THE POWER OF PATENTS & STRATEGIC MARKETING

FARGO PATENT & BUSINESS LAW

OPGO MARKETING

DISCLAIMER

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TOPICS TODAY

- What are Patents
- Patent Examples
- Patent Strategies
- Getting Rights
- Strategic Marketing

TYPES OF INTELLECTUAL PROPERTY RIGHTS

Patents

Trademarks

Copyrights

Trade Secrets

WHAT IS A PATENT?

New, Nonobvious, and Useful Idea

Prohibit others from making, using, or selling (not the right to)

20 years/15 years (US)

Utility/Design

WHAT IS A PATENT?

Legal Monopoly

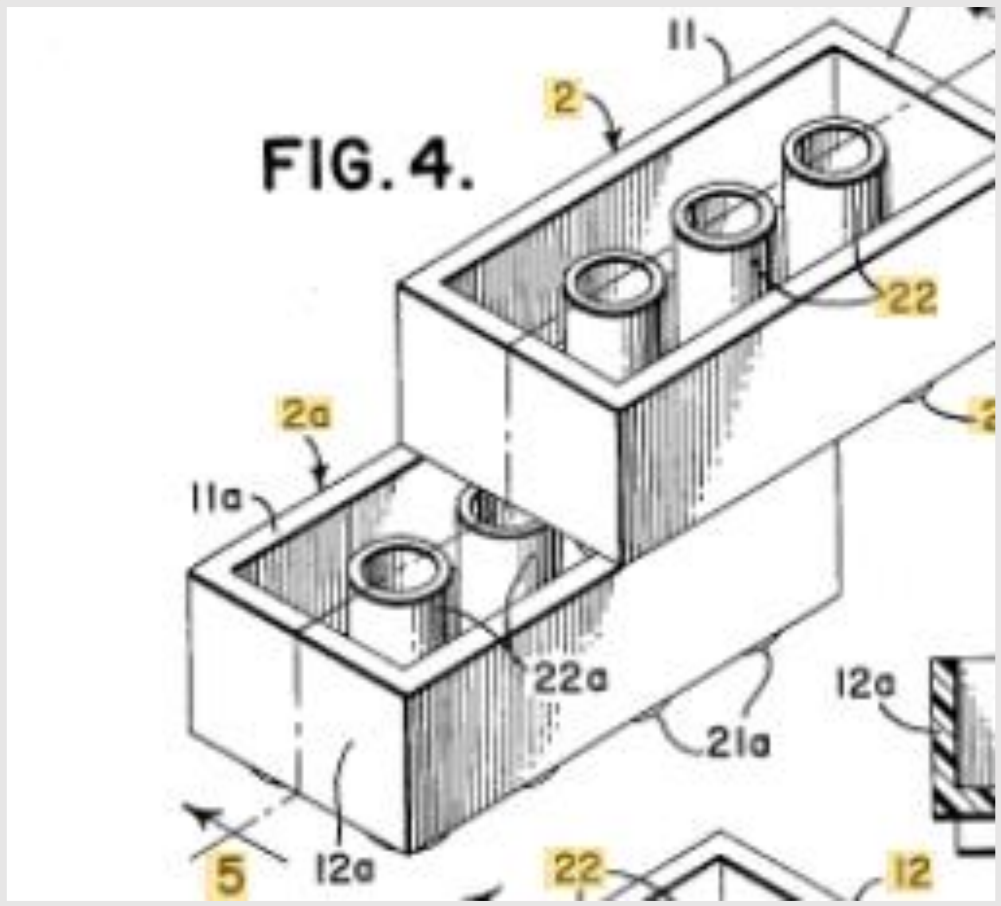
In return for public disclosure

WHAT SUBJECT MATTER IS ELIGIBLE FOR A PATENT?

- Almost anything? 35 USC §101
  - Processes
  - Machines
  - Manufactures
  - Compositions of matter.
- Judicial Exceptions: No bright lines…
  - Abstract ideas
  - Laws of nature
  - Natural phenomena

LEGO UTILITY PATENTS

- Expired (Mostly) 1978
- The original "Toy building brick" 3,005,282 patent was filed in 1958



POST-IT NOTE METHOD EXAMPLE

- The invention relates to a method of creating a virtual game environment.
- 1. A method of creating a virtual game environment/scene from a physical model, the method comprising the steps of:

  spraying…

  evaporating… and;

  leaving…adhesive…

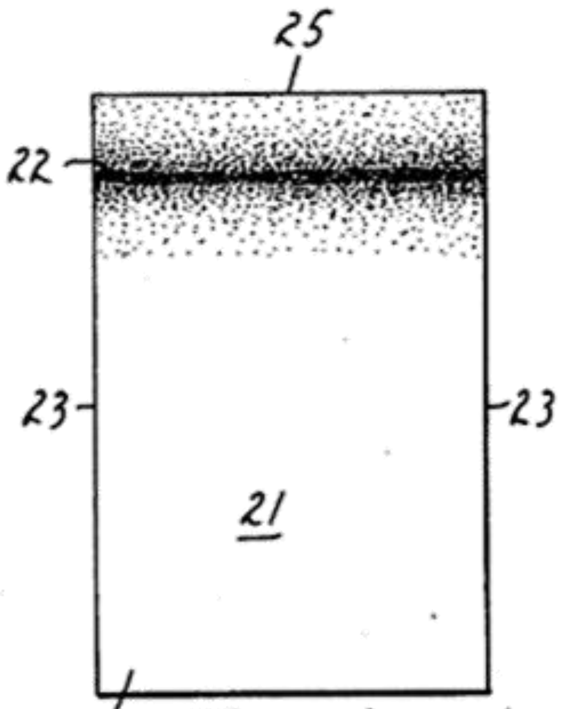
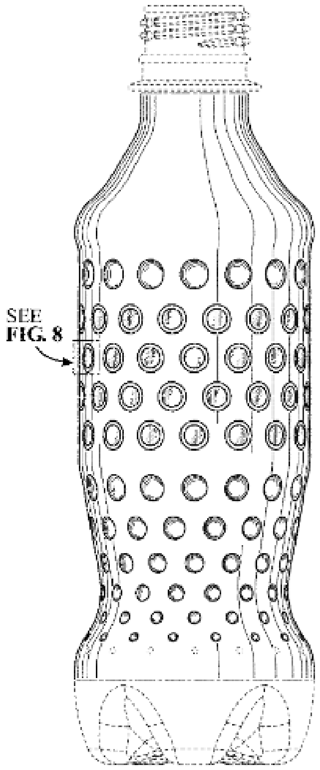


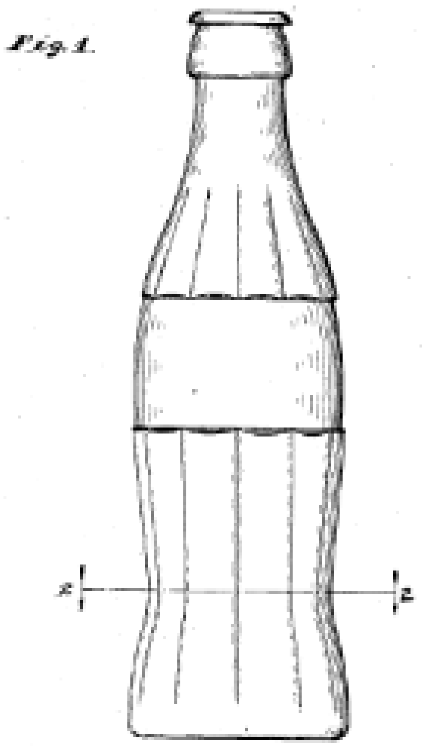
FIG. 4

COKE BOTTLE DESIGN PATENTS

- Protects the appearance
- New and nonobvious



2017



1923

IP is only as good as the business behind it

WHAT GOOD IS A PATENT?

COMMON PATENT STRATEGIES

- Licensing
- Manufacture/Use/Sell – Barriers to entry
- Blocking Competitor Developments
- Increasing Enterprise Value (rounds of funding)
- Preparing for a Sale
- Enforcement

LICENSING

- Have something to sell
- Negotiations – Trading
- Blocking Patents
- Intent is not litigation

MANUFACTURE/USE/SELL BARRIERS TO ENTRY

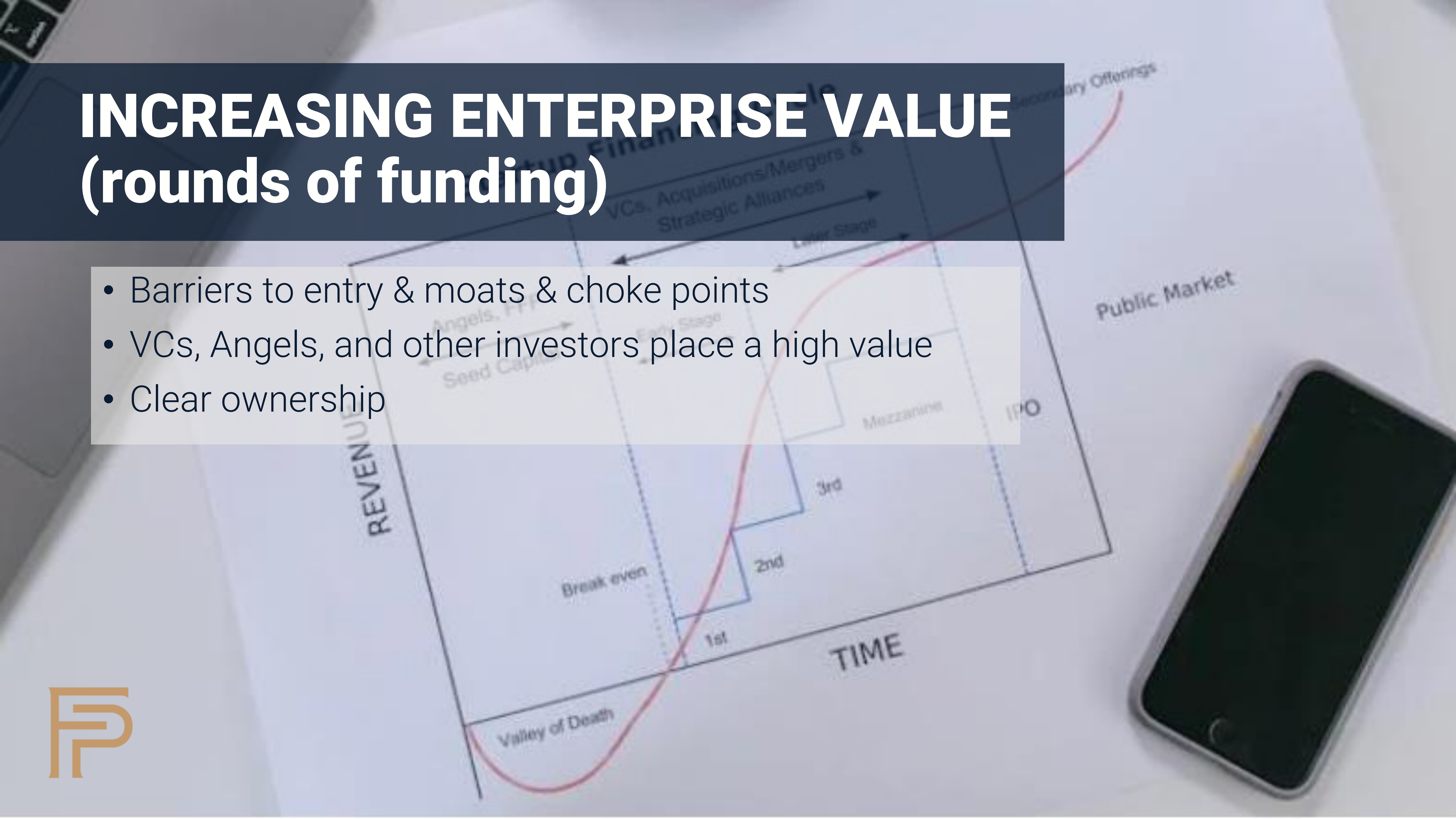
- Moats around product groups
- Choke points in supply chain
- Scare off new market entrants (threats and perception) (act quick)
- Marketing

Blocking Competitor Developments

- Non-prioritized technology
- Reduce chance of Non-prioritized tech from shaving off market share
- Increase friction in market supply chain

INCREASING ENTERPRISE VALUE (rounds of funding)

- Barriers to entry & moats & choke points
- VCs, Angels, and other investors place a high value
- Clear ownership



PREPARING FOR A SALE

- 3 – 5 years
- Increased value

HOW TO GET PATENT RIGHTS?

- Preliminary Patentability Opinion/Search (PPO)
- Provisional Application (PPA)
- Nonprovisional Application (NPA)
- Respond to USPTO Actions

FIRM

We Team with <u>innovative businesses</u> in their <u>growth</u> by counseling strong <u>legal foundations</u>

FARGO PATENT &
BUSINESS LAW

Questions?

Tom Kading

STRATEGIC GROWTH

FROM "PRODUCT" TO COMPANY

STRATEGIC GROWTH

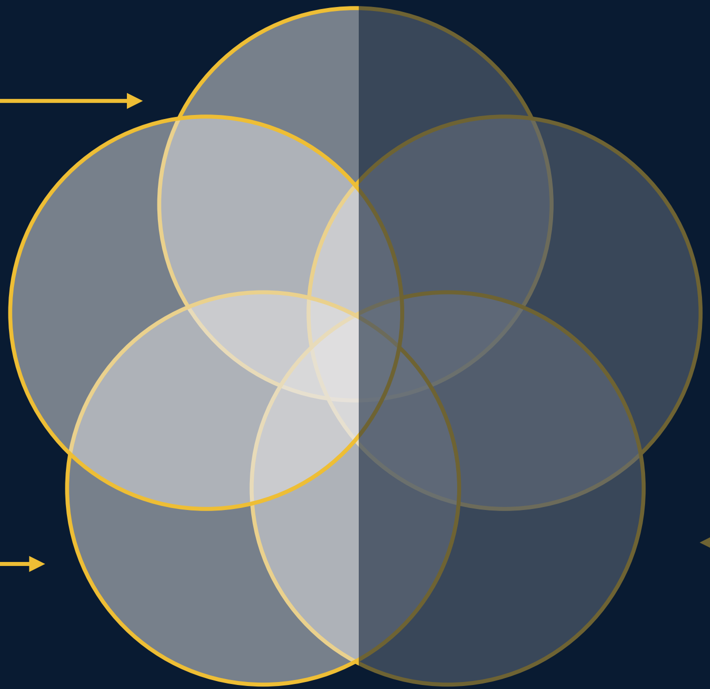
CUSTOMER-CENTRIC APPROACH

DEVELOPMENT

Pain Points
Problem you’re solving

Product Use Case
How do they use the product?

Ideal Customer Profile
What is their role, demographic, function?



Budget
How much will they spend to solve the problem?

Channels
How will you reach them?

OP GO MARKETING

STRATEGIC GROWTH

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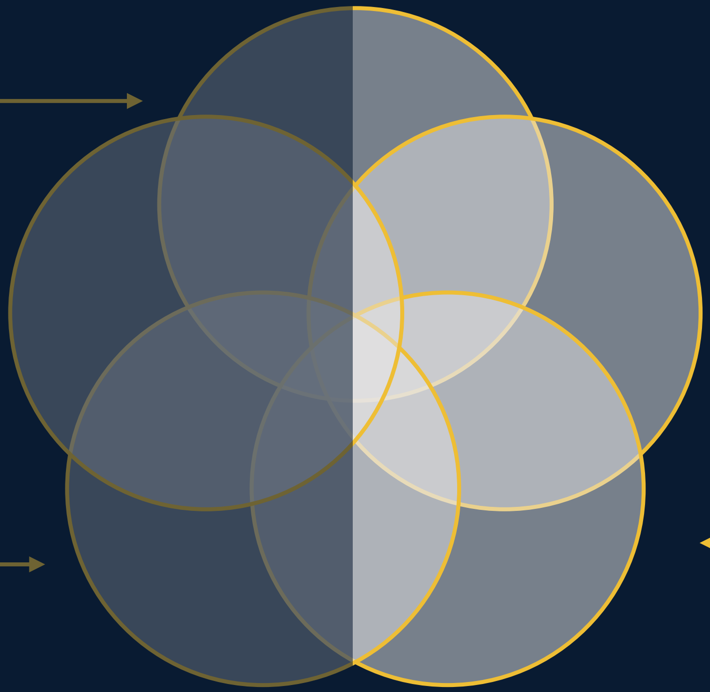

Budget

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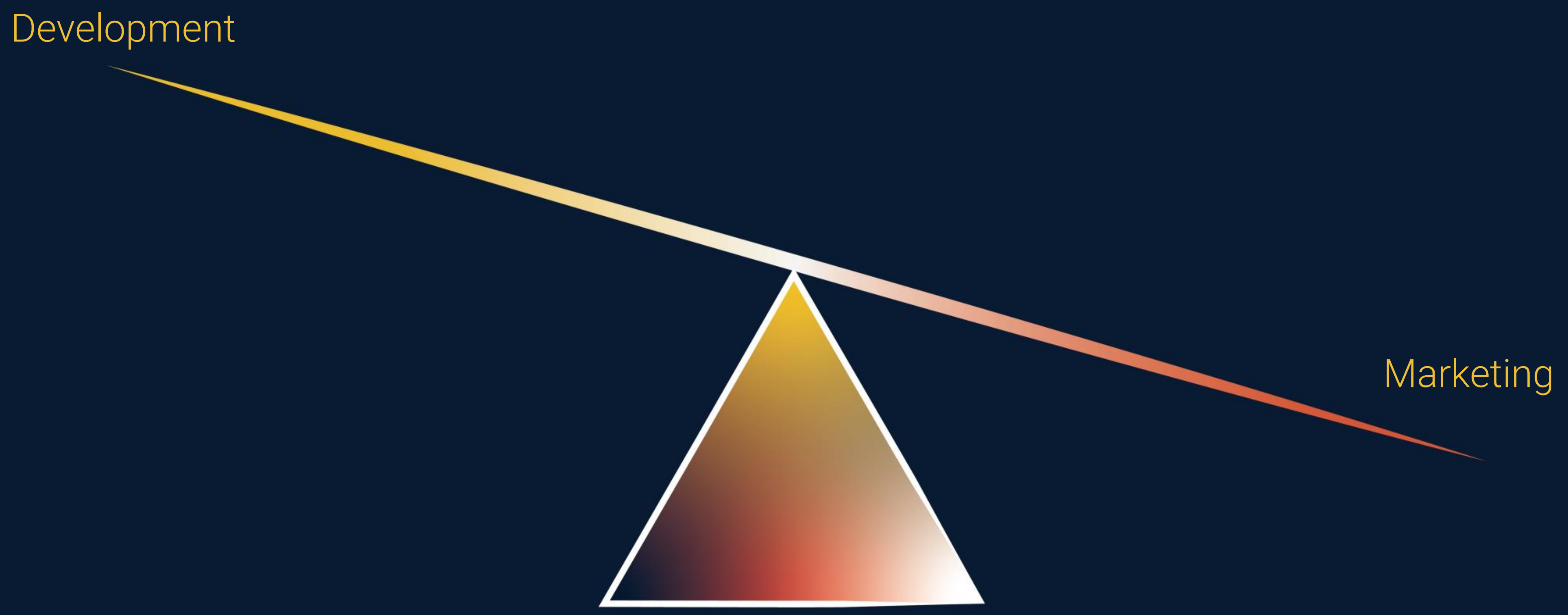
MARKET SHARE

STRATEGIC GROWTH

FROM "PRODUCT" TO COMPANY



STRATEGIC GROWTH

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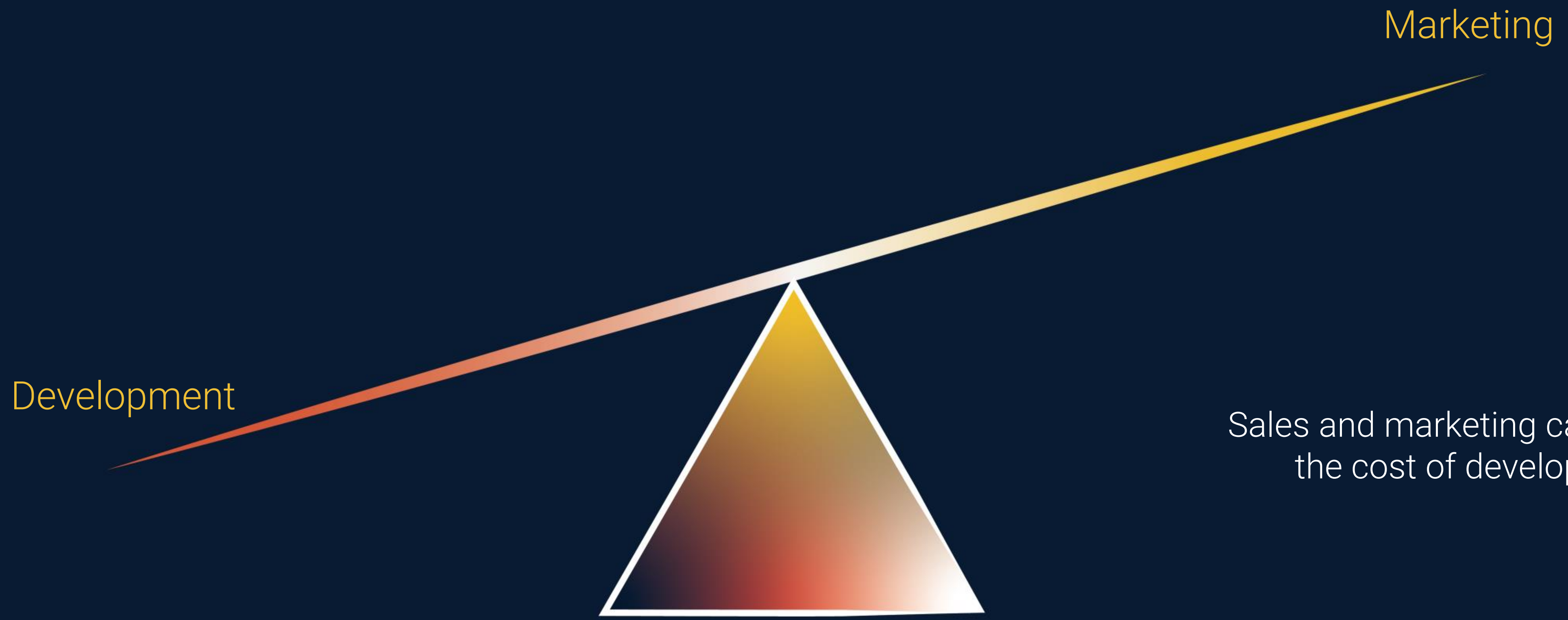

Sales and marketing can be 2-3 x the cost of development

INCREASING VALUE

A CLOSER LOOK

Consumer Perception

Brand value refers to the worth attributed to a brand. It encompasses the brand's reputation, customer loyalty, recognition, and the overall perception in the marketplace.

Consistency in branding
Thought leadership
Emotional connection
Brand equity
Customer service

Investor Perception

Business valuation is the process of determining the overall economic value of a business entity. This includes assessing all assets, liabilities, and potential future earnings.

Brand value
Tangible assets
Intangible assets
Financial performance (now and projected)
Market conditions, economic factors

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INCREASING VALUE

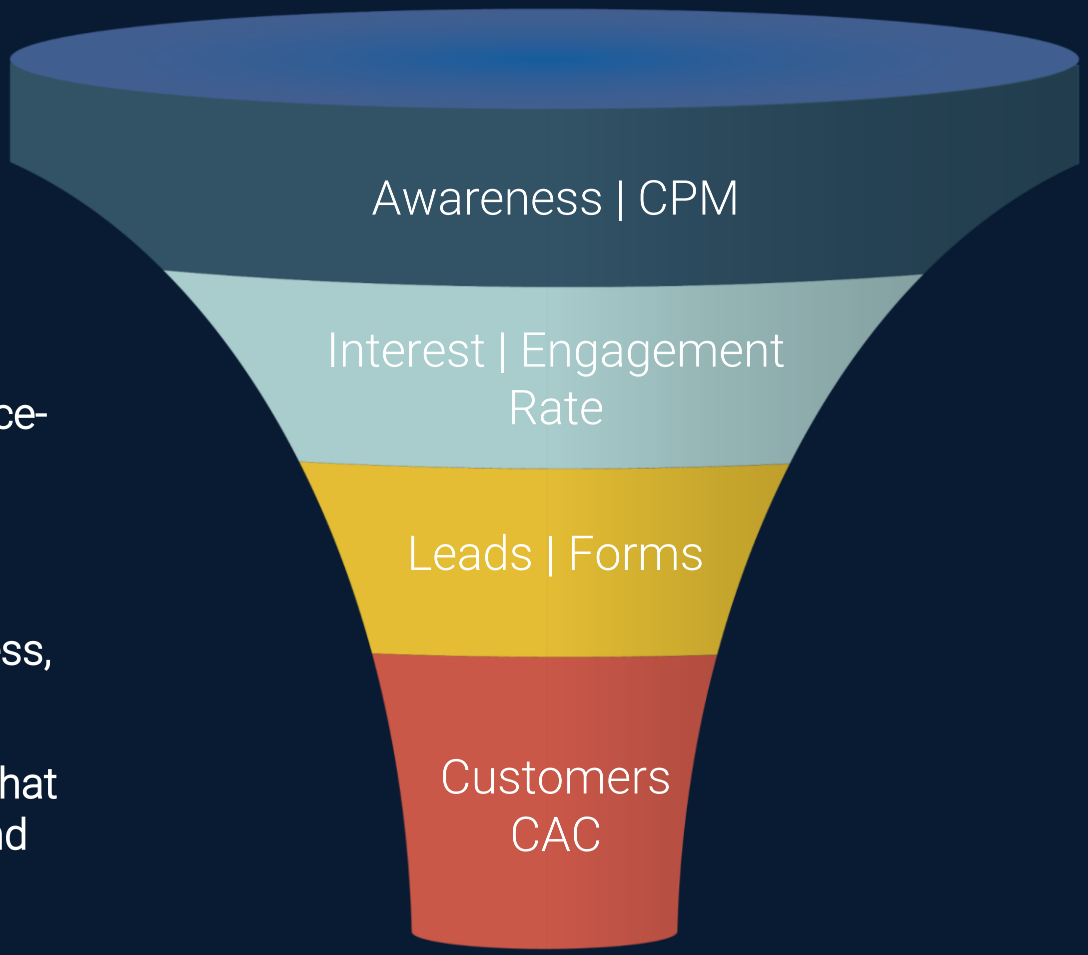
A CLOSER LOOK

Strategic Planning – Build out a plan that fits the budget and has specific KPIs, benchmarks and milestones to know if you are on track.

Creative Development – Brainstorming specific campaigns, audience-centric messaging and ad types that fit organic and paid platforms.

Analytics & Tracking Setup – Set up analytics to track high-level metrics as well as campaign and channel-specific metrics. (Awareness, Engagement, Leads, Customers and ROI.)

Ongoing Optimization – Once you have data, you can start to see what is working and what's not. It's important to "test" carefully early on and then invest most of your budget on channels that bring ROI.



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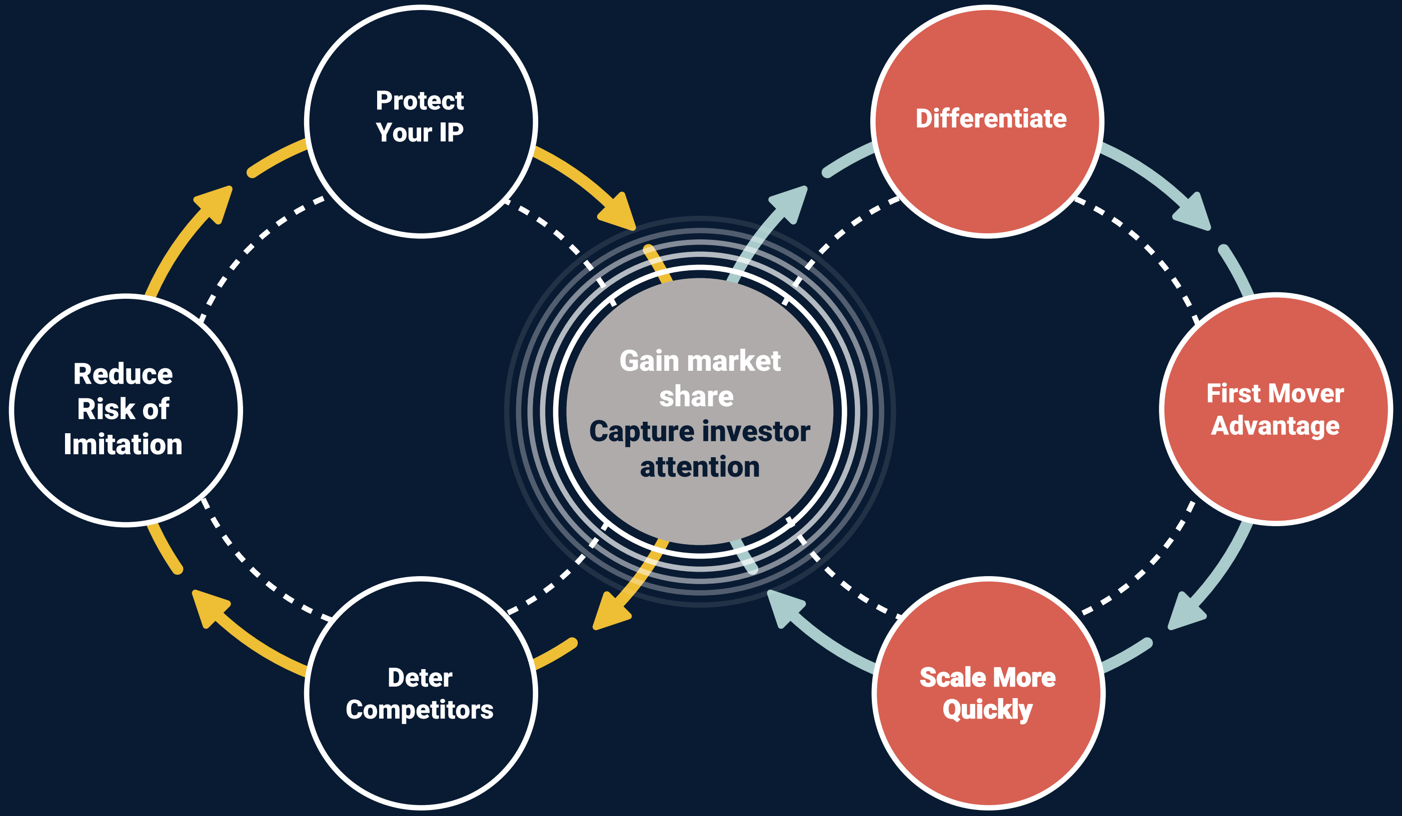
BUILDING A VALUABLE BUSINESS

MARKET SHARE & INVESTOR ATTENTION

Protect Innovations



Build Brand Quickly

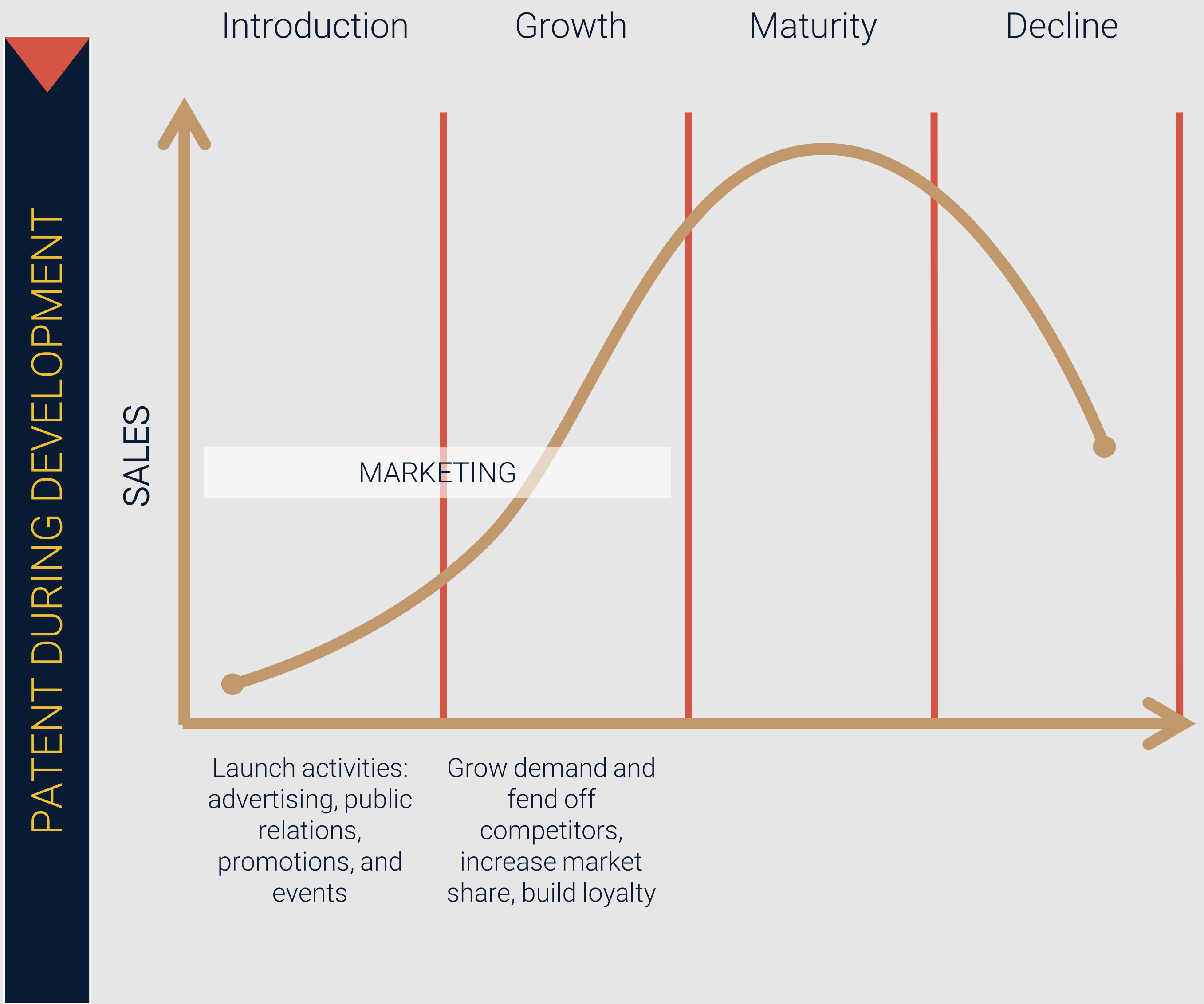
WHEN TO INVEST IN MARKETING

PRODUCT LIFE CYCLE

KNOW WHEN TO PATENT AND TO INVEST HEAVY IN MARKETING

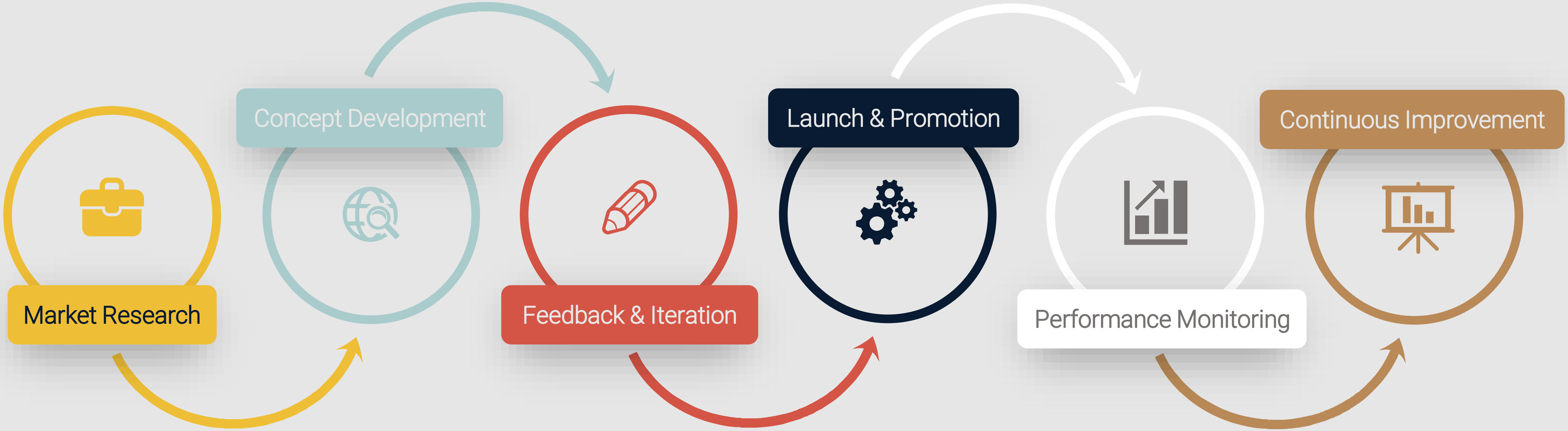
Patenting a product is typically done during the development stage, which precedes the Introduction phase of the product life cycle. File for a patent before publicly disclosing or launching the product to ensure legal protection.

Investors consider the remaining lifespan of the patent. The longer the protection last, the more valuable it is. If you have a great product, you'll want to get it to market protected and grow quickly if you are planning to sell.



HOW MANY ITERATIONS?

CONTINUE TO EVOLVE TO ENHANCE THE BRAND VALUE

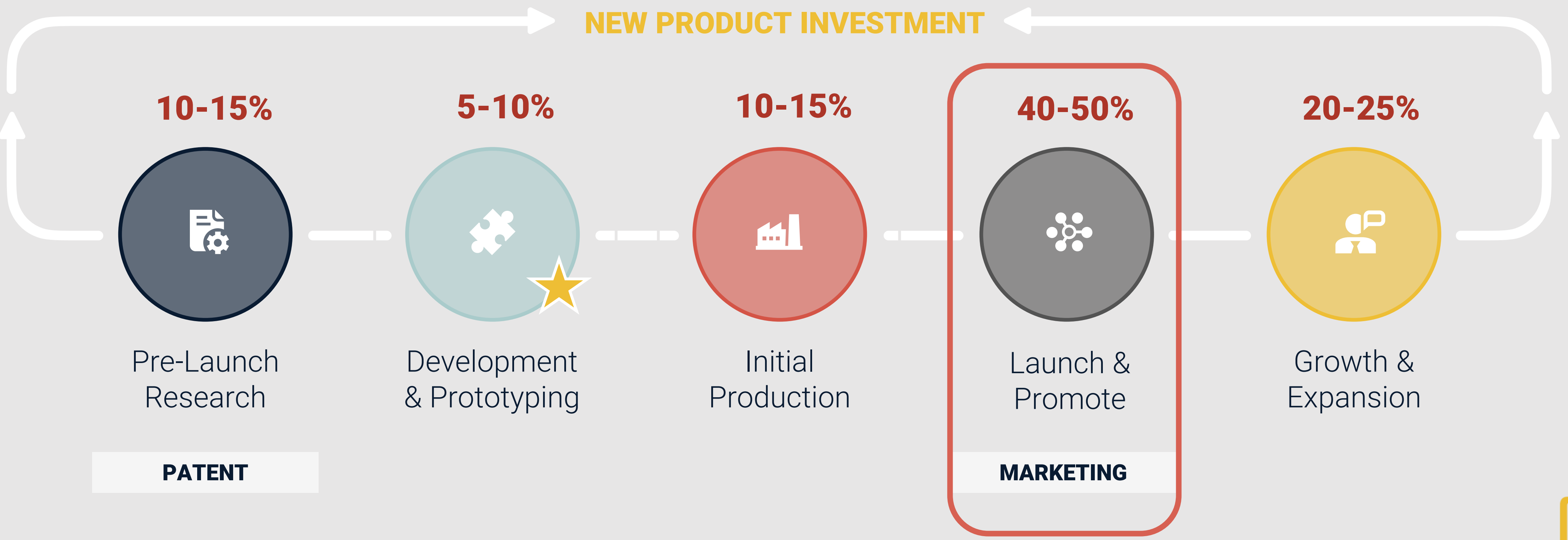


Simple products typically require 2 to 4 prototype iterations, while more complex products may need 5 or more iterations to refine and perfect the design before mass production. For highly advanced products, **it might take a dozen or more iterations to get everything right**.

PRODUCT LAUNCH INVESTMENT

PRODUCTION BEFORE AND AFTER MARKETING INVESTMENTS

When launching a new product, marketing investment can be strategically phased throughout the supply chain to maximize impact and efficiency. Here are the key phases to consider, along with suggested investment percentages:



MARKETING CADENCE & BUILDING THE BRAND

AVOID BECOMING A COMMODITY

STAND OUT AMONG ALTERNATIVE SOLUTIONS

A product becomes a commodity when it's indistinguishable from other products in its space.

Provide personalized customer experiences and **build strong relationships with customers**. This can create a loyal customer base that values your brand beyond just the product.

Brand Storytelling

Quality Assurance

Use targeted marketing campaigns to highlight the unique benefits of your product and how it **solves specific customer problems**.

Brand Differentiation

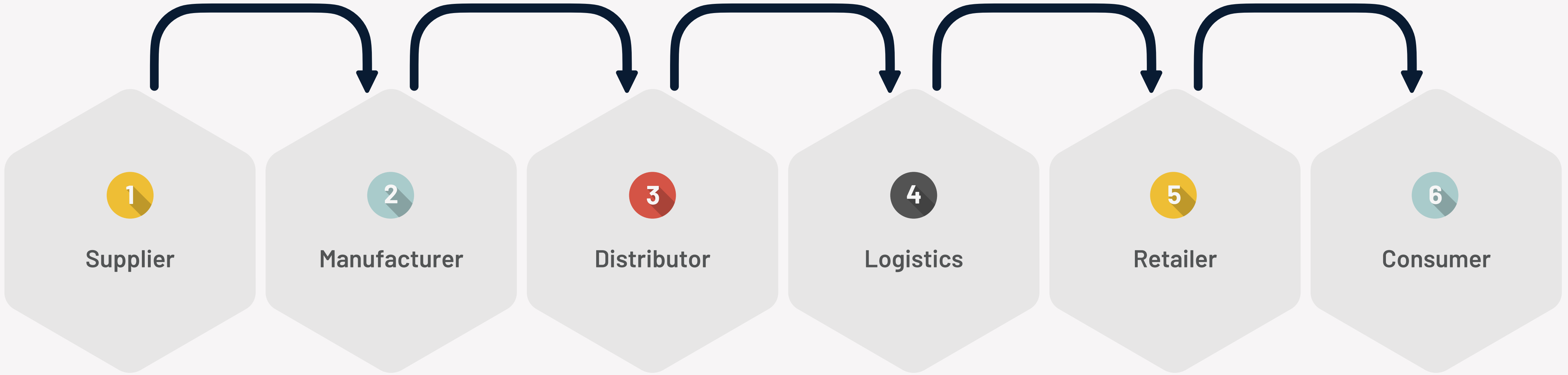
Position your product as a premium offering in the market. Highlight exclusivity, superior performance, and **unique benefits**.

OP GO MARKETING

DIFFERENTIATE ALONG BRAND TOUCHPOINTS

FOCUS ON THE ENTIRE JOURNEY, NOT JUST CONSUMERS

Each interaction between the brand and stakeholders such as suppliers, distributors, manufacturers, retailers, logistics providers, and consumers plays a crucial role in shaping the overall brand perception. Note: Work operational challenges early to increase value.



Quality impacts reputation

Durability and performance

Market penetration

Timely delivery satisfaction

Brand perception Ease of purchase

Advocacy boosts brand value

More work up front will power growth more quickly later on.

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BRAND BUILDING > TOUCHPOINTS

LEAVE NO DOUBT | BUILD YOUR BRAND WITH INTENTION

OP GO MARKETING

Supplier	Manufacturer	Distributor	Logistics	Dealer/Retailer	Customer
Co-branding with suppliers	Product design	Branded partnerships	On-time delivery	Direct customer interaction	Advertising
	Quality control messaging	Co-branded promotions	Customer services	Training & workshops	Website UX
	Manufacturing tours	Brand guidelines	Delivery options	POS displays	Online reviews
	Employee perception	Collateral	Branded transportation	Co-op ad plan	WOM & Referrals
	Partner relations	Incentive programs	Positive unboxing	Lead generation	Customer service
		Consistent communication	Feedback > Improvement	Product demo Units	Product quality
		Exclusive agreements		Event support	Loyalty programs
		Distributor			After-sale follow-up
					Return experience

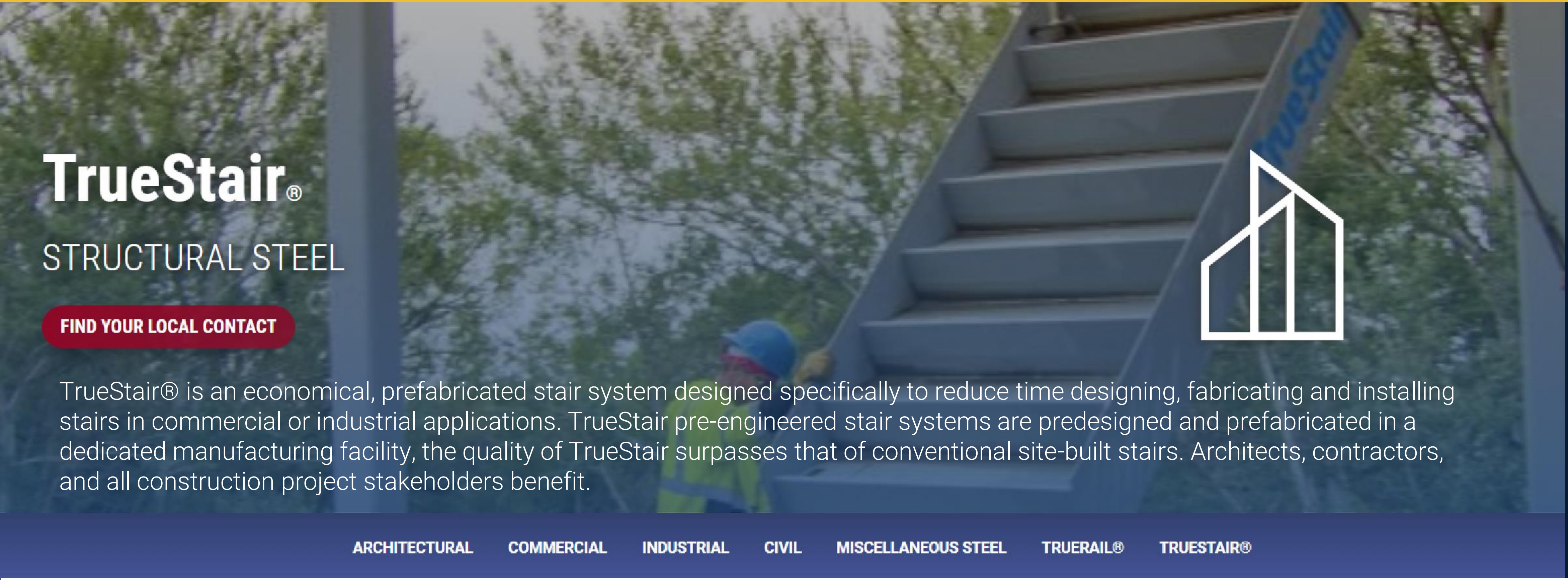
EXAMPLE

PATENT PROTECTION > BRAND GROWTH

TRUENORTH STEEL

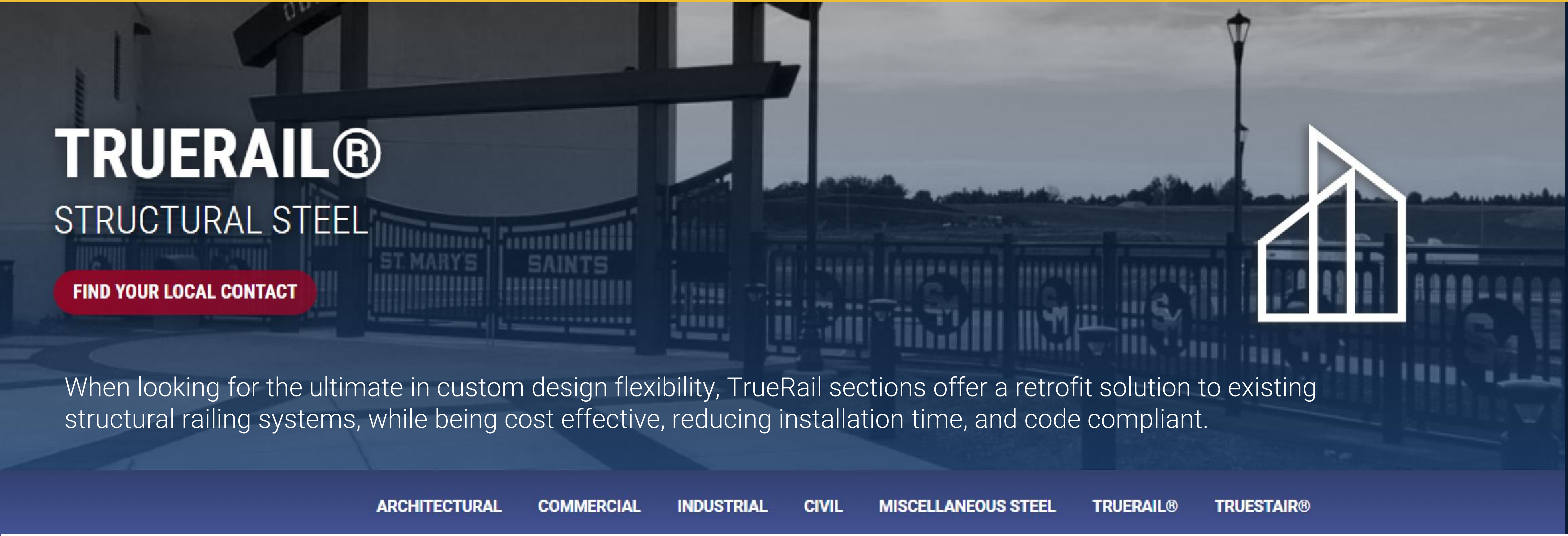
PATENT PROTECTION > BRAND GROWTH

TRUENORTH STEEL



PATENT PROTECTION > BRAND GROWTH

TRUENORTH STEEL



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PATENT PROTECTION > BRAND GROWTH

TRUENORTH STEEL

OTHER TIPS

MARKETING PATENTS ONLINE

Online Sales – Conducting sales online poses somewhat of a unique challenge because online sales set a one-year bar date for patents. For example, if your business sells products over Amazon and you have developed or improved your product, it's usually more convenient to update the product using the original stock-keeping unit (SKU) number for a prior version of your product without creating a new one for the updated product.

THANK YOU

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