

# Recommended Procedures for Setting Up a Corporate Patent Program

Below are some recommended procedures to help corporate entities identify and protect new, potentially patentable inventions.

1. Make sure that your employees are under an obligation to assign, to your company, their rights in any inventions that they develop in the course of their work. Otherwise, it may be difficult for your company to obtain ownership rights in those inventions.

2. Institute a policy under which your employees are encouraged to submit new ideas as candidates for potential patent protection. In this regard, we have found that it works well to put financial incentives in place to reward inventors for the extra work involved in working with outside counsel to prepare patent applications. For example, many of our clients pay their employees a small bonus (e.g., \$1,000) when their patent application is filed, and another bonus (e.g., \$2,000) if the application issues as a patent. Other clients let their employees know that their patent activities will be taken into account in year-end reviews. Another good approach is to hang plaques of the company's issued patents where they can be seen by everyone. This can be helpful in encouraging and supporting future innovation.

3. Make patent disclosure forms available for employees to use in preparing disclosures of their ideas. This can help streamline the patent disclosure process.

4. Appoint a "patent committee" of about four to five people to review new ideas (as documented in the patent disclosure forms) on a regular basis – typically monthly or quarterly.

It's a good idea to have the patent committee include a diverse set of people. For example, the committee might include at least one representative from your management, engineering, sales, and legal teams. It can be important to keep salespeople in the loop on patents, since they often are the most likely to prematurely disclose new inventions outside the company.

5. Set a flexible target number of patent applications that you would like to file each year, and use that number to help determine which of the ideas to protect. (For example, you might decide to protect one invention per quarter.) Another approach would be to define criteria that an idea must meet in order to merit patent protection, and apply those criteria when deciding whether to protect a particular idea.

6. After your patent committee nominates a candidate idea for patent protection, have a patent attorney conduct a brief patentability study to see whether the idea has been done before by others (in which case, we would recommend not pursuing patent protection for the concept).

7. If the idea still looks promising in light of the results of patentability study, have a patent attorney prepare and file a patent application for the concept.