

801 Identifying & Managing IP Assets

N. Thane Bauz Counsel, IP Business The Boeing Company

Alfred R. Cowger

Executive Vice-President and General Counsel

Dana Classic Fragrances, Inc.

Christopher W. Ekren Vice President, Group Counsel Sony Electronics Inc.

John C. Gregory, Jr. General Counsel STREAMLIGHT, INC.

Faculty Biographies

N. Thane Bauz

N. Thane Bauz is currently counsel to Boeing's intellectual property business in Irvine, California. His concentration is strategic counseling, assertion, and licensing of key Boeing patented technologies, including composites, networking equipment, computers, avionics, manufacturing technologies, electronic circuitry, and metallurgy.

Mr. Bauz was previously a principal of a national law firm and a law clerk to the Honorable Wilson Cowen of the United States Court of Appeals for the Federal Circuit. He is registered to practice before the United States Patent and Trademark Office.

Mr. Bauz received a B.S. from the Illinois Institute of Technology (highest honors), a J.D. from Chicago-Kent College of Law (Centennial Scholar), and a LL.M. from the George Washington University (highest honors).

Alfred R. Cowger

Alfred R. Cowger is the executive vice-president and general counsel for Dana Classic Fragrances in Mountain Top, Pennsylvania. His responsibilities include being Dana's sole in-house counsel, acting as corporate secretary, maintaining intellectual property with an emphasis on trademarks (including representing the company in oppositions and infringement actions), overseeing all human resources activities, and heading Dana's licensing and international distribution programs. Mr. Cowger has been with Dana since its founding, when Dana's shareholders purchased the assets of a bankrupt company.

Prior to Dana, Mr. Cowger was in-house counsel for Alcan Aluminum Corp. in Cleveland, Ohio, after which he spent one year in Sofia, Bulgaria on a legal reform project.

Mr. Cowger received a B.A. from Cornell University, and a J.D. from Case Western Reserve University.

Christopher W. Ekren

Christopher W. Ekren is vice president and group counsel at Sony Electronics Inc. in San Diego, California. His team's responsibilities include supporting the legal needs of the company's corporate marketing, new business development, personal computer/information technology, business sales, retail, and wireless divisions.

Prior to joining Sony, Mr. Ekren practiced corporate and technology law with Heller Ehrman (Silicon Valley) and Hughes and Luce (Dallas).

Mr. Ekren is the incoming chair of the ACC's Intellectual Property Committee and the incoming president of ACC's San Diego Chapter.

Mr. Ekren received a B.A. from Rice University and is a graduate of the University of Chicago Law School.

John C. Gregory, Jr.

John C. Gregory, Jr. is general counsel to Streamlight, Inc., in Eagleville, Pennsylvania, a leading manufacturer of high end lighting equipment, including flashlights, lanterns, and headlamps for law enforcement and fire fighters. In addition to his duties relative to Streamlight in-house corporate legal matters, Mr. Gregory is directly responsible for the oversight and management of Streamlight's intellectual property portfolio consisting of over 100 domestic and international patents issued or pending and over 60 trademarks. Mr. Gregory is Streamlight's first and only in-house lawyer.

Mr. Gregory's previous experience includes private practice, consultant to AT&T/Lucent's Intellectual Property Group and various start-up enterprises, including a biometric signature verification software company and a vaccine company co-founded with Russian inventors and scientists.

Mr. Gregory received his B.A. from the University of Rhode Island and his J.D. from the Pierce Law (formerly the Franklin Pierce Law Center in Concord, NH).



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Christopher Ekren Alfred Cowger, Jr. John C. Gregory, Jr. N. Thane Bauz

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Leveraging IP

- IP -- a revenue generating asset?
 - Patent filings have doubled in past ten years
 - Patent royalties went from \$500M to \$100B
 - 2015 patent licensing revenue projected to be \$500B
- Boeing, Lucent, Microsoft, TI, IBM, etc.
 - Created IP Revenue Centers
 - Employed new strategies to leverage IP in new ways

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Leveraging IP

- Take Away From Leveraging Presentation:
 - IP as a **revenue generating** asset
 - Law department as a revenue center
 - Overcoming internal resistance
 - The "Gross \$ Value" Equation
 - Requisites for leveraging the portfolio
 - Sample "unorthodox" IP value deals



Resistance to Change

- Corporate Culture
- Penny Wise Budget Management
 - Law Department run as a cost center
 - IP leveraging efforts cost more
- Lack of IP Sophistication
 - Reactive mindset
 - Not understanding Gross \$ Value Equation
- Risk Aversion

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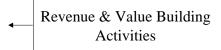


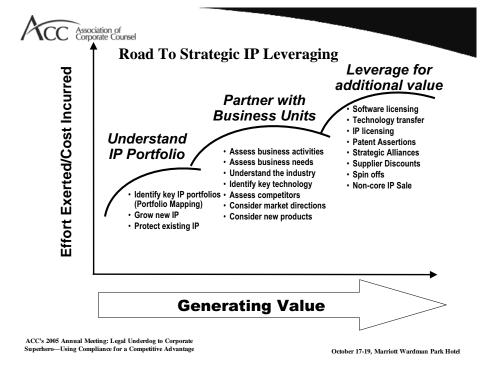
IP Law Department Services

- Safeguard Competitive Advantage (Traditional IP Functions)
 - Harvesting Invention Disclosures, Patent Drafting & Maintenance
 - Trademark protection
 - Corporate IP Education/Awareness
 - Defensive IP Activities
- Licensing Program
 - Licensing know-how, patents, trademarks and data to others
 - Advise BUs to leverage IP
 - Strategic Patent Assertions
- Disposition of IP assets
 - Patent & Know-how Sale
- Augment IP assets
 - Joint Developments
 - Spin Offs
 - Outsourcing Deals

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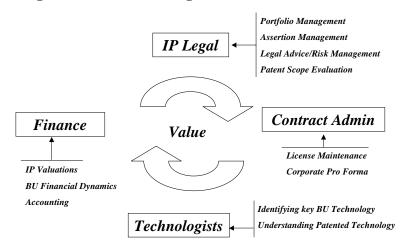
IP Leveraging Process



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Sample Roles and Responsibilities



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Positive Attributes

- Improved IP Capture and Management
 - Can include COST CUTTING
- Improved BU Competitive Position
 - Protect or enhance market share
 - Encumbrance & outsourcing freedom
 - Better business deals
- Return on Investment
 - Royalty generation
 - Enhanced product sales
 - Efficient use of resources

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Negative Attributes

- Costs Incurred Immediately/ROI Takes Time
 - Successful licensing may take years
 - Portfolio leveraging may have set backs
 - Business unit cooperation may be "seasonal"
- Value Generation is Not Readily Apparent
 - "Strategic IP deals" don't affect bottom line
 - Ability to protect market is not on the balance sheet
- Balance Sheet Return May Be Small on BU Scale
 - Remember "Gross \$ Value Equation"



Deal 1: Tech Transfer

- Technology transfer of core manufacturing know-how to non-core Company A, e.g., CNC positioning system able to drill, rivet, weld, trim and inspect large surfaces;
- Offer to license of underlying patents and know-how; and
- Royalty based on usage with grant backs

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Deal 2: Outsourcing Technology

- Technology developed by BU
- Not practical to implement technology
- BU outsources technology via IP license
- BU gets discounted supply contract from licensee, grant backs, etc.



Deal 3: BU Non-Core Asset Sale

- Company A leader in Non-Core field
- Company B direct competitor of Company A
- Company A asserts IP against Company B
- Company B buys BU's Non-Core IP Assets
- Company B counters Company A's assertion

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Deal 4: Foreign Government Contract

- BU wants Foreign Gov contract
- Foreign Company A wants to build BU subassembly
- Transfer patent, know-how & technology to Company A
- X year term, royalty and grant backs to BU
- Foreign Government buys BU product

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APPROACHES TO MANAGEMENT OF TRADEMARKS IN-HOUSE

Three approaches to cost control and trademark administration.

Al Cowger Dana Classic Fragrances August 1, 2005

I. APPROACH ONE: TOTAL OUT-SOURCING

- A. Advantages: let an expert with resources do it all
 - Outside counsel has the resources to maintain company's registry and docket, and bears responsibility for errors
 - 2. No need to locate or instruct foreign counsel for registration, renewal and oppositions.
 - 3. Outside counsel maintains and reviews trademark watch service.
 - 4. Outside counsel arranges for and does initial review of pre-registration searches.
 - Outside counsel is responsible for all U.S. matters, including filing registrations and renewals, responding to Office Actions and filing or defending oppositions.
- B. Disadvantages: high cost and risk of lax oversight
 - Very costly since virtually all work is charged, including simple filing and correspondence (insist on non-traditional billing)
 - $2. \ \ Hard to detect deficiencies or inefficiencies in service (both U.S. and foreign).$
 - 3. In-house counsel ends up doing a substantial amount of work anyway:
 - a. review all trademark watch notices, foreign counsel requests, pre-registrations and USPTO actions to inform outside counsel what to do.
 - b. determine which trademarks to review or abandon based on corporate policy (or create one where none exists....)
 - c. undertake continual diligence against infringers (internet searches, Ebay offerings, news clippings, etc.)
 - too easy to fall into habit of being simply a pass-through from marketing and product development to outside counsel, without adding value to the process.

II. APPROACH TWO: BRING ADMINISTRATION IN-HOUSE

- A. Assumption of one or more of the following administrative matters:
 - 1. Maintenance of company registry and docket.
 - 2. Oversee foreign counsel's work
 - 3. Undertake all pre-registration searches prior to asking outside counsel to file trademarks.
 - 4. Do the filing, renewals and use affidavits yourself.
- B. Advantages—avoiding/absorbing substantial administrative costs:
 - 1. Saves substantially on outside counsel fees, such as paralegal charges, charges just for "rubber stamping" or drafting pass-through correspondence, and charges simply to ask in-house counsel's opinion.
 - 2. Allows in-house counsel to keep involved in outside counsels' activities, and thus inefficiencies or errors.
 - 3. Makes the in-house counsel more involved with Marketing and other management regarding new products, and extensions or abandonment of existing lines.
- C. Disadvantages-half-way sometimes worse than not at all
 - 1. Depending on the number of trademarks, may require additional personnel (probably can justify cost by comparing to outside counsel's paralegal charges).
 - 2. In-house counsel is primarily responsible for missed deadlines, wrong database info, etc., and thus outside counsel errors more likely to be blamed on in-house counsel.
 - 3. Still substantial fees required for outside counsel work (foreign and domestic)—sometimes hard to explain why in-house counsel needs an increase in headcount but still will pay large outside counsel fees.

III. APPROACH THREE: BRING MOST WORK IN-HOUSE

- A. Assumption of all domestic administrative work, oversight of foreign counsel AND USPTO work (including oppositions and cancellation actions). Use outside counsel only for litigation and major efforts needing more resources than you can provide in-house.
- B. Advantages—major cost savings and full control of effort (at least in U.S.)
 - 1. Clear demonstration of value added to company.
 - 2. Able to manage work to reflect company strategy, as opposed to just approaching a matter "the way it's always done".
 - 3. The more knowledge you have of potential trademark administrative and USPTO problems, the more proactive you can be to avoid them.
- C. Disadvantages—assuming responsibility in unknown territory
 - 1. Most in-house counsel not versed on procedural details with USPTO
 - 2. TTAB matters are like federal litigation (including adoption of FRCP)—if you don't know how to litigate, you probably don't want to learn now.
 - 3. However, TTAB "trial" is more like civil law countries—be prepared to litigate by transcripts, documents and briefing, not by open-court process.

IV. OTHER COST FACTORS TO CONSIDER

- A. Educate management about costs of trademark administration:
 - Cost of registration vs. value from registration (does Marketing really need/want to register a new trademark for a promo program?)
 - 2. Costs to maintain trademarks, including abandonment risks (no, you can't "reserve" a trademark in case you need it in five years)
 - 3. Costs related to (and inevitability of) litigation to defend TMs
 - 4. Costs related to FAILURE of management to understand management issues.
- B. Coordinate trademark usage with non-U.S. subsidiaries and affiliates (oversight of their usage of TMs, their distribution agreements, correct inter-company licenses, etc.)
- C. Contact your CFO/accountant about tax planning issues (royalty payments, capitalization vs. deduction of expenses, etc.)



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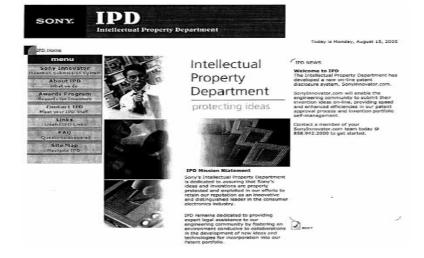
Identifying and "creating" IP Assets: Patents, Copyrights; Trademarks, Trade Secrets, Other "Assets?"

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Association of Corporate Counsel

Management and Employee Training: Getting the Word Out

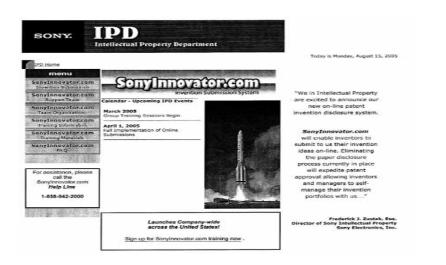


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Sony Patent Award Program (con't)

Upon notification of an Intellectual Property event, our Awards Administrator will make a printed request to the Payroll Department for the amount of which you are entitled. At that time, the Payroll Department will process a payment for you that can be incorporated into your next regular paycheck by direct deposit.

What type of events are "not" eligible for an award?

Sony will always endeavor to recognize the inventive efforts of our employees. However, there are some Intellectual Property events that will not be eligible for a monetary award. Those events and the reason for non-payment of those events are detailed for you as follows:

Provisional Patent Application

A Provisional Patent Application is considered a "temporary" place holder within the U.S. Patent & Trademark Office (USPTO). Thus, no award payment can be given until such time as a business decision is rendered by the affected business group, and the Intellectual Property Department, to proceed to prepare and file a Utility Patent Application within the USPTO based on that provisional filing. Such a filing decision can be deferred for one year from the filing of the Provisional Patent Application.

Continuation Applications, Continuation-in-Part Applications and/or Request for Continued Examinations (RCE's)

Because these types of applications are considered continued examination of an existing application, no further awards can be rendered.

Who do I contact if I have questions regarding the Awards Program?

If you have any further questions, please contact our Awards Administrator, Kathie Sanks at 858-942-2741. kathie.sanks@am.sony.com

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SONYINNOVATOR.COM INSTRUCTIONS FOR INVENTION SUBMISSION

1. Go to www.sonyinnovator.com, or go to the (IPD) intellectual Property Dept. homepage at: http://www.sdemg.adp.sels.sony.com/pd/ and in the left hand navigation menu, click the first item, SonyInnovator (Invention Sudmission System)

- When the next page appears, click the first item again within the navigation menu, SonyInnovator, com (Invention Submission).
- The Sonyinnovator.com Log-In display will then appear.
 Simply enter your Sony email address on the first line, and the password, "sony," on the second line, and click the Log-In button.



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PROFILE >

- 1. Upon entering SonyInnovator.com, the homepage will appear with a Sony Message that reads, "Please ensure that your biomanhial information in correct Cities here to self upon refine" and the control of the contr
- At the top of the page you will see Profile Display Information
 with various categories you can click to control what information others
 will see. The next panel below that is for Biographical Information.
 Please be sure to fill-in all fields marked in red, especially email address,





<u>SONYINNOVATOR.COM</u> INSTRUCTIONS FOR INVENTION SUBMISSION

SUBMISSION :

- Within the left hand navigation bar, under the title Innovator Home, click on Sabmit New Innovation. Enter your Invention Title in the first field at the top of the page, and in the Invention Title in the first field at the top of the page, and in the Invention Type field directly below that, click the drop-down menu and select Invention Disclosure. Additional fields will automatically appear.

 >>>
- We suggest you skip over the Keywords field and go directly to the next field, Description, and enter a fairly detailed one-to-two paragraph description of your invention. Then select appropriate descriptive words from your description to fill-in the keywords above.
- You may choose an Attorney and Outside Counsel to review your invention, or one will be assigned to for the task. Then simply disregard the next field, IPD Number, because your invention will automatically be numbered when submission is complete.
- The next two fields that follow allow you an opportunity to explain to Sony administration, attorneys and fellow-inventors of your choosing, why your invention has value and or may inspire new product development.
- 5. The Add Forms option is next, allowing you to click Additional Inventors, E-Docs, Other Attachments, or Links, if any exist. Should you select any of these, short panels will appear providing you an opportunity to add co-inventors, attach folders or documents in your computer, or attach links to various websites.
- The <u>Invention Disclosure section</u> follows, with a series of straight-forward quick questions.



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Finally, you decide whether to click Save and Share, if you feel your invention is complete and ready for review, or click Draft Only, if you prefer to share your draft with your peers or you think more details are recessary before the invention is ready for sharing. Then click the Save hatton directly below that to close the page.



For More Assistance Please Contact the SonyInnovator Team

Carrie Merzbacher 858 - 942 - 2897 www.carrie.merzbacher@am.sony.com

Brian Moon 858.942.2893 www.brian.moon2@am.sony.com

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To Log or Not to Log?

Trademark Training: Creating a Brand Marketing Culture

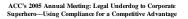
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Trade Secrets: The use of Nondisclosure Agreements



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400		DATE OF THIS AGREEMENT ("Effective Date"):	or other remedy or in defining the scope of any required disclosure.
638	5	TERM OF Disclosure ("Term"):	 Provided that each party does not otherwise violate its obligations with respect to the other party's Confidential Information, no discussions and/or communications between the
-	,	Prom the Effective Date until	parties bereaster or otherwise: (i) will serve to impair the right of either party to develop, make, use, procure, audior market products or services now or in the future that may be competitive
	3.	PARTIES:	
		West Bernardo Drive, San Diego, CA 92127 ("Sony"). with an address at 16450	information to the other; (iii) will result in any obligation on the part of either party to easer into any further agreement off any kind; or (iv) will constitute an option, grant or license to the
		, with an address at ("Company")	receiving party under any patent, copyright, trade secret or other rights now or hereinafter held by the disclosing party. All Confidential Information of the disclosing party is provided to the
			receiving party on an "AS IS" basis, without warranty of any kind.
	•.	DISCLOSING PARTY (Check either or both, as appropriate):SeeyCompany	 All the disclosing party's Confidential Information, and all inventions and developments which arise therefrom, are and will remain the sole property of the disclosing
	5.	NATURE OF DISCLOSURE (Check either or both, as appropriate):	party. Receiving party will return disclosing party's Confidential Information and any copies of
		Technical (e.e.: hardware, noftware, inventions, trade secrets, designs, research,	same upon expiration of the Term, or at such other time as the disclosing party may request; provided, however, that the receiving party may retain one copy thereof in the confidential,
		know-how) Non-technical (e.g.: business methods, production plans, marketing plans)	restricted access files of its Law Department for use only in the event a dispute arises between the portion berounder and only in connection with that dispute.
			14. Each party agrees to comply with all applicable laws and regulations in connection
	6.	SUBJECT OF DISCLOSURE ("Confidential Information"):	with the performance of its obligations under this Agreement. In order to enable the disclosing party to disclose technology or software to the receiving party in compliance with the
		Soay:	requirements of the U.S. Department of Commerce's Export Administration Regulations including but not limited to Part 740.6, the receiving party breeby gives assurance to the
			Department of Commerce's Bureau of Export Administration, reexport or release the technology and/or software, including source code, to any one of the countries listed in Country Groups D.L.
		Company:	E-1 or E-2 of Supplement No. 1 to Part 740 of the Export Administration Regulations or to a national of any one of those countries.
			15. Under this Agreement or under any subsequent contract or subcontract between the
			parties which relates to the Confidential Information disclosed hereunder, neither party will provide to the other, orally or in writing, any; (i) U.S. government classified information relating
	7.	PURPOSE OF DISCLOSURE ("Purpose"):	to weapons or weapons systems; or (ii) my otherwise restricted information, the receipt, disclosure, use or retestion of which causes a violation under any provision of the United States
			Code.
			16. This Agreement is deemed to be made and executed in the State of California, and any
	8.	The disclosing party may disclose its Confidential Information to the other (i.e., ving party) during the Term and in accordance with this Agreement. For a partial equal	dispute arising hereunder will be resolved in accordance with California law (exclusive of its conflicts of law principles). The parties hereby consent to and submit to the jurisdiction of the
	to the longer of three years from the Effective Date or two years from the expiration of the		federal and state courts located in the State of California, and any action or suit under this Agreement will only and exclusively be brought by the parties in the federal or state court with
party to only such of its emple information for the Purpose, and		to only such of its employees and contractors who: (i) require such Confidential	appropriate jurisdiction over the subject matter thereof established or sitting in the State of California. The parties will not raise in connection with, and hereby waive, any defenses based
		mation for the Purpose, and only for and in furtherance of such Purpose, and, (ii) have and in writing with the receiving party to maintain the confidential gature of all information	upon the venue, the inconvenience of the forum, the lack of personal jurisdiction, the sufficiency of service of process, by the like in any such action or suit brought in the State of California.
	(including that of third portion) received by them in the course of that sugaponant. The receiving party most send such facilities and profit for the proposal of any proposal receiving party, most send such facilities and profit for the profit of the profit of er disclosure with at liast the same degree of ours as the receiving party nermally necession to protect to sown information of the character and imagentance, but in one overal less share protect the sown information of the character and imagentance, but not overal less share the disclosure. Each receiving party must take all reasonable measures including, but not limited to, caused protecteding, and to one segments, in statulate in employees or commence or		Either party's waiver of any breach or failure to enforce any of the provisions of this Agreement
			at any time will not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance with every provision bereof. Neither party will assign any rights nor
- 1			delegate any duties under this Agreement without the prior written consent of the other party, and any such attempted againment or delegation will be void. This Agreement will be binding
			upon the parties' authorized successors and assigns. The parties acknowledge that breach by a receiving party of its obligations of confidentiality and non-use beresnder would cause
			irreparable harm for which remedies at law would be inadequate, and therefore such breach will
			entitle the directoring party to seek immediate injunctive relief. No modification of this Agreement will be effective unless in writing and signed by both parties. This Agreement
	infor	mation to any of its direct or indirect parents, subsidiaries or corporate affiliates, provided my such party agrees to be bound by this Agreement to the same extent as Sony is bound.	constitutes the complete agreement between the parties concerning the subject matter hereof and supersedes and cancels any and all prior communications and agreements between the parties
	9. With respect to each party, for purposes of this Agreement the term "Constituents information and the property of the Agreement of the season of the s		WITH ANY ACTION OR SUIT ARISING UNDER THIS AGREEMENT OR OTHERWISE
1			ARISING FROM THE RELATIONSHIP BETWEEN THE PARTIES HEREUNDER.
			17. This Agreement may be executed in two or more identical counterparts, each of which
			will be deemed to be an original and all of which taken together will be deemed to constitute the Agreement when a duly authorized representative of each party has signed a counterpart. The
	10.		parties may sign and deliver this Agreement by facsimile transmission. Each party agrees that the delivery of this Agreement by facsimile will have the same force and office as delivery of
		The "Confidential Information" of a disclosing party expressly excludes any mation of the disclosing party that the receiving party can demonstrate: (i) was already	original signatures.
		to by the receiving party or its corporate affiliates; (ii) is obtained by the receiving party is corporate affiliates from a third party lawfully in possession thereof without any	Sony Electronics Inc.
	oblig the re	ignation of confidentiality, (iii) is or becomes part of the public domain through no fault of receiving party or its componia affiliates; (iiv) is independently ascertained or developed by for the receiving party or its componia affiliates by its employees or any third party without of such Confidential Information; or (y) is approved for public release by witten	Ву:
- 1	or for		Print Name:
	iutho	orization of the disclosing party.	Title:
	II.	In the event the receiving party is required by law, regulation or court order to one any of the Confidential Information of the disclosing party, the receiving party will	Company
	proem	pidy notify the other party in writing prior to making any such disclosure in order to allow lisclosing party to seek a protective order or other appropriate remady from the power	By:
the auth		liselosing party to seek a protective order or other appropriate remedy from the proper wity. The receiving party will ecoperate with the disclosing party in seeking such ceder	Print Name:

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

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That Pesky "Residuals" Clause

Ice Nine: The Perils and Promise of "Open Source"

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Standardization Activities: Learning from <u>Dell</u> and its progeny

Managing Inbound Licensed Rights: Microsoft "Audits"; Copyright "Clearances" and other esoterica

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Align the Powers that Be...

- Align departments achieve "buy in" from executives, engineering, marketing and sales, HR;
- Align short and long term corporate goals and strategies with IP portfolio development and protection;
- Align R&D with competitive analysis and perceived market needs.

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Corporate Policy Considerations...

Employment Contracts – as a condition of employment, require key personnel and key new hires to sign employment contracts with terms designed to protect the company's IP

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Specific terms and conditions should include:

- mandatory assignment of all company related inventions (including power of attorney);
- restrictions on disclosure of confidential information;
- non-complete and non-solicitation clauses (state law controls);
- prohibition on removal of corporate property, i.e. computer programs etc;
- a no conflicts or confidentiality obligations;
- identification of prior inventions list inventions
 (patented or unpatented) made or conceived prior to
 employment which may be excluded from this Agreement.

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Confidentiality obligation goes beyond R&D personnel to include executives, managers and directors involved with corporate strategy, systems managers, programmers, marketing and advertising personnel, production personnel in some cases, vendors/suppliers when possible, independent contractors, related companies.

Confidential Information includes trade secrets; inventions; discoveries and research results, whether or not patented; information relating to the Company's design and manufacturing practices, business plans, sales and marketing strategies; non-public financial information pertaining to the Company; information about the Company's vendors, customers and prospects; information which was received or accepted by the Company from any third party under an obligation of confidentiality.

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(sample assignment language)

"...I agree that I shall fully and promptly disclose and assign all work, ideas, developments, designs, inventions, improvements, discoveries, computer software, patents, trade concepts, trade secrets, trademarks and copyrightable materials or other proprietary information made, conceived or developed by me solely or jointly with others during my employment by the Company or with the assistance of the Company's facilities, whether or not made during working hours or on the Company's premises ("Inventions")...including inventions I conceive and/or develop during the first six-months following the termination of my employment with the company ...provided no exception exists (prior lawful public disclosure)..."

Mining Intellectual Capital...

... Who, What, Where and When ...

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Developing "Patent Consciousness"

- Orientation for new hires (R&D; engineering; marketing personnel) – house rules re: documentation, disclosure statements, publication
- Publish guidelines on internal website, pamphlet
- Regular Training Sessions reminders and updates on changes in the law;
- Ongoing Tutorials working with individuals on a case by case basis…experience is best teacher…



Key Corporate Patenting Issues...

- Inventorship contributor to inventive matter as claimed in patent – invalidity issue
- **Documentation** duty to keep; witness; retention (first to invent system) − goes to novelty and date of conception

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Disclosures Statements

Use standard form for inventor(s) to complete which contains...

- title;
- contributors/inventors;
- alleged third party interests;
- description of invention;
- reduced to practice;
- comparative analysis to prior art;
- uses/products;
- preferred embodiments

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Non-disclosure Prohibitions:

- publication/use/sale absent NDA;
- overzealous sales and marketing departments (i.e. publicize before filing);
- discourage peer review;
- 18 month publication

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Prompt filing Concerns:

foreign filings;

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- statutory bar (1 yr grace period in US only "absolute novelty in rest of world);
- publication/use/sale considerations possible lost rights (i.e. before pubic disclosure);
- establish earlier filing date relative to impact of "later art";
- avoid issues of abandonment, suppression or concealment.

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Paperwork ...

- small company verification;
- Oath or declaration
- Information Disclosure Statement (IDS);
- assignment;
- corrections

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Influencing factors on patenting...

- Design v. utility patents (other: business methods; foreign design registrations etc)
- file early and often in core areas
- tie patent to company strategy and goals (market penetration goals);
- right patent at right time for right thing (targeted invention)
- avoid wasteful investment in R&D/marketing where idea infringes
- act quickly to stop infringement possible willfulness damages if wait too long
- potential defenses to infringement (non-infringement; invalidity).

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Working with outside counsel...

- issue spotting;
- no substitute for competency;
- quick response just a phone call away;
- litigation considerations choice of counsel based on different criteria
- alternative billing; incentives for good product; limit number of outside firms

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What seeking from outside counsel...

- review disclosure and interview inventor
- freedom to operate / right to use
- patent validity searches / non-infringementopinions respect IP rights of others
- draft patent application (drafting techniques...number and length of claims)
- rejections, objections, office actions



Provisional Application Benefits ...

- preserve early filing date;
- refine product applications;
- test market before incurring additional costs;
- draft for later utility application saves time and cost in long run

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"Third Party" Issues ...

- Unsolicited submissions restrictions...patented ideas only...
- Acquisition of patents due diligence; transfer and assignment
- Licensing out and licensing in....
- Patent assertion....goals: prohibit others from making and selling products which infringe on your patent...revenue source

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Other patent considerations...

- Budget management perception; risk reward; new product v. enhancement;
- valuation and financial transactions (i...e. loans, security interest, public offerings);
- patent infringement insurance;
- marking issues;
- international protection / grey market;
- trade secret comparison (state law controls...wide adoption of Model Trade Secret Act...benefits v. patents: longer duration / risk: disclosure);
- ability to analyze competitors' strength and new product development via USPTO and foreign patent searches.

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Useful Tools to In-house Practitioner...

- IP database docketing software to track filings, stakeholders, status, costs, and auto notice of important dates relative to date of first use; fees; renewals; and other due dates
- Internal compliance rewards...bonuses, patent certificates framed, awards dinners

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