

INTERNATIONAL CENTER OF NEW ENGLAND

FEBRUARY 18, 1976

HOMER O. BLAIR

THE ROLE OF PROPRIETARY ASSETS
IN LICENSING AND JOINT VENTURES

I. PROPRIETARY ASSETS - WHAT ARE THEY?

WHAT CAN YOU DO WITH THEM?

- A. PATENTS
- B. TRADE SECRETS AND KNOW-HOW
- C. TRADEMARKS
- D. TRADE NAMES
- E. COPYRIGHTS

A. PATENTS

1. BASIS - U.S. CONSTITUTION

ARTICLE I SECTION 8 - POWERS OF CONGRESS ^{NOT LIMITED}
^{EXCEPT #8}
COLLECT TAXES, COMMERCE CLAUSE, COIN MONEY, DECLARE WAR,
PROVIDE ARMY & NAVY, SET UP D.C., ETC.

#8 "TO PROMOTE THE PROGRESS OF SCIENCE AND USEFUL
ARTS BY SECURING FOR LIMITED TIMES TO AUTHORS
AND INVENTORS THE EXCLUSIVE RIGHTS TO THEIR
RESPECTIVE WRITINGS AND DISCOVERIES"

2. INVENTION -- SOMETHING THAT WAS NOT THERE BEFORE

3. RIGHT TO EXCLUDE OTHERS
NO RIGHT TO DO ANYTHING
NOT MONOPOLY
BELL TELEPHONE EXAMPLE
EUROPEAN COPIER COMPANY EXAMPLE
4. U.S. AND FOREIGN -- NO EXTRATERRITORIAL RIGHTS
5. PATENT APPLICATION -- NO RIGHTS UNTIL ISSUED
6. PATENTS DISCLOSE INFORMATION AVAILABLE AT TIME OF
FILING PATENT APPLICATION
ISSUED PATENT USUALLY DOES NOT INCLUDE ACTUAL COMMERCIAL
DETAILS WHICH ARE NEARLY ALWAYS DEVELOPED AFTER PATENT
APPLICATION IS FILED AS PATENT APPLICATION SHOULD BE
FILED IN U.S. PATENT AND TRADEMARK OFFICE AT AN EARLY
STAGE OF DEVELOPMENT.
7. WHAT PATENTS COVER
EDISON PATENT -- CARBON FILAMENT
FERMI & SZILARD ATOMIC REACTOR PATENT
8. LIFE OF PATENT
U.S. -- 17 YEARS
FOREIGN -- MAINTENANCE TAXES
9. COSTS
10. WHY PATENTS?
 - A. SECRECY VS. DISCLOSURE
 - B. SOME PROTECTION OF R&D EXPENDITURES
 - C. HELP SMALL COMPANY VS. BIG COMPANY.
POLAROID
 - D. USEFUL IN LICENSING AND JOINT VENTURE BUSINESS ARRANGEMENTS

B. TRADE SECRETS AND KNOW-HOW

1. WHAT YOU KNOW THAT SOMEONE ELSE DOESN'T
"HOW TO ... "
2. KODAK COATING SECRETS
3. COCA COLA

C. TRADEMARKS

1. BRAND NAME OF PRODUCT
LIKE PERSON'S FIRST NAME
(LAST NAME -- GENERIC)
2. ORIGIN OR SOURCE OF PRODUCT
3. INDICATES QUALITY OF PRODUCT
4. VALUE
COCA COLA -- TRADE SECRET
5. INDEFINITE LIFE
6. CONTINUOUS USE
7. PROPER USE -- ADJECTIVE, NOT NOUN
COKE -- TAVERN SUITS
ASPIRIN, KEROSENE, ESCALATOR, LINOLEUM
8. SANFORIZED -- PATENT AND TRADEMARK
9. PEPSI COLA -- USSR
10. FRANCHISING

D. TRADE NAME -- NAME OF COMPANY

E. COPYRIGHTS

BOOKS -- MUSIC

II. WHAT ARE YOU LICENSING?

LICENSEE -- LICENSOR

PROPRIETARY ASSETS

1. YOU WILL LET LICENSEE USE ONE OR MORE OF YOUR
 - A. INVENTIONS
 - B. KNOWLEDGE HOW TO ...
 - C. PRODUCT NAME
2. MAY INCLUDE TEACHING LICENSEE HOW TO USE INVENTIONS AND/OR YOUR KNOWLEDGE
3. MAY BE ONE-SHOT OR CONTINUING