

Breaking Energy

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Protecting Your Technology Innovations

Attorneys discuss how to protect the intellectual property you've worked so hard to develop

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One of the biggest challenges energy and technology companies face is protecting innovation. How do you make sure other companies or individuals don't steal valuable new intellectual property?

We sat down with [Lisa Adams](#), partner in the IP section, and [Tom Burton](#), chair of the energy technology practice, at [Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.](#)'s Boston offices, to get some straight talk on how to make money from your innovations without risking theft or loss of proprietary technology.

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So your company has developed a brand new technology you want to market but you don't want to risk theft of IP. What should you do from the outset?

Adams: If you plan on giving a presentation on the new technology, at the bare minimum, file a patent sheet first. And, if you're new to doing this, do a quick patent search, too, to see what's already out there. You don't want to invest money in a new technology that already exists.



Patents give you the right to prevent others from doing what you claim.

There's a lot more value to patents than the claims that may come later on.

They enable you to carve out the niche area you plan to operate in. And if a big company is looking to acquire you, a patent can force them to buy you out.

How do you protect your technology when entering into a partnership with another company or a utility?

Burton: Enter into a nondisclosure agreement whenever you go into a partnership, so you can at least file a claim if IP is stolen. And don't reveal everything. When deploying a new product with a utility, for example, have your own representatives working the deployment or installing the trade secret portions of it. You can also make sure final assembly occurs on your site, not the utility site.



Pay careful attention to your contracts, and make sure your contract disallows reverse engineering. Also, make sure you have the resources to enforce contracts.

What other steps can you take to reduce risk of IP theft outside the realm of patents and contracts, particularly when dealing with overseas partners?

Burton: Take time to build relationships with your larger partners. Your partners likely want to be seen as friendly to innovators. IP theft is rampant in China right now. You can either resign yourself to not getting that portion of the market while still getting some of it at home. Or just be vigilant about choosing the right partner. In a place like China, find someone who has the economic incentive to enforce IP. Create an alignment where everyone is making money.

Also, if you're continually improving upon your patent estate and these improvements are of interest to your partner, he'll be more likely to protect it.

What are some of the most common mistakes you see technology companies making when it comes to protecting new innovations?

Adams: You see a lot of startups that don't have money and don't appreciate the value of IP. That comes back to bite them later on. You need to file continuously beyond that initial patent. The trick for startups is you have to be strategic. You don't need to file on everything, but consider the value of your technology to investors. Think about your endgame and what is most important to protect. Plus, having a plan for IP makes you more attractive to investors.

Focus on your IP early on. Stay on top of it, and monitor it. Think about how business changes affect IP, and watch your competitors and see what they're doing.

Topics: innovation, intellectual property, Lake Whillans, Litigation Finance, Startups, Technology
