

## **But it's My Patent—Why Can't I Make the Product?**

By Philip L. Marcus

Just being issued a patent does not mean that you can “practice the art,” or make products described by it. Huh? Isn't that exactly what it means?

I am afraid not. Patents are ‘upside down’ rights, different from other intellectual property. If you have a copyright, you can both make copies of your creation and sell them, and usually prevent others from doing that. Patents work differently. A patent is only the right to prevent others from “practicing your art” without your permission (a permission usually called a “license”). “But I invented it—my patent proves it.”

First, someone else may have been first inventor (that matters in the U.S.—other countries follow the rule of ‘first filing’), and may have the right to contest your patent after it is issued. That could result in their getting the court to order your patent cancelled, and you would not recover damages.

Second, and the big surprise, is that your invention may use some “prior art.” That alone does not negate your invention, and the right to patent your invention, but you may have to get a license from the earlier inventor.

Let me make up an example. You have invented a screwdriver (and screw) with a head that has a strange shape—like a seven-pointed star, for example, a “sept-driver”. This could be useful in assembling high-voltage equipment, especially the cabinets;—only professionals who know the safety protocols are likely to buy a sept-driver. Kids and fools would find it harder to electrocute themselves.

The problem is that someone previously invented a screwdriver with a simple slotted head and a screw that it drives, and (I will assume) that is an unexpired patent. You could not legally manufacture and sell your sept-driver without buying a license on screws and slot-drivers from the earlier inventor.

That is an example chosen to be simple. Still, many real patents are sought for electronic hardware or for software algorithms (computation recipes). The electronics and software arts progress so rapidly that this kind of building on prior art is often a real issue. Patents usually run twenty years from the application date, sometimes longer. Businesses owning electronic and software patents may own thousands, employ people to keep databases of their “patent portfolio,” and to examine new products for infringement. (The portfolio may be the companies’ most valuable asset and producer of revenue.) To prevent chaos, two companies in the same

field may make cross-licensing agreements so they don't have to sue each other a couple times a month.

Now let's say you invent something that furthers the "state of the art." One of these companies subscribes to a service that emails it notice of your new patent. You may get a warning letter from one of their friendly (?) staff attorneys.

The bigger problem is if prior art is owned by a small company that does not keep a database nor subscribe. However, they come upon your new product that, while an advancement, still infringes on their earlier but unexpired patent. You can expect a "cease and desist" letter with threats of suit if you don't stop making your product. The problem is that by then you may have invested a ton of money developing your invention into a viable commercial product, tooling up for production, and creating a marketing system.

What can you do to prevent this misstep? There are two related things. There are lawyers who specialize in researching patents (for money of course) to look for prior art with live patents. If they find one they tell you. If not, they issue a "freedom to operate" letter. There are also insurance companies that will sell you insurance against both the cost of legal defense against the holder of a prior patent, and resulting damages award.

The 'bottom line' is to be careful when investing in making and marketing a product based on a patent issued. Don't assume you can just go ahead—get a freedom to operate letter and an insurance policy so you don't get burned.

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