
  - Serving tray with shrimp (D404,612);
  - Mini stereo system stand (D405,988); and even
  - Decorative beads (used at Mardi Gras) (D398,879).

FIG. 1



# Design Patent is just the way it looks.

(57)

## CLAIM

The ornamental design for a network protector master relay enclosure, as shown and described.

## DESCRIPTION

FIG. 1 is a top, front and right side perspective view of a network protector master relay enclosure showing our new design.

FIG. 2 is a top plan view thereof.

FIG. 3 is a bottom plan view thereof.

FIG. 4 is a right elevation thereof.

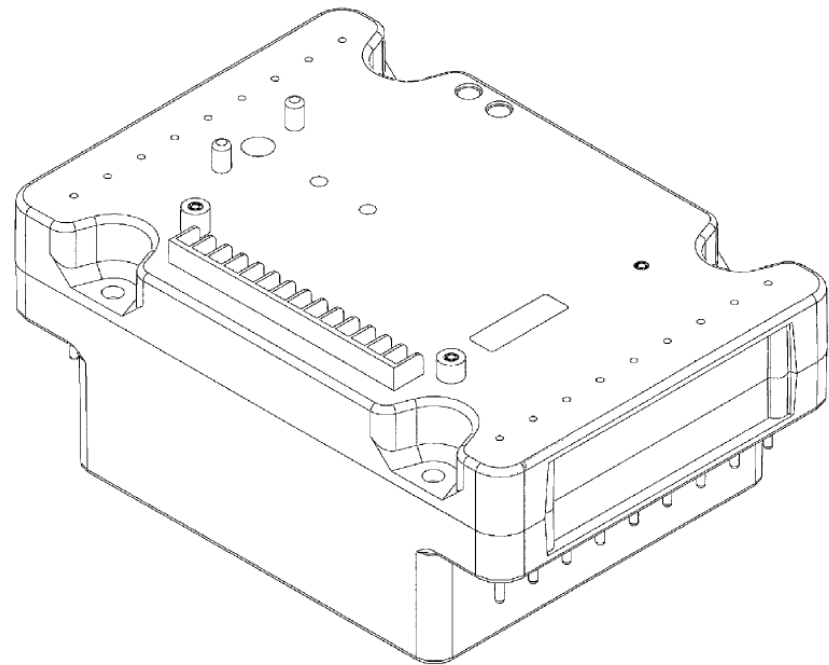
FIG. 5 is a left elevation thereof.

FIG. 6 is a rear elevation thereof; and,

FIG. 7 is a front elevation thereof.

**1 Claim, 7 Drawing Sheets**

FIG. 1



# Design Patents

Design patents can be useful for disposable items that might be difficult to cover with utility patents.

As design patent protection is narrow, you should wait until the design for the finished product is stable.

Allows a company to say that they have a patent pending product and then a patented design.

# Design Patents may be used for Computer Software Icons and Sequences.

## Jury Verdict: Infringement

11-cv-1846 (N.D. Cal 2012)



**D604,305**



**Samsung**

Major tool  
in the  
Apple /  
Samsung  
litigation

# Can be used for sequences

- Start up animations
- Wait screen animations





# Time for Questions



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# *New Topic - Utility Patents*

# Utility Patents

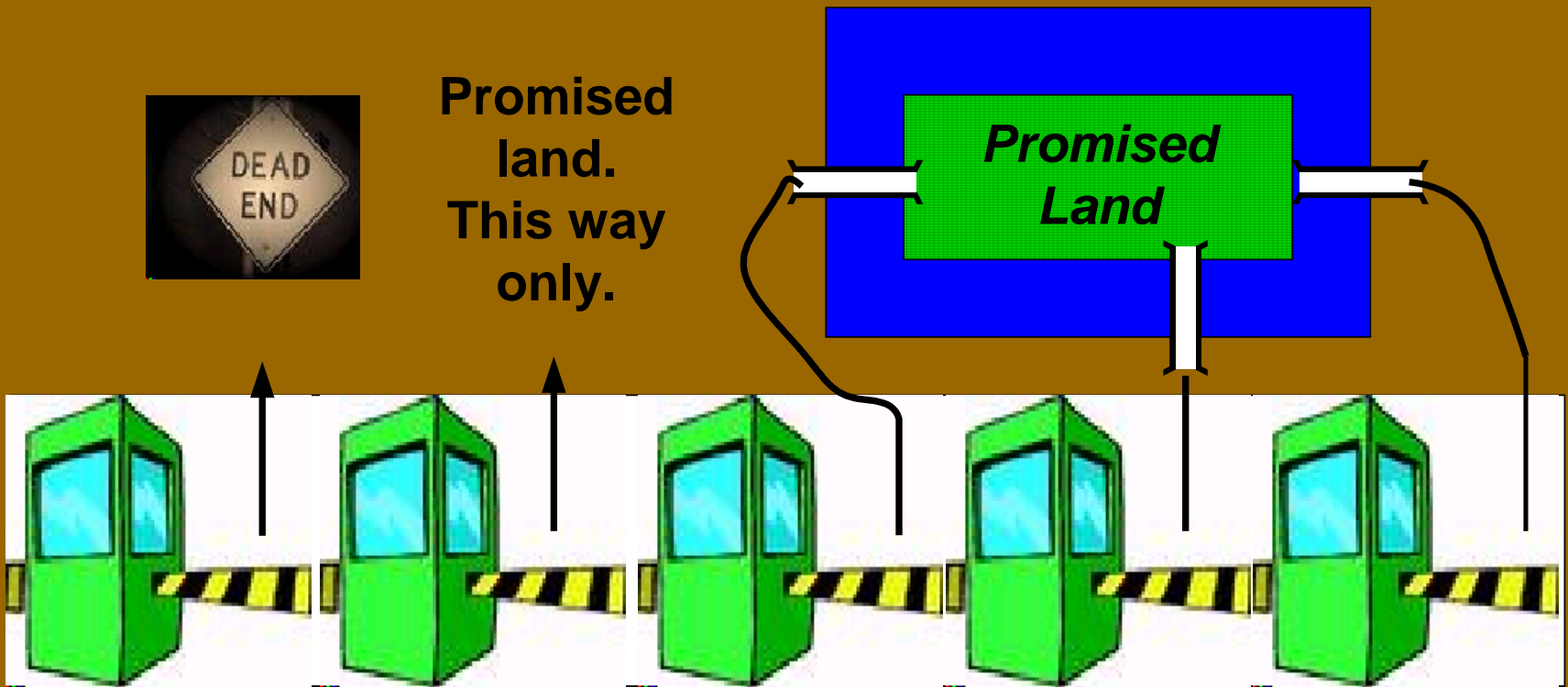
- The main form of patents.
- Need to have idea that is novel and **non-obvious** to one of ordinary skill in the art.
- Must teach the best way you know to make and use the invention.
- Time consuming process
  - for you and the patent attorney.
- **\$\$\$ Expensive.**

# But what is a patent good for?

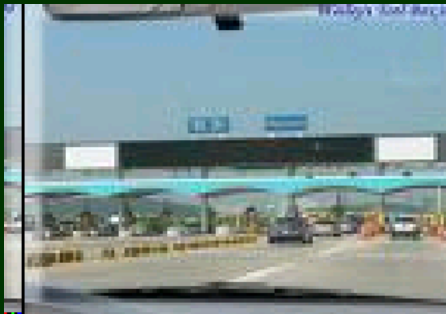
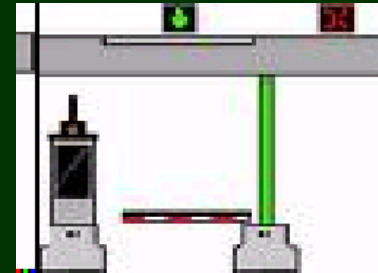
- An issued patent has patent claims.
- The claims serve as **“tollgates”**
- No one should pass through the tollgate without your permission.



# Tollgates that control critical roads are worth more than other tollgates



BTW—Getting a tollgate of your own does **NOT** mean you can drive through other tollgates at will.



Remember Patents are Tollgates *NOT*  
Bulldozers.



Remember Patents are Tollgates *NOT*  
Bulldozers.





# Bicycle Example



- Betty invents simple Betty Bicycle in 2000.
- Betty gets a Patent
- Covers simple two wheeled, inline, foot powered, chain driven, vehicle, steer with front handlebar.
- Mary invents Mountain Bike in 2007
- Mary can get patent claims for Mountain Bike features such as 18 gears, shock-absorbing suspension, added toughness for jumping, et cetera.

But who can make what?

# But who can make what?

- **Betty** cannot make **Mountain Bikes** as they are covered by **Mary's** patent.



- Betty can make her own simple Betty Bicycles.



# But who can make what?

- **Mary** cannot make either the simple “**Betty Bicycle**” or a **Mountain Bike** as the simple **Betty Bicycle patent** covers both.
- Take home message...



# But who can make what?

- Take home message...
  - Patents on the fundamental invention can be **most important.**
  - Patent the concepts in the Alpha product or the Beta, not just the final polished product



# Mary's Mountain Bikes

- Patentability



## Freedom-to-Operate

Several of the improvements in the **Mountain Bike** can obtain patent claims over **Betty's Bicycle**.

One or more claims from the **Betty's Bicycle Patent** cover a simple two wheeled, inline, foot powered, chain driven vehicle, steered by rotating the front wheel by a rotating a handlebar.

# What Can Be Done?

While you cannot reduce the risk of being surprised to

**zero**, you can reduce the risk by doing some **looking**.



# Why Search?

- You do **NOT** want to spend time and money to build a factory to sell

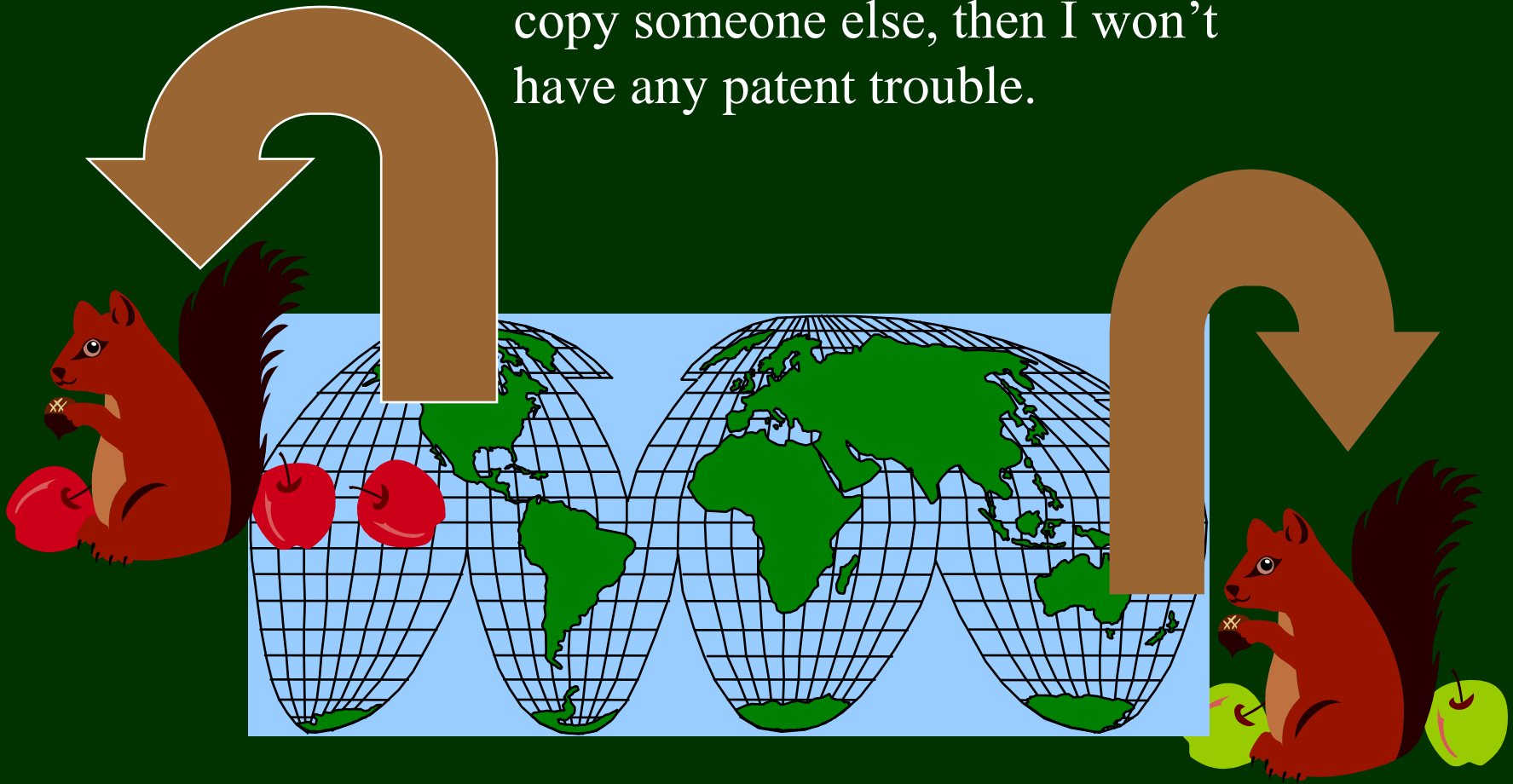
Mary's **Mountain Bikes** and

**THEN**

**learn of the Betty Bicycle patent.**



MYTH: If I am honest and don't copy someone else, then I won't have any patent trouble.



**Reality: includes Convergent Evolution**

# Convergent evolution means

A company may “**invent**” something but be unlucky as some other company invented the same solution and filed a patent application.

The law allows for a company to be an innocent infringer (Law hammers those who **willfully** infringe the rights of others with **damages that can be enhanced up to 3X.**)

Many patents exist for products that never reached the market. So a market search may not be sufficient.

Checking for freedom-to-operate makes sense even if you did not copy anything.

Compare with copyright law where infringer must copy.

# Is Mary's Patent Worthless?

# Is Mary's Patent Worthless?

- NO
- Mary will have commercially significant rights once Betty's Patent is gone.
  - (But only for a few years)

# Is Mary's Patent Worthless?

- NO
- **Mary** could try to invalidate the simple **Betty Bicycle** patent as an obvious improvement to the chain driven unicycle.



# Is Mary's Patent Worthless?

- NO
- MOST LIKELY -- Mary can seek a cross license from Betty so that both can sell high margin **Mountain Bikes**, but **Cindy (a cloner)** cannot sell **mountain bike clones**.

# Time for Questions



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