

# Lessons 1. The Basics of Patents Trademarks and Copyrights

**DENNIS:**

Hi, I'm Dennis Green.

**MARY LOU:**

And I'm Mary Lou Green. We want to briefly answer the burning question posed by most aspiring entrepreneurs and inventors. That question is: "How can I protect my idea?" We're going to talk a little about patents, trademarks and copyrights to give you the very basics and share some links to websites that will give you more in-depth information on how to get legal protection.

**DENNIS**

However, before you spend money on lawyers...before you hire someone to create your brand...before you build your website or create sales materials, and before you fill your garage or basement with inventory....we want you to be sure your idea is strong enough to develop into a product worth protecting.

**MARY LOU:**

There is no point in wasting money trying to get a patent for a product that people don't care about and won't buy. So, we beg you...wait until you finish this course, and feel confident you have a marketable product before you worry about protecting it. Here are some things to think about regarding patents. Remember we are not lawyers, so don't treat this as legal advice. We are sharing what we learned through our experience in developing over 50 different products.

**DENNIS:**

You may think you need a patent to protect your product. That's not necessarily true. We relied more on configuration trademarks than patents to sell millions of dollars of our products. Another thing. Only 3% of all the patents that have been granted by the United States Patent and Trademark Office have ever been commercialized or made any money. So you can see a lot of inventors have wasted time and money creating things that people don't need and won't buy. Earning a patent can be a lifelong dream for many inventors, but inventing things that people don't care about can also turn into an expensive nightmare.

**MARY LOU:**

It can take years to get a patent, and with markets changing so rapidly these days, your patent could be out of date before it is even granted by the patent office. Your best chance of making money with your idea is to create a marketable product. Then you can choose the best way to protect it.

**DENNIS:**

There are three three kinds property that you can own. Real property, which includes buildings and raw land. Personal Property, which includes things that aren't fixed to the ground, like cars, furniture, barbecue grills and bicycles. The third class is called Intellectual Property or IP. This covers patents, trademarks, copyrights and trade secrets.

**MARY LOU:**

A trademark is your brand, a patent protects your invention and a copyright protects your original work of art such as a book, movie or play. Some people think that owning a patent is like having a sheriff's badge that gives you the power to arrest someone for infringing on your intellectual property rights. But protecting your IP doesn't work the same way as protecting the other two forms of property.

**DENNIS:**

If someone steals your car, you call the police and report it as a crime. If someone uses your intellectual property rights without your permission, you call your lawyer. Protecting your rights is your responsibility, not the job of the police. Here is what usually happens. Your lawyer sends the alleged thief a cease-and-desist letter demanding they stop infringing on your rights. If they don't stop, you have the right to file a civil suit in federal court to try and stop them.

**MARY LOU:**

But stopping an infringer is not guaranteed. IP Lawsuits are expensive, costing from tens of thousands to millions of dollars and often take years of your time. We had to defend one of our trademarks in Federal Court and it took three years and cost about seven hundred thousand dollars in legal fees and expenses. Fortunately we won, but it was not fun and it took time away from our business.

**DENNIS:**

Intellectual property does not protect you against someone copying your idea. It merely proves that you are the inventor and gives you that standing in court if you decide to sue. Owning intellectual property is not a guarantee you will win in court. However, if you don't have the protection of a patent trademark or copyright it will be hard to stop people from stealing your property.

**MARY LOU:**

The United States Patent and Trademark office produced a video that does a great job of showing the differences between patents, trademarks and copyrights. It reinforces the basics and also introduces the difference between domain names and business names. You may want to pause and take notes to help you remember the key points as they relate to your product idea. Now let's watch the video.

## **DENNIS (After USPTO Video)**

If you want to learn more about intellectual property, try these websites. <https://www.uspto.gov> and <http://www.nolo.com/> Now in the next lesson you will learn what it costs to apply for Patent, Trademark or Copyright protection for your product.