Patents, Trademarks & Copyrights

NEUSTEL LAW OFFICES
A PROFESSIONAL CORPORATION

GENERAL INFORMATION

Background

Neustel Law Offices, Ltd. was established by Michael S. Neustel with the goal of providing quality intellectual property legal services at an affordable cost to businesses and inventors. Michael Neustel is a patent attorney registered to practice in front of the United States Patent & Trademark Office (USPTO). Michael Neustel received his Bachelor of Science degree in Electrical Engineering from North Dakota State University and his law degree from the University of South Dakota School of Law.

Experience

Today, Neustel Law Offices serves domestic and international clients in many phases of intellectual property law, including consultations on patentability, patenting, licensing, infringement, trade secrets, trademarks and copyrights. We draft patent applications involving mechanical, electrical, process, business method, e-commerce and composition inventions.

Educating the Public

Michael Neustel has presented intellectual property seminars for various organizations such as the North Dakota State Bar Association, the National Inventors Summit and the Minnesota Inventors Congress. He has been interviewed by well-known publications such as *The Wall Street Journal, Forbes ASAP, Newsweek, Newsday,* and *The New York Times* regarding inventor fraud issues. Michael Neustel has been a featured writer for the national inventor magazine, *Inventors' Digest*. He is also the founder of the *National Inventor Fraud Center, Inc.* which provides information about invention marketing companies.

Confidentiality Guaranteed

We understand that most inventors are concerned about the confidentiality of their inventions. For this reason, all employees of Neustel Law Offices are required to sign our Employee Confidentiality Agreement. In addition, we typically provide each potential client an executed Confidential Disclosure Agreement to assure that all information provided will be held in the strictest of confidence.

Consultations

It is a goal of Neustel Law Offices to educate and empower the client so that they can make important decisions. We offer consultations to clients before starting the patent process for a reasonable fee.

INTELLECTUAL PROPERTY

Definitions

Intellectual property is usually an individual's and company's most valuable, yet most neglected asset. There are four basic types of intellectual property protection: patents, trade secrets, trademarks, and copyrights.

Patents protect functional and ornamental designs of products. Trade secrets conceal anything used in the course of business to give a competitive advantage. Trademarks identify the source of goods or services. Copyrights provide the exclusive right to copy literary and artistic expressions.

Example

An easy way to visualize the four basic types of intellectual property is to think of your personal computer. Utility patent protection would apply to the functional features of the electronic circuitry. Design patent protection would apply to the ornamental features of the computer. Trade secret protection would apply to the manufacturing process that allows the manufacturer to produce the computer at 85% of the nearest competitor's cost. Trademark protection would apply to the name of the computer. Copyright protection would apply to the software on the hard drive.

You must be able to distinguish each type of intellectual property protection in order to prevent misappropriation of your intellectual property assets. After reviewing this information, you should be able to recognize the value and benefit of each type of intellectual property as applicable to your individual needs.

PATENTING YOUR INVENTION

Definition

A patent is a right, granted by the United States to an inventor, to *exclude* others from making, using, selling, or importing an invention throughout the United States without the inventor's consent. There are currently over 7 million United States patents issued to inventors. There are two types of patents issued by the United States Patent & Trademark Office (USPTO): utility and design.

Utility Patent

A utility patent protects the *function* of an invention. Utility patents are granted for any new, useful and non-obvious process, machine, manufactured article, composition of matter, or any new and useful improvements to any of these types of inventions. The term of a utility patent is 20 years from the date of filing.

Design Patent

A design patent protects the overall *appearance* of an invention and is granted for any new, original and ornamental design for an article of manufacture. The term of a design patent is 14 years from the date of issuance. A design patent should only be chosen if the appearance of the invention is important.

Should You Patent?

Before seeking patent protection, you should first determine whether your invention is potentially marketable. If your invention is not marketable, you obviously do not need to seek patent protection. Neustel Law Offices does not provide marketability advice.

What is Not Patentable

You cannot receive a patent for perpetual motion devices, abstract ideas, laws of nature, naturally occurring substances, or printed matter. It should also be noted that a *prototype is not needed* when seeking patent protection. An inventor cannot receive a United States patent for an invention *publicly disclosed* more than 12 months ago.

Public Disclosure

Public disclosure includes any sale, offer for sale, public display, exhibit at trade show or printing in a publication, with a few exceptions. It is generally recommended that you seek a patent attorney's opinion if you have any questions regarding whether your invention is patentable.

Benefits of Patenting

Patenting your invention allows you to prevent others from making, using or selling your invention throughout the United States without your consent. A patent is one of the few assets that can increase in value over time. A patent may also increase the value of your business because it is considered a valuable asset by banks and potential purchasers of your business.

There are many ways to financially benefit from a patent. Your patent may be sold outright. You may also license your patent to one or more parties for a percentage of the sale price. You may also be the exclusive manufacturer of your invention. Whether you are a business or an independent inventor, a patent is a valuable asset and is needed to protect you from individuals who could benefit from your hard work.

Detailed Record Keeping

Next to actually filing a patent application, detailed record keeping is an important thing you can do to protect your invention. Proper record keeping is important because it is proof of the conception date (i.e., the date of invention). It should be noted that mailing yourself a sealed letter with your invention documents enclosed is not an accepted method of proving your invention's conception date for the USPTO. All inventors, whether individual inventors or employees of a business, should maintain a bound notebook for recording their inventions.

Bound Notebook

Entries in the bound notebook should contain a clear and complete explanation of the manner and process of making and using the invention. All computations, sketches, diagrams and test results should be entered into the notebook at the same time. Notebook entries should also describe all testing performed, the particular type of equipment used, and the results of the testing, both good and bad. Additionally, all persons involved in the work, and their specific role, should be identified in the notebook entries. Every entry in the bound notebook should be signed and dated by the participants, indicating the particular project with which the entry is associated. If possible, the entry should be signed and dated by a witness or Notary Public.

U.S. First Inventor To File Patent System

As of March 16, 2013, the United States became a *first-inventor-to-file* patent system. This is a significant change since a patent applicant to file first is entitled to the patent rights regardless of their date of invention. However, patents filed before March 16, 2013 are still governed by the *first-to-invent* rules. See www.neustel.com/First-to-File/First-to-File-Patent.aspx for more information.

Patent Search

Though not required before filing a patent application, the first step in the patent process is typically to have a U.S. patentability search completed by an independent patent searcher. Neustel Law Offices hires independent patent searchers to perform United States patent searches.

Patentability Opinion

After the independent patent search is completed, Neustel Law Offices will compare the relevant located patents to your invention. We will then provide you with an opinion of patentability to whether there is a chance of receiving patent protection. The patentability opinion by Neustel Law Offices, along with copies of the relevant patents, will be sent to you after receiving the patent search results.

Patent Application

After you receive the patentability opinion, a patent application is typically filed with the USPTO. A patent application usually includes an abstract, a specification, at least one claim, a Declaration, a filing fee, and usually at least one drawing.

Claims

The most important section of the patent application is the claims, which describe the scope of coverage that the inventor is attempting to receive from the United States government. An experienced Patent Attorney is typically required to receive the most preferable patent coverage for your invention. Adequate patent coverage ensures that potential infringers will be prevented from making, using, selling or importing your invention even if they make a slight modification.

International Protection

We also have associates in foreign countries if you need to file for foreign patent protection. Neustel Law Offices files international patent applications (i.e. PCT) upon request. You must file within one year of your earliest effective U.S. filing date to receive a priority date.

Office Action

After filing the patent application with the USPTO, an Office Action from the USPTO will usually be received within 12 to 24 months. Typically, the USPTO will reject some or all of the claims of the patent application. This depends upon whether the USPTO Examiner believes it would have been *obvious* to create your invention in view of the prior art located by the Examiner.

Response

After receipt of an Office Action, it is then necessary to argue that your invention is patentable based upon the differences between the invention and the art cited by the USPTO Examiner. Legal arguments, decided case law, and structural differences may be used to refute the Examiner's position. A telephone interview with the Examiner may also be arranged to find agreement on any issues of dispute.

PROFITING FROM YOUR IDEA

Venturing

There are two ways to convert an invention into profits: venturing and licensing. Venturing is forming a business to manufacture and market a product. For inventors, the more practical method of making money from your invention is to license the patent rights to a company.

Licensing

Licensing your patent rights occurs when you permit a manufacturer to commercialize your invention in return for royalties or other suitable arrangements. Licensing benefits an inventor who lacks the resources or interest to manufacture and market the idea. Licensing also benefits the manufacturer by reducing the need for costly research and development departments while obtaining novel ideas. Michael Neustel assists inventors with the licensing of their patent rights, and he can possibly assist you in the licensing of your patent rights.

Locating Manufacturers

If you decide to license your invention to a manufacturer, we have a list of databases that contain information about manufacturers throughout the United States who are potentially seeking new products. Utilizing these computer databases, you can create a list of manufacturers that will potentially be interested in licensing or purchasing your patent rights. You can access these databases on our website (www.neustel.com).

Invention Marketing Companies

We estimate that millions of dollars are lost to invention marketing companies each year. You will want to be careful with many invention marketing companies since they are sometimes interested only in the up-front fees they charge, not the success of your invention.

Opportunity to be Successful

An old Chinese proverb says, "Men who say it cannot be done, should not interrupt those doing it." Every inventor experiences difficulty in developing their inventions. However, to profit from your invention you must overcome these difficulties. Albert Einstein once said, "In the middle of difficulty lies opportunity." We help provide the opportunities which can make your invention successful. We understand that it takes courage to develop your invention, and we are here to work with you.

TRADEMARKS

Definition

A trademark or service mark can be a word, phrase, logo, design or combination of these that identifies the *source* of particular goods or services. Under United States common law, a mark is considered a trademark once it is in actual use.

Notices

Anyone who claims rights in a mark should use the symbols TM (trademark for goods) or SM (service mark for services) to alert the public to their claim to an unregistered mark. You do not need to have a trademark application filed or a registered trademark to use these symbols. The registration symbol ® may only be used when the mark is actually federally registered with the USPTO.

Selecting a Trademark

Selecting a registrable mark prior to introducing a new product or service will save time and money when you attempt to register your rights. Trademarks are typically classified into four basic categories: generic, descriptive, suggestive, and arbitrary. Generic trademarks are not registrable since they describe the whole class of goods such as the word "spoon." Arbitrary marks are the best choice when selecting a trademark since they have absolutely no meaning associated with the owner's product or service, such as the word "Excalibur."

Trademark Search

A trademark search should be completed for determining whether your proposed trademark is eligible for use and federal registration. For words or logos, a search should be conducted of federal records maintained by the USPTO. A State trademark and Common Law search may also be completed since rights in trademarks vest initially with the first to use the trademark in commerce.

Federal Registration

Federal Registration of a trademark provides constructive notice that the mark is in use and that the owner is entitled to use the mark throughout the United States for the goods and/or services described in the registration. Federal Registration of a trademark can last indefinitely if properly renewed. There are two types of applications: "use-based" or "intent-to-use." A use-based application is utilized when the applicant is using the mark in interstate commerce. An intent-to-use application is used when the applicant has not used the mark in interstate commerce but intends to use the mark and wants to reserve it for future use.

COPYRIGHTS

Definition

A copyright centers fundamentally upon the original *expression* of an idea whether literary, artistic, commercial or otherwise as long as it is recorded upon a tangible medium. A copyright protects works which are literary, musical, dramatic, choreographic, graphic, audiovisual, architectural and sound recordings. The author of the work has exclusive rights upon recording or documenting it in a tangible medium. The Copyright Act grants copyright owners exclusive rights in five categories: reproduction, adaptation, public distribution, public performance and public display.

Scope of Protection

Copyright protects only the form of *expression,* not the underlying *idea* since concepts, ideas, and thoughts themselves are free to all. For works created after 1978, copyright protection lasts for the author's lifetime plus 70 years after the author's death. However, if the copyright is a "work made for hire," the copyright lasts for the shorter of the term of 95 years from date of publication or 120 years from the date of creation.

Copyright Notice

It is no longer necessary to place a copyright notice on a distributed work to enjoy federal copyright protection. However, it is recommended to use a copyright notice on all works; otherwise, an alleged infringer may claim "innocent infringement" as a defense. The copyright owner may affix the statutory copyright notice to all publicly distributed copies of a work in a manner that provides reasonable notice. A copyright notice consists of three elements: (i) the word "Copyright," "Copr." or "©;" (ii) the year of first publication; and (iii) the name of the owner of the copyright, for example:

Copyright 2015 Excalibur,
Inc. All Rights Reserved.

Benefits of Registration

Registering a copyright has many benefits and is required before bringing an infringement lawsuit. If the copyright is registered within three months of the work's first publication or before an infringing act, the owner may be entitled to statutory damages and attorneys fees in an infringement suit which are not available to unregistered copyrights. Finally, federal registration is *prima facie* evidence of the validity of the copyright if registered within five years of the first publication.

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