

The importance of protecting intellectual property for entrepreneurs and investors

"I'm out!" is the disheartening verdict heard all too often in the "Dragon's Den", the business-focussed BBC show. What could entrepreneurs do differently to try to get the Dragons, or indeed any investors, on their side and attract the financial support they need?

The inventors of the Duvalay - a combined duvet and mattress for use in caravans - had the right approach. They applied for patent protection for their invention before pitching to potential investors. Their patent application helped to impress the Dragons and the inventors secured a £80,000 investment.

The Dragons are not the only ones whose ears prick up at the mention of patents. In the reality TV show "The Apprentice", mention of his patents may well have been the clincher in Tom Pellereau's bid to land a lucrative position with Lord Sugar.

Why do investors attribute so much importance to patents? Quite simply because they want to protect their investment. Who would want to back an idea for a new product or service, funding its development and marketing, knowing that a competitor is free to take the idea and launch a competing product or service?

Budding entrepreneurs often fail to consider patents because they believe their ideas to be too mundane, or they are concerned about the complexities and costs of the patent system. However, such concerns are often misplaced.

Patents are certainly not just for ground-breaking inventions - they can generally be obtained for any new solution to a technical problem. The Duvalay is just one example of a simple invention that is suited to patent protection, and the curved nail file invented by Tom Pellerau is another. Whether you are an engineer, tradesperson, software developer, or a stay-at-home mum, you are likely to conceive patentable ideas during the course of your work.

If you have an idea, it is crucial to keep it confidential until a patent has been applied for. It is a good idea to carry out a quick search on the Internet to see if the idea appears to be unique. Next, you should consult a registered patent attorney, who will be able to advise you on what protection is available and give you an indication of timescales and costs.

If the idea is suitable for patent protection, an application will be prepared. This describes the invention in its broadest terms, as well as listing any preferred features. Once this is filed, the invention will acquire "patent pending" status until the application has been examined by the national Patent Offices. Once granted, a patent allows you to prevent others from exploiting your invention without your permission.

The costs of patenting an invention are not insignificant, but a basic UK patent can often be secured for just a few thousand pounds. A patent can be a company's most valuable asset, so the costs of obtaining a patent can be far outweighed by the value that the patent will ultimately provide.



Patents are powerful tools for protecting and exploiting inventions. Holding a patent can help you to secure a unique position in the marketplace, or to generate income through licenses. Applying for patent protection could well be a key factor in persuading an investor to declare: "I'm in".

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