

Inventors' Network Volume 8 ISSUE PUBLISHED

of the Capital Area [INCA]

Issue 1 <http://inca.interspeed.net>

Meeting is **10 Jan 00**: 5:30 Networking, 6:30 Presentation & responses - 7:15 Member Issues

Ray Gilbert Pres (703) 971 9216 Phill Shaw Treas (703) 751 3422 Bill Kuntz VPres (202) 638 4988
Current Directors: Web Master - Raoul Drapeau, (703) 573 6055 ; Hospitality - Jerry Porter (301) 962 8491
Editor - Ray Gilbert, Temp(703) 971 7443; Judge Advocate Moon Soo Lee, (202) 955 7995
Education, Ellis Gordon, (202) 686 1768 [Open: Membership, Speaker-Host, Asset-Manager, At-Large]

Dec 20: Fred Schmidt brought special news of INCA interest regarding future and recent past USPTO events and resources. His background as an examiner, a supervisor and an administrator brought added reality to inventor interest in how the system works and how it can work better for them.

A planned future event is the 5th Annual Independent Inventors' 2 or 3-day Convention in Aug or Sept 2000 within the Greater Washington DC area. As with our 1-day 1999 Saturday Seminar, USPTO invites INCA to be co-host. Half the attendees (16) responded as willing to be counted on.

Fred reviewed some of the newly instituted technologies for on-site searching that are in a test and demonstration mode, and also without hourly charge. He summarized the rapidly-growing searching and materials supply service available through internet WWW. USPTO.GOV. And he described how Commissioner Dickinson has established his support office for Independent Inventors, Directed by one of INCA's charter members, Don Kelly.

The new patent law was described, particularly in terms of new law enforcement mechanisms against those who prey on new inventors. The USPTO was awarded much more freedom to hire and to promote from within. An internal tax was removed the PTO budget, and the new fee schedule was distributed.

The quality of audience questions that evolved from his timely and important-to-inventor presentation was great. This encouraged Bill's Kuntz, VP and host, to hold open the information exchange for as long as it met INCA members' critical needs.

INCA is very fortunate to have substantive support from key staff people of the USPTO such as Fred Schmidt. **He did a fine job! Thanks.**

NOTE for your 2000 Calendars: Our regularly scheduled meetings fall upon federal holidays when the NIH conference rooms are not available for our use. The "work-around" for 2000 schedules temporarily changes the 3rd Monday INCA habit:

Our Jan 10 Program is on the S E C O N D Monday

INCA membership includes Patent Attorneys.

Nick Bromer, (202) 628 5197 Allen Wood (202) 962 4058 and Moon Soo Lee (202) 9557995 will form a panel of INCA members / Patent Attorneys to discuss Intellectual Property aspects of “invention”. Member questions are wanted.

Ray at (703) 971 9216 will take your pre-meeting questions and relay them to the Attorney-panel members. Our speaker-host will manage floor questions during and after the presentations.

Our Feb 7 Program is on the F I R S T Monday.

Denny Lennon has arranged for Mr Edward G. Newman, President of Xybernaut to be our speaker. The Xybernaut corporation is based on the idea and intellectual property supporting customer needs for a “wearable computer”. The company is young and rapidly growing to meet opportunities that steadily unfold.

See <http://www.xybernaut.com> web page for pre-meeting orientation to a young business, driven and supported with modern technology patents.

Our Mar 20 Program will renew our pattern of T H I R D Mondays.

Apology by editor to Bettie Grey:

One of the volunteer roles within INCA from which I have learned a lot has been the ad-hoc editor.

One of the things you helped me learn most recently has been the difference between reporting and editing.

I did a very insufficient job at reporting your presentation of November 15. Unfortunately, I compounded the problem by letting a bunch of energy conservation and heat transfer stuff get past the editor. Thanks for your good will. Editor.

R E S E A R C H:

A study for Pitney Bowes of Stamford Conn categorizes personality types of small business:

“Idealists” 24%, love their product, hate running a business and are reliant on their computers.

“Optimizers” 21% , maximize profit on existing resources, seldom expand and are laid back.

These folks welcome help by free-lance contractors. [read inventors]

“Hard Workers” 20%, want bigger business and worry about details.

“Jugglers” 20% struggle to make ends meet. They need to learn managerial skills.

“Sustainers 15% are adverse to credit and risk. Many inherited or bought their business.

Ref. Tannenbaum of WS Journal : Enterprise

I N F E R E N C E:

Inventive small business persons appear to include:

idealists who would prefer to erase the need for business details such as planning and execution.

hard workers who should worry about rapid growth toward commercialization and its costs.

jugglers who will continue to struggle until they learn managerial skills.

Report from Raoul, Our VOLUNTEER WEB MASTER

+++++

In sending out a broadcast e-mail to the members, I keep getting back transmission failures (i.e. wrong addresses) from several names. Since there's no sense sending a message to a wrong address, I've deleted them from my e-mailing list.

However, our web site e-mail directory <http://inca.interspeed.net/e-mail.htm> is still showing e-mail addresses for INCA members whose e-mail has changed.

Raoul **requests** everyone to **check their e-mail address** as shown on our web-page (URL) shown above. Instruction:

1. Sign on to internet for <http://inca.interspeed.net>
2. Scroll down to the bottom line and click on e-mail addresses.
3. Check: is your name written there?
4. If 3 is yes, Click on your name to read your address in the "send to:" box.
5. If your e-address has been changed, please help us correct our record:
Click "back to home" then click "Webmaster" on next to last line.
A write-mail with send-to r-drapeau@usa.net will appear.
Use the main message area of your write-mail page to write your new e-address plus your name, slow-mail address and telephone number(s). Click "Send Now".
6. If 3 is no, Click "back to home", then click "Webmaster" on next to last line of home page.
A write-mail with send-to r-drapeau@usa.net will appear. Write your new e-address plus your name, slow-mail address and telephone number (s).
Click "Send Now".

Alternative Procedure: If you haven't been receiving e-mail addressed to "INCA Members & Friends", enter <http://inca.interspeed.net/e-mail.htm> and proceed from step 3 above.

As soon as nearly all of our membership and guests are connected to e-mail - and we have their addresses, - the content of our Newsletter can be expanded, cost for distribution reduced, and we all take another step into our modern world of communication.

WEB SITE ADDRESS CHANGE COMING:

In January, we will be **changing the web address because our supplier is so**

successful. They are changing their name to one a little shorter.

[On January 10th, Raoul will be sending an e-mail to notify everyone of this change to our new web address. And he will take care of letting the search engine companies know, too.]

Please note importance of timely response to accuracy of your web address!!!!!!!

+++++

Please share your appreciation of Raoul's contribution with a message to r-drapeau@usa.net.

Dr Vernon Brabham (770) 971 8342 was introduced to Newsletter readers in our December issue. <http://www.bizine.com/invent> & vbrabham@mindspring.com [ask to be on his free inventor's mailing list]

Dr. Brabhams's public e-mail article provides a prophesy about "inventing to become richer".

- **- it takes a lot of work - and persistence -**

- **Plus a capability* to meet at least these screening criteria:**

Is your proposed product needed?

- more importantly, is it wanted?

What evidence has your product-team found regarding "Just what is wanted?"

Will your customers pay at least 5 times what it will cost for you to make it ?

"Is another product already being made and marketed as your competitor?

Will yours be enough better in the customer's eyes to justify price that includes your startup costs?

Will your product meet all legal, safety and environmental concerns?

*Note: Some of or INCA member Inventors really value INCA capability to trade skills and knowledges with other cooperative INCA inventors. Networking may equal "match-making" for a stronger enterprise.

Dr Vernon Brabham's e-mail described a marketing group requiring "no money up front". It is called Inventnet International Corporation at <http://www.inventnet.com/marketing/html>

Do we have inventors, individuals or groups of experienced marketing talent who want to offer a "no-money up front" support to some of our own inventions? - or - Do we have inventors that are willing to exercise good invention @ "no money up front" to feed market-researched needs?

Tom's List

Tom Moseley (301) 384 6814 [Home] initiated a list of attendee's patents during our October

meeting. The list includes:

1. Method and App. For High Amplitude Acoustically Resonating Cavity for Effecting Physical Processes.
2. Method of Efficiently Compressing a Gas
3. Thermal sweep to improve Efficiency of an “Adiabatic Enthalpizer” (Compressor, Expander etc)
4. Load indicating bolts
5. Visual Pressure Indicators
6. High Fidelity Sound Reproducing System
7. Method of laying out a Pathway for Piping
8. Vacuum Cooling Trap
9. Superconducting Braid
10. Superconducting ribbon
11. Multiaction Superconducting Flux Pump
12. Hydraulic Powered Handwasher
13. Multipole Superconducting Magnet
14. M P S C Magnet Having Shim-Stepped Windings
15. Recycling Vehicle and Mechanism
16. Thermoelectric Power Supply (for SC devices)
17. Problem Driver Detection System (filing with employer)
18. Remote Access Property Inspection System
19. Family of Chain Shifter, Sprocket Ratio-Changer & Derailleur Cable Collet
20. Family of Aircraft Tail Surface Spoilers, Disk Spoiler System, Segmented Spoilers & Radial-Force Spoiler System.

BOARD MEETING Highlights of October 18 5:52 - 6:22 pm.

1. Status of Funds

**Our treasury had approximately \$1700 then, considered to be sufficient
(INCA has 68 regular dues-paying members at end-of-year)**

**The near-60 registration for our Saturday Seminar with USPTO yielded an income
of \$1100 and an expense of \$640, adding \$410 to our treasury and adding
inventors to our membership.**

The June 12 '99 Saturday Seminar revealed strong benefits from a lot of volunteer sweat contribution.

**Publication expenses have increased due to additional mailings and increased rate for printing.
Monthly printing and mailing cash expenses are approximately \$150.**

Membership Dues have been \$36/yr or \$3/meeting. The Pizza and Snack kitty is nearly paying its

way. The board voted to change individual meeting fee = \$5.

- 2. Program Structure:** Continuation of prior themes, plus,
Commend Raoul for his elegant website: <http://inca.interspeed.net> is best on net!
Approximately 40 of our 68 members (59%) of dues-paying members have e-mail.

Attempted Organizational infrastructure: 5/8 Directors have volunteered
Achieved interactions with MIT Enterprise Forum. INCA publicized at MITEF. 2 joint meetings
Achieved planned "partnership events" of USPTO & INCA. June 12 99 event a "First" for both groups.
Sept 2000 event being planned.

Inventor visibility through WETA initiated. INCA also listed in UIAUSA and Inventors Digest.
Advertising through regular news media not yet in place.

HEALTH MESSAGE: Andy Grove, CEO of "Intel" has joined others in encouraging all men 50 and over to include a PSA measure in their annual physical. The PSA tests for chemical indicator that relates to Prostate Cancer. [Ideal PSA has a value no greater than 4. When it gets to 8, a personal physician may introduce his patient to a Urologist who conducts further tests and offers advice about options available to older men.]

The options available to Ray have included (1) do nothing, or (2) starve the prostate to reduce its size and weaken the few unwanted growth structures, and (3) radiate selected portions to kill unwanted growth structures. The anticipated consequences of (1) would probably terminate life at or near the average terminal age; of (2 + 3) would not let this kind of cancer become a cause of death. For Ray & Fontelle, the option selected was (2+3).

However, the trade of long-term vs shorter term draws upon some near-immediate impacts on life-style. For instance, option (2) employs hormones that drive emotions, including quicker-than-a-flash temper. [This condition is not suitable for chairing any volunteer organization.] Option (3) can be expected to irritate the lower digestive tract for some period. [This condition is not completely suitable for public appearance either.]

Therefore, Ray's family and friends have encouraged him to voluntarily step away from his INCA corporate leadership, which he has enjoyed, and to convert his INCA role of ad-hoc editor into volunteer Editor/volunteer staffer at the pleasure of the Vice President for 1999 and duely elected officer team for 2000.

NEW MAGAZINE ARTICLE ABOUTCORPORATE INVENTION BOOK

Harvard Business Review, Jan-Feb 2000 summarizes book "Discovering New Value in Intellectual Property" p54. [Rivette & Kline] More companies [some of INCA-members customers] are viewing patents as source of unexpected revenues. More CEOs are directing intellectual property strategies for major levels of royalty income and aggressive product strategy. WWW. AMAZON.Com \$19.25 EQUITY in IDEA-PROPERTY

Jack Welch CEO of GE comments on patents and their rewards in summer Fortune article.

In earlier times, corporations offered "job security" for long-term loyalty of needed "idea people".
Inventions were assigned without other compensation than loyalty and "part of the job."
Welch notes that firms can no longer offer the same "job security" because hypercompetition drives

downsizing and professional turnover.

Bill Gates has attracted the top national talent by rewarding inventors and other achievers with more than the usual ownership sharing: I hear reports that more than a thousand of his achievers are millionaires. Gates' policies value loyalty but reward team-level initiative wins special awards.

Our Federal Government has exercised leadership in a "Fairness model" for their in-house inventors. The Federal Technology Transfer Act (FTTA) of 1986 permits commercial royalty up to \$150k/yr to be awarded to Federal inventors. CRADAS are the instrument for this "equity" sharing.

American Universities have been evaluating their policies regarding patent royalties to their employee-inventors. Duke University appears to offer an ideal model for equitable ownership. [V A-F & royalties VI A-F] for inventors.

VI Schedule: Division of Income, After direct expenses

V Ownership

A: Independent work w/o Univ. Resources is owned by employee	Income to Inventor	to Office Sci & Tech	Inventor's Lab	Dept	School	University
	From A					
	All	100%				
B: Independent work using Univ. Resources is owned by employee with 10% royalty to Univ	From B					10%
	All	90%				
	From C&D					
	\$0 - .5kk	50%	10%	10%		20%
	\$.5kk - 2kk	33%	10%	15%	15%	7%
	\$2kk +	25%	10%	15%	15%	10%
C: Univ. Financed work is owned by University, with income shared with inventor(s) & w/in Univ.						20%

D: Gov. Financed work with waived patent rights is owned by University, with income shared with inventor(s) and w/in Univ.

E: Sonor financed work fits C unless otherwise negotiated by sponsor.

F: Univ. Will accept title to invention(s) through Mutual agreement re: Assignment, bequest or Other instrument

Personal RESOLUTION for 2000

I want to volunteer during year 2000 for:

- Supporting newly recognized INCA roles: Membership, Call Maurice Daniel 703 971 2940 h
- Speaker - Host Call Denny Lennon 703 620 5200 At Large-[Particularly conferences]
- Call Allen Wood 70 243 2774 h Asset-Oversight Call Tom Moseley 301 384 6814 h
- Apprenticeship with Web Master Call Raoul Drapeau 703 573 6055;
- Hospitality - Jerry Porter 301 962 8491 Editor - Ray Gilbert Temp 703 971 7443
- Judge Advocate Moon Soo Lee 202 955 7995 Education, Ellis Gordon 202 686 1768

News about Allen Wood's suggestion to Todd Dickinson during the 1999 "Saturday Seminar".

Allen proposed that the economic load for inventors within the category "small entity" was not particularly equitable. Commissioner Todd Dickinson volunteered to make all data available to such a study.

Initial efforts by INCA to perform an appropriate economic study was discouraging because appropriate raw data were not within the current record system.

Sect 4204 of the new patent law seems to commit USPTO to acquire an economic data base -= to help assure

fee equity among inventors.

Allen and the Commissioner have won our commendation!!!!

Patent values

U.S. Corporations may earn Significant % profit from licensing their patents.

IBM reports \$1B/yr from Patent Licensing.

Texas Instruments between 1987&- 1994 collected \$1.9B royalties Vs. Operating Income \$1.3B

.* Afuah, Allan Strategies to Turn Adversity into Profits Sloan Management Review Winter 1999, p106

Patent policies:

Some University inventors may retain up to half of commercialization benefits.

Some corporations reward inventor team members:

\$1,500 at application + \$ 750 at assignment, plus \$7,500 for every 10th invention.

Average: \$3,000 for participation in invention.

Federal research employees may now participate in commercialization royalties of 15% with up to \$150,000 per year/patent.

Letter from Craig Rasmussen, Sat. Sem June 12 99

I met a man who was a little discouraged because he has presented his idea to quite a few companies and all but one, the last one, haven't been able to "see" the advantages. This should be addressed at INCA.

Many people have a great idea but become discouraged before they can convince someone else about it.

I like to look at history and tell others about people who had fantastic ideas but nobody seemed to pay attention.

Robert Goddard was a professor at Texas A&M. He tried for twenty years to get the U.S military interested in rockets, but to no avail. At the end of WWII, Werner Von Braun was invited to come to the United States. He had developed the V2 rocket and had almost won the war for Germany with it.

When he was asked about his techniques and his research, he was astonished to find that the U.S.

Military had never heard of his hero, Robert Goddard or his pioneering work in rocket science.

Von Braun .

INVENTOR TECHNOLOGY:

-about Claims. Claims are the property within a patent. A candidate licensee will usually examine a patent's claims to

determine if this property fits within his business and would add value to the business.

Note: Provisional applications do not include claims.

Their low fee of \$75 does not include provision for a USPTO patent examiner's time and judgment. If an inventor expects an application to result in an award of intellectual property, the application must be for a utility, a design, or a plant patent.

-about utility patent's "broad, independent claims":

Convention in writing and in examining claims is to expect the first offered claim to be the most broad.

It lists the minimum component or step means to achieve a solution to a prior-stated problem.

In minimizing the number of components or steps, the breadth of the claim may read on prior art not yet recognized by the inventor or his team. A first office action often challenges claims as being too broad.

The examiner may suggest narrowing the initial claim by adding restrictions cited in dependent claims.

It may mix elements from prior art with new elements.

It will use the most-broad terms for each element.

It will be considered an independent claim because it does not depend on a prior claim.

Clarity in claim-writing will express a claim title prior to use of the usual word "comprising".

Then the component major parts or means are listed (and numbered). The claim is made complete with a "wherein" expressions that link each of the listed components to the other components or means with terms such as "connects to" or "communicates with".

Many writers want to be sure that a reader of their claim will understand "what the aforementioned components and means do" or what functions are to be achieved from the apparatus' and/or method's structural description.

A "whereby" expression may be added to the end of a claim. It may include functional language as a means of enhancing communication, but the whereby expression cannot add structural property to a claim. It merely recites an objective.

About more-specific dependent claims:

One claim-writing strategy would write as broad as possible initial, independent claim, and let a series of claims, each dependent on the first one, further define specifics relating to a component or means of the first claim. Examiners may call these specifics a limitation, and explain that the independent claim, when read against an earlier patent (prior art)

A dependent second claim might be:

2. a

described claim's disclosure, which is the components of a claim immediately after the introduction that concludes cite limiting aspects of each element that further describe the unique character of each element.

[If the examiner finds prior art that seems to anticipate all elements of a most-broad claim, further definition is simple by combining supportive claims into the language of the most-broad one.]

-about narrow, dependent claims:

Supporting broader claims with multiple narrower claims strengthens specificity of the invention.

-about multiple sketches, with defined parts:

-about background

-about best embodiment

Should the examiner cite prior art that seems to covers the most broad claim, a substitute claim (with its own new number) can be expressed from combined elements within the dependent claims or from within drawings, specifications and

cited references.

Reality in writing and examining claims is that almost anything can be awarded a patent as its definition is narrowed in depth to include greater and greater depth of unique features--- The importance of this condition is that an extremely narrow patent may offer very little property value. Of course, if that narrow product is an item with a new, broad, "faddish" market appeal, even a narrow patent may limit some threat of competition within a narrow market.

A format for claims will include a name for the claim, a list of elements such as items, methods, or steps, and how these elements cooperatively interact with one another to provide a working whole.

Conclusion: Claims for a breakthrough technology or a new use for a known product can be very broad, with few dependent claims. Licensees may be the ones who add their proprietary style to their products through multiple dependent claims.

Conversely, a claim set for mature technology tends to be narrow, with many dependent claims.

[A viable broad claim is usually much more valuable than a lot of narrow ones.]

BOARD MEETING PROVISIONS

3. Vision of program into 2000

Cooperative marketing efforts for individually owned intellectual properties

Cooperative effort policy

Independent Inventor & Corporate Licensee linkage systems

Creating and supporting new intellectual properties to meet market interests

Creative Problem Solving tools - Part of pre-meeting networking

Washington "Invention Conferences" with major customer groups

Capital Area "Inventor / Business Workshops" to tailor properties

Economic research

Studies to support changing fees within patent law for small entity

Basic principles from which to teach "project economics for

inventions"

**Economic models generated and proofed from which to estimate
development & promotion costs for inventions suitable:**

**for licensing
for manufacturing
for distribution**

Sponsorship of INCA-like inventor organizations

Cooperate in starting new Inventor Associations

- for youth (Implement Lemelson Objectives)**
- for out-lying communities (Implement Saturday
Seminar findings: Too few public arenas for
inventors)**

Board Meeting, Continued

**Recognition agency to identify inventor teams whose properties provide:
major humanity enhancements
important, timely social enhancement
economically-significant communication value
essential material-conservation merit
business initiation, growth and health**

4. Amplify Inventor Initiatives, using available resources

**INCA might demonstrate processes through which independent inventors
thrive**

**feed intellectual property benefits to customers through licenses
integrate tasks with corporate producers and marketers.**

**INCA and cooperative industries might demonstrate employed inventors:
processes**

**help corporations thrive from intellectual property benefits to
customers**

**assure high quality properties through equity in licensing from
employed inventors to other corporate producers and
marketers.**

**INCA, Universities and small entity corporations might broaden sound
inventor policy. refine a modern Intellectual Property policy for
Universities and Corporations**

regarding individual inventor equity-rights.

**[Consider Duke University Policy as model. Ref:
Inventions, Patents and Technology Transfer of July 1**

1996, Nine pages]

“ **A concept is expressed and refined with concept explanation and value additions.
Commercialization and directive-focus follow.
Protection strategies for intellectual property considered
Business formation (with a balance of talent) is discussed**

**Marketing with definition and segmentation outlined
Financing converts aforementioned considerations into economic terms and marshals:
Deal Structure evaluation
Likely Investor demands
Program requirements and recommended posture.**

**A growing, evolving concept is summarized. Moderator / Mentor(s) suggest direction & offer advice.
Audience reaction is noted. “Beta test” records reactions. Division of the audience into groups of fewer than
30 offers a close relationship to presenters, moderators, mentors and recorders.**

Mar 21 Program Licensing Experience and considerations

April Saturday Seminar at USPTO for Independent Inventors

April 18