

Chapter # 6

"Protecting the Idea &
Other Legal Issues
for the Entrepreneur".

Short Questions

2. Patents: A government authority or licence conferring a right or title for a set period, especially the sole right to exclude others from making, using, or selling an invention.

e.g; software patent, design patent, method and process patent, mechanical patent.

3. Types of Patents:

- Utility patents.
- Design patents.
- Plant patents.
- Reissue patents.
- Provisional patents.

4. International Patents:

⇒ The Patent Cooperation Treaty (PCT) is an International Patent Law treaty, concluded in 1970.

⇒ It provides a unified procedure for filing patent applications to protect inventions in each of its contracting states.

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⇒ A patent application filed under the PCT is called an International application, or PCT application.

5. How to write patent application?

- 1- Title of the invention.
- 2- Cross-reference to related applications.
- 3- Statement regarding federally sponsored R & D.
- 4- Background of the Invention.
- 5- Summary of the Invention.
- 6- Brief description of the drawings.
- 7- Detailed description of the drawings.
- 8- Claims.
- 9- Abstract.
- 10- Conclusion.

6. Patent Infringement:

⇒ Patent infringement is the commission of a prohibited act with respect to a patented invention without permission from the patent holder.

⇒ Permission may typically be granted in the form of a license.

7. Trademark:

- ⇒ A symbol, word, or words legally registered or established by use as representing a company or product.
- ⇒ TM is a type of intellectual property.
- ⇒ It is used to identify services are usually called service marks.

8. Categories of Trademark:

- Generic mark.
- Descriptive mark.
- Suggestive mark.
- Fanciful mark.
- Arbitrary mark.

1. Four requirements to register trademark:

- ⇒ Provide your name and address as owner of the Trademark.
- ⇒ State the entity type (individual or corporation) and your national citizenship.

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⇒ Demonstrate actual use or a real intent to use the Trademark in commerce.

⇒ Give a detailed description of the product being trademarked.

10. Benefits of registered Trademark

⇒ It entitles you to use the notice of registration.

⇒ It provides a basis for filing Trademark application in foreign countries.

⇒ Unique Identity.

⇒ Building value.

⇒ Protection.

⇒ Gives your products a status of Branded Goods.

⇒ Protects your hard earned goodwill in the business.

⇒ Power to assign (transfer) the trademark to others for consideration.

11. Copy

⇒ The right to print, record, and

12. Trade

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13. Trade

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11. Copyrights:

⇒ The exclusive and assignable legal right, given to the originator for a fixed number of years, to print, publish, perform, film or record literary, artistic, or musical material.

12. Trade Secrets: (a secret device or technique used by a company in manufacturing its products.)

⇒ A trade secret is information that

- is not generally known to the public;
- Confers economic benefits on its holder because the information is not publicly known; and
- where the holder makes efforts to maintain its secrecy.

• e.g; customer lists, manufacturing processes.

13. Licensing & its types:

⇒ Relating to the granting of an official licence.

⇒ The granting of permission to use intellectual property rights such as trademarks, patents, or technology, under defined conditions.

⇒ Types:

- Patents
- Trademark
- Copyrights
- Trade secrets.
- Occupational licenses.

14. Factors to be Considered in licensing:

- Make sure you own it.
- Know your brand, and create an appropriate strategy.
- Define your goals.
- Be Disciplined: just because you can, doesn't mean you should.
- Understand the competitive landscape.

15. Product Safety & Liability:

⇒ Product safety is the ability of a product to be safe for intended use, as determined when evaluated against a set of established rules.

⇒ Obligations of debts, known as liability. The state of being legally responsible for something.

16. Insurance:

⇒ An arrangement by which a company or the state undertakes to provide a guarantee of compensation for specified loss, damage, illness or death in return for payment of a specified premium.

17. Contract:

⇒ A written or spoken agreement, especially one concerning employment, sales, or tenancy, that is intended to be enforceable by law.

18. Four essential items in Contracts:

- an offer.
- an acceptance.
- an intention to create a legal relationship.
- a consideration (usually money).



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Long Question

1. Intellectual property? Write a note on it.

An intangible asset is an asset that lacks physical substance

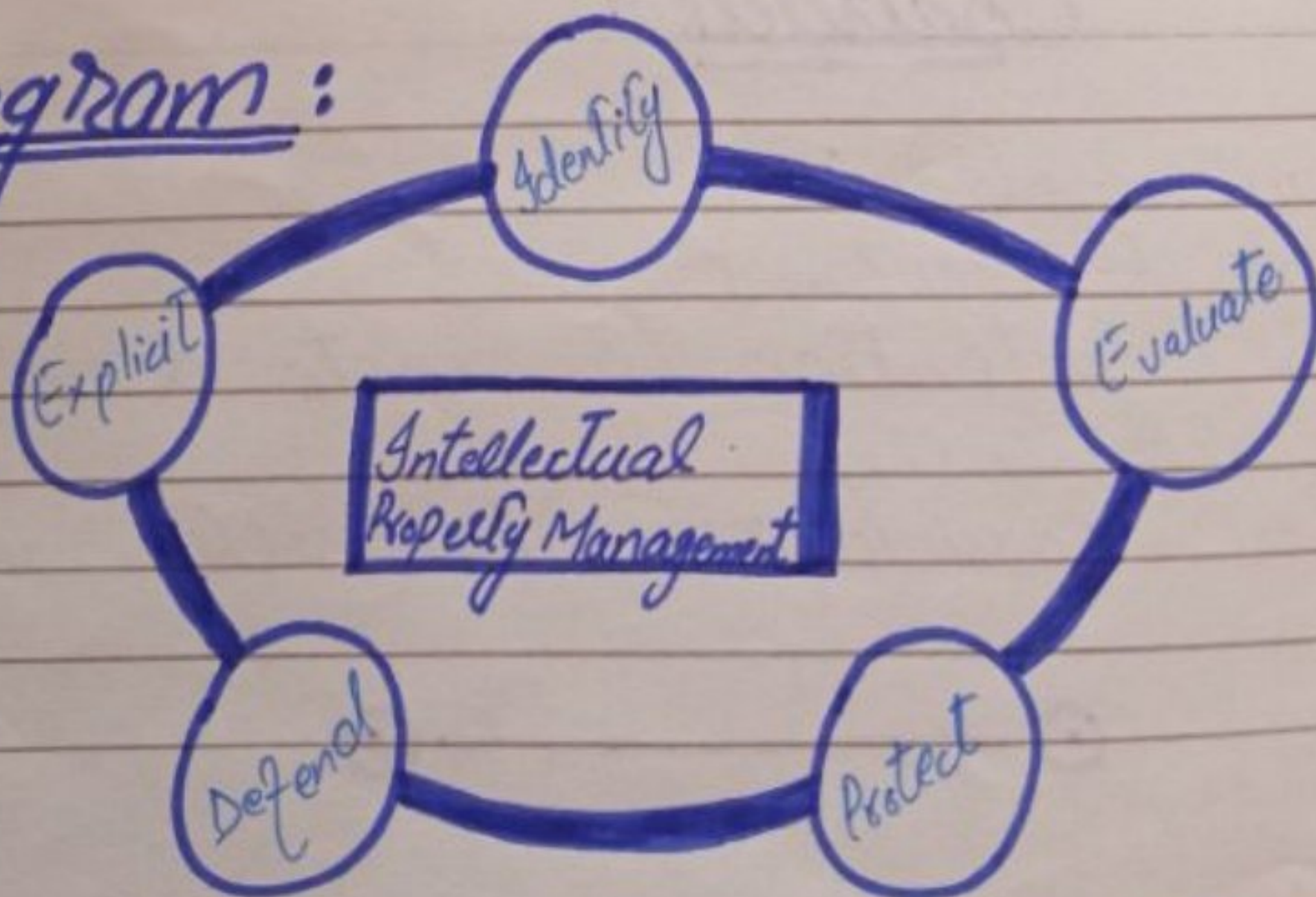
⊙ Intellectual Property:

⇒ Intangible property that is the result of creativity. Such as patents, copyrights, etc.

⇒ Intellectual property refers to the ownership of an idea or design by the person who came up with it.

⇒ IP is a term used in property law.

⊙ Diagram:



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① Types of Intellectual Property:

⇒ There are 5 types of Intellectual property.

- Patents.
- Copyrights.
- Trademarks.
- Trade Secrets.
- Right to Publicity.

a government authority or licence conferring a right or title for a set period, especially the sole right to exclude others from making, using, or selling an invention.

① Patent:

⇒ A form of Intellectual property.

⇒ Gives its owner the right to exclude others from making, using and selling the invention.

⇒ Extension of patent beyond 20 years not possible.

⇒ Filed to keep patent in force.

⇒ Valid for period of 20 years.

⇒ 100% online filing.

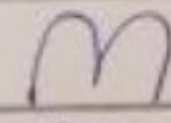

⇒ Filing in 10 working days.

- ⇒ Types of patent are:
- Utility patent.
 - Design patent.
 - Plant patent.

◎ Copyrights:

- ⇒ Copyright is a form of legal protection automatically provided to the authors of original works of authorship, including: literary, dramatic, musical, and artistic works.
- ⇒ Length of copyright: life of author + 70 years.
- ⇒ IC is a form of intellectual property.
- ⇒ Copyright does not protect facts, ideas, or systems.
- ⇒ IC may protect how these ideas or items are expressed.
- ⇒ Copyright protection varies from country to country.
- ⇒ IC also includes music or film etc.

① Trademark:

- ⇒ A form of intellectual property.
- ⇒ A symbol, word or words legally registered or established by use as representing a company or product.
- ⇒ Like; McDonald's 
Toyota 
- ⇒ Classification: Class 1 to 34 refers to different goods.
where as Class 35 to 45 refers to services.

② Trade Secrets:

- ⇒ A form of intellectual property.
- ⇒ A Trade secret is a piece of information which is not generally known and by which a business may obtain an economic advantage.
- ⇒ e.g.; • Blueprints & chemical formula.
• Lists of prices & customers
or marketing strategies.

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① Right to Publicity:

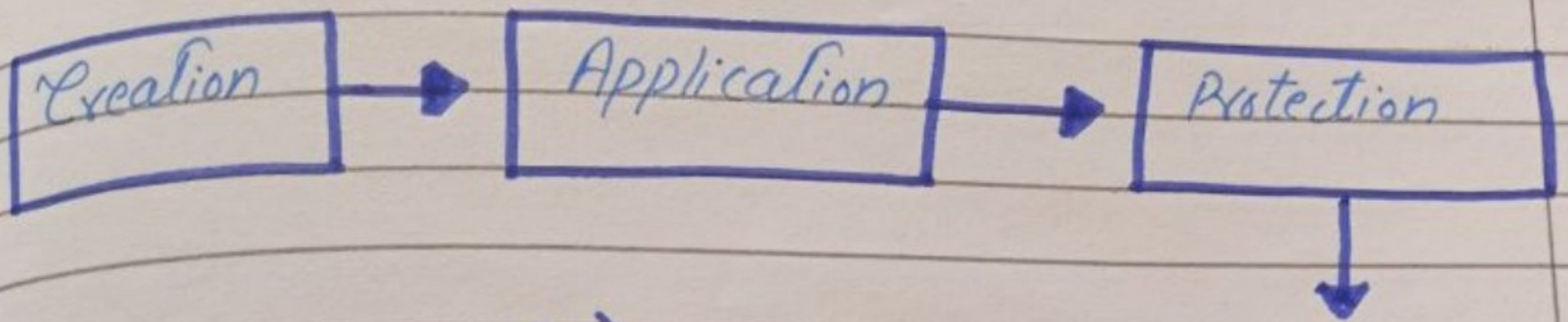
- ⇒ A form of intellectual property.
- ⇒ Right publicity is the right to control the commercial exploitation of the person's name, image or persona.
- ⇒ It is a state law issue, so the law changes from state to state.

“Intellectual Property
has the shelf life of a
Banana.”
(Bill Gates)

“Intellectual Property
is a [↓] aspect for
Key Economic Development



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INTELLECTUAL
PROPERTY

SUCCESSFUL
BUSINESS

