

- Alex Goody: [00:02](#) Hi, my name is Alex Goody. I'm a California attorney and the product manager at ClearAccessIP and I'm excited to help show off how you, a startup founder in house council or someone wearing many different hats at your organization, can utilize the power of the AI and ClearAccessIP to develop and maintain a strong IP strategy.
- Alex Goody: [00:23](#) Today's Webinar, AI and Machine Learning for Startup IP Strategy seeks to help make that happen. Startups face significant challenges accessing patent council and good lawyers willing to work with early stage companies are difficult to find and the costs are hard to control and that's why ClearAccessIP is collaborating with Maschoff Brennan to provide a new kind of IP service. When that puts you in touch with the talented IP attorney that uses technology to scale back costs and set your IP strategy up for success. Put the control back in your hands! We're going to teach you today how to track your progress and watch your wins through a secure platform that updates daily. You'll learn how to access an out of the box patent workflow and a suite of online tools that will ensure that you're always ready to raise the next round. And you'll be able to better leverage your attorney's time by focusing on the highest level, highest value work, and by eliminating unnecessary administrative and duplicative tasks.
- Alex Goody: [01:31](#) For those of you who don't know us, ClearAccessIP is an IP automation company headquartered in Palo Alto. Our company was spun out of Stanford in 2016 where our founder, Nicole Shanahan, spent two years developing the end to end IP management platform that our users love today. If you're watching this, you're probably thinking about your company's IP. Perhaps you're at the very beginning of this journey and wondering how best to build a robust portfolio that protects your growing business. Maybe you're thinking about finding partners or investors and the right way to showcase your technology investment to the buy side. ClearAccessIP can help
- Alex Goody: [02:08](#) Our Stanford roots mean that we're deeply involved in the startup community here in the Silicon Valley and we've worked with and helped numerous startups looking in earnest for IP solutions throughout every stage of their journey and with a variety of needs and budgets. The partnership between ClearAccessIP and Maschoff Brennan that we're presenting today, pairs our AI tool with their high-quality startup focused IP legal services. A unique offering in this industry. This partnership means that we can put the control back in your hands because ClearAccessIP gives you full access to your records through a secure platform that updates daily. You have

access to a suite of online tools from which you can build patent workflows to share with your Maschoff Brennan attorney. And because your attorney is plugged into ClearAccessIP's workflow, you can get higher quality services, great work product and save time and money. That's the power of ClearAccessIP, and we'll explore it more in depth later. But for now I'm going to hand the reins over to Jason. He's going to explain how you might approach your patent strategy as an early or growth stage startup. I'll be back shortly to show off how you can integrate ClearAccessIP into your day to day workflow and streamline your systems to make the most of the power of the machine learning built in.

- Jason Croft: [03:24](#) Hi, my name is Jason Croft. I'm a partner at Maschoff Brennan. We're a firm of about 50 attorneys and we're based out of Utah and California with offices in park city, Salt Lake City and Orange County. We focus on intellectual property and complex litigation. Our attorneys have actually come from all across the US and actually at some of the largest firms in the world. We have expertise in virtually all areas of technology, whether it's high-tech, biotech, we do software and mechanical, electrical, and we represent companies of all sizes - whether it's a startup or a big multinational and really anything in between. So many of us at the firm actually ended up in Utah because we love it here. The skiing, the mountain biking, the national parks and such. We kind of get the best of both worlds because we're about an hour and a half a plane ride away from major tech centers like Silicon Valley, Seattle and Austin, and 30 minutes away from eight world class ski resorts, so I focus primarily on patents and helping inventors protect their inventions.
- Jason Croft: [04:28](#) Before law School, I was an engineer at a major medical device company where I designed robotic manufacturing equipment, and then I began my legal career in Silicon Valley where I've worked at leading law firms. A few years back, I joined a very early stage startup in Silicon Valley as employee number one, where I helped build the company process from the ground up. And of course, as an IP guy, I helped set up the company's patent system - and a bunch of other stuff like venture financing and such. But I think that's really enough about me and my firm. Let's dive into the stuff that's actually interesting.
- Jason Croft: [05:01](#) One of the major benefits of the ClearAccessIP system is a reduction in the time it takes to manage your IP portfolio, and the time that it takes to actually populate the fields - because they do it automatically for you. Back in my day you had to type it all in manually, and that's prone to errors. Another thing that's really nice is that what you would see on your system is

the same thing that the attorney would see. And so I think there's a lot of value in that - you know, if you're talking on the phone and you can be looking at the same thing. I think another thing that is really helpful about having the data in front of you is it helps you make a more informed business decisions. Patent strategy - a big part of it comes down to the business decision, and does it make business sense to file patents. And does it make business sense to file patents on specific technologies. If it's something that's going to be core to the business or something that you want to protect for the future, something that you'd want to maybe carve out so that you have an option later and you can exclude some competitors - access to that data at your fingertips can really help in that process.

Jason Croft:

[06:29](#)

A decision that really should be made with every invention is whether to file something in the first place. Is it something that is gonna add value to your business? Is it something that you're going to want to seek patent protection on or just something that you want to keep as a trade secret internally? So we've got a list of questions here that - it's not an exhaustive list - but it's kind of a short list of questions you can ask yourself about that might help you to decide whether you want to file a patent application in the first place. Another question is about cost and you know, especially for early stage startups that are potentially bootstrapping or between a investment rounds, costs can be a big thing. And you want to know, okay, if I decide to file for a patent application, is it going to be worth, it is going to be something that adds value to my company or it's going to be something detracts from what we're trying to do?

Jason Croft:

[07:24](#)

So there are fixed costs and those are the USPTO fees. I think for early stage startups, I would imagine that probably 90 - 95 percent of them would qualify as a small entity and that gives you a 50 percent reduction in the USPTO fees. So for filing a regular utility patent application, those fees are going to be just under a thousand dollars with the small entity discount. Other things to be mindful of is - there's the, there's the initial filing fees, but then there's the ongoing - they call it prosecution. It's not like a criminal prosecutor prosecution at the patent office, it's just working with the patent office to get something through and get something issued. So there's the initial fees upfront for the filing fees. And then, as you work with a patent examiners and the prosecution process, there will be ongoing fees - both attorneys fees and then there's fees like a request for continued examination and so forth. And then once the patent application grants, then there's going to be a maintenance fees.

Jason Croft:

[08:45](#)

Other considerations that you want to take into account when deciding whether to file a patent application for a particular invention is what others are doing in this space. If there's other companies that are doing something almost identical and maybe you've seen some of their patent applications or you've seen some of their white papers or they've released products, then your invention is maybe just an incremental improvement. Maybe it's not worth the cost to file for a patent application. That's a consideration I think you want to take into account. When you're an early stage company, I think it's really important that you have an IP strategy. The IP strategy that you set up, it very well might be that you filed one patent application instead of 10. It very well might be that you decide to not file any patents upfront and then you might we might wait to file them later, but I think you need to have the conversation and you need to be thinking about those things. There's really no shortcuts for an IP strategy. I think that the decision for when to file a patent application for an early stage company, it doesn't make sense to go file 50 patent applications on day one, especially if you're bootstrapping or cash is tight, then you could spend all your money on patent applications and have none left leftover for the business. That doesn't make any sense. So I think that you really want to take into account, again, like I said, it's a business decision as to your patent strategy is really influenced by the business. So if you're early stage, you want be able to protect your core IP and so you might just have one big patent application that just does a really good job covering your - if it's a platform or a product, you do a really good job with coverage there and then kind of call it good for a little while while you build your company and your product.

Jason Croft:

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And then as a company, hopefully you do well and you were moving into the growth stage. At that point you're probably continuing to do engineering, there's different iterations on the product, there might be other features that are added, there might be new products and at that point, hopefully you've got some more cash, whether you're cashflow positive or whether you've got some investment money that you can use that isn't going to detract from the business, but it allows you to, to expand your IP portfolio a little bit more. One thing that I think I should mention here is regardless of what stage you're in, I think if you set up a good system from the beginning, then it's gonna save you a lot of headache and time in the future. So if you're an early stage company and you set up a really good system on how you track your IP, you can continue to use that system through the growth stage. And even as you turn it into a

mature company, you can use that system that you set up as an early stage if you do it right the first time.

Jason Croft: [11:59](#)

Another question that I get asked a lot is where should I file a patent application? And again, it's a business decision. I think we've got some points here to consider, but I think a really big piece of this is where do you think you're going to be selling products? Where do you think you're going to have adoption or are, is it going to be really popular in Germany? Is, is Taiwan going to be a place where you're going, where you going to manufacture everything? Those kinds of questions are the ones you need to have. If, if you're going to if you think it's popular in Germany and you're going to get copied there, you probably want to have some protection there. If you feel like you know, your primary and maybe only market is the US, then maybe you just file in the US. So those are questions I think you need to have.

Jason Croft: [12:44](#)

So let's talk about the patent process. When I work with companies and inventors, usually they're focused on building a solution or building a product. Hardly do inventors come out and say "hey, I just want to invent something," just for the sake of inventing it. Usually they're focused on a problem. And when I was an engineer it was a similar thing where I was focused on a particular problem or I wanted to achieve a particular result. And then I got there and I was like, that's great. I want to start focusing on the next thing. Hardly ever do engineers go back and think about, hey what I did? Was it, was it novel, was it unique, was it not obvious? Is it something that was inventive? I think that is a conversation that the business team and IP lawyers need to be having with the engineers and trying to figure out what the engineers are doing that is inventive and how we can protect that and help the protect the company's inventions.

Jason Croft: [13:46](#)

So the first step obviously is coming up with an idea. Then once that idea is then extracted from the engineering team, then typically you're going to do a writeup where you described kind of the problem that you're trying to solve, how you're solving it. And figures usually help here where - what do they say - a picture's worth a thousand words. I think that's definitely the case with patents. So you have a write up some figures and you know, really try to do a good job explaining your invention. And I think this is the case with engineers, it certainly was with me when I was an engineer, I didn't want to spend a lot of time writing it up. I knew all about it. I didn't need to write it up for my sake. I just wanted to focus on the engineering. I think that's a paradigm shift needed to have with the engineers is we need

to figure out exactly what's going on. And whether that means the engineers do the writeup or whether somebody comes in and volunteers to assist with engineers, but really we've got to do a good job capturing the invention. Then typically what happens is the engineers will work with the drafting patent attorney, and the patent attorney will have questions and kind of flush out everything that needs to happen in variations. So usually what happens is there's a patent disclosure and where the invention is memorialized in an internal invention disclosure form typically or IDF for short. And then there's typically a management meeting that they will review that and kind of look at it through the lens of the business and decide whether it makes business sense to file a patent application. If the decision is no, then typically it will be reserved as a trade secret of the company. If the decision is yes, then a patent attorney will come in and start working to draft the patent application. Then the patent attorney sends a draft to the inventors and if it meets the inventors' approval then it's ready for filing and then we'll file it at the appropriate patent office or offices.

Jason Croft:

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So at that point it's kind of a black box for engineers usually in engineers and inventors are involved with the review of the patent application. But once it gets filed they just kind of disappears. So I will go through kind of the the high level, what happens after you filed an application. So you file it and then it goes into a patent examiners queue and it, it might sit there for months, it might sit there for years. Most likely it's going to be years, and then when it finally reaches the top of the patent examiners queue, then the patent examiner will take a look at it. They'll look at the claims, they'll do some searches and they'll try to find what they feel is the closest art that's out there. And then typically there's rejections. A lot of inventors see the word rejection and they think that their invention is a bad idea that it's never going to go through.

Jason Croft:

[16:54](#)

That's not typically the case. Rejections are actually very normal part of the process. So once we get an office action, that's what memorializes the patent office's rejections. You take a look at it and you decide whether the patent examiner is right and sometimes they're not, and sometimes they're, they're close and they're close enough that maybe it warrant's that you make a small change to the claims and then file a response. So there's typically some back and forth - you can go through a few rounds with the patent examiner and with the ultimate goal of getting a Notice of Allowance. Once you get a Notice of Allowance, then the patent typically issues within six to eight weeks. I mean, you've got your patent.

Jason Croft: [17:40](#) One of the worst things about being a patent attorney is seeing an inventor who has completely ruined his ability to get a patent. One of the most common ways that I've seen this happen is through public disclosures. What usually happens is the inventor gets really excited about their invention and they start talking about it - they might schedule a trade show presentation or publish a white paper and submit it, and they do this without protecting themselves by filing a patent application. And it's devastating. And I hate being the bearer of bad news. And it's probably one of the worst things that that I've ever had to do is tell an inventor, who had a really good idea, that it was not patentable and he essentially gave it to his competitors for free. Let me be clear on this. If you do something that is a public disclosure without seeking patent protection first, you're done. There's nothing that the software team can do to save you. There's nothing that the investors can do to save you. There's nothing that your business development team can do to save you. There's nothing I can do to save you. At that point, you've dedicated your work to the public for free.

Jason Croft: [19:08](#) If you are an inventor or someone on the business side of things who knows about a potential public disclosure, whether it's a trade show, presentation, a publication, a white paper, or even a large scale beta test, or the the deals team is about to make a sale or an offer for sale - you need to have a conversation with the patent team about making sure that everything is protected before any of those things happen. Because if you don't, you might completely ruin your ability to get patent protection. So remember, I can't say it enough. Be mindful of public disclosures before they happen. Get out in front of it and have a strategy in place that allows you to protect any IP that you would like to keep for the company. Another fatal error that I see often are with startups who have not engaged a professional to help them are missing dates.

Jason Croft: [20:11](#) In the patent world, dates mean something. There are a lot of dates that are completely inflexible. If you, if you miss a date, then you've, then you've completely blown your chance to have IP protection. One of the biggest ones is the foreign filing due date. Typically you have a year after filing a US patent application to decide if you want to file a foreign patent application. And if you are late on filing the foreign patent application, that's it. You've given it up. So monitoring and managing dates is super important. In the US there's typically dates that are given to respond to office actions. For example, you usually it's three months and then you can extend it up to six with an extension fee. And if you don't, your patent application goes abandoned. And yes, there are provisions to

revive abandoned patent applications. But it just costs more time and money and it, it adds a black mark to your patent because it has been abandoned.

Jason Croft:

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So if you try to enforce it in the future, guess what? The litigators are gonna hone in on that and say, Oh, well you abandoned this. You didn't actually intend to keep this as a patent application and that's just another battle you would have to fight if you ever tried to litigate this thing. So managing dates is very, very critical to every patent and patent application that you have.

Jason Croft:

[21:40](#)

I've worked with a lot of companies and one thing that stands out are the companies that have done a good job with their IP management. And it's not just IP management, but it's also managing the communications and information and making sure that everything is organized well. One thing that I've seen that I think has been frustrating to clients is when they can't find an email, for example, or they can't find information in there, then they have to reach out and ask us - and we keep records, so we've got it - But I think that for them, they were frustrated that it was kind of a waste of their time because they didn't have a good system in place to keep track of information. I think I mentioned it before, but when it comes to an IP management system, you really want to do it right the first time. You don't want to build something to throw it away. You want to just build it right so that as you scale and as you grow, you can continue to use that same system. I think there's a lot of pull to maybe cut corners or to just kind of hack something together to get you to the next step, but what that often means is that you're going to have to take some time later and fix it. For some things that's okay to do. I think if, on the software side of things, maybe it's fine to do that. You can hack something together for an investment round and get it working just good enough to demo it knowing that you're gonna have to fix it and do it right later. I think though with IP, there's a lot of issues that if you just hack something together or you just kind of do things without really considering the consequences, you can make these fatal mistakes that will really hurt you and damage your business. Some of the results of those means zero patent protection. You've essentially given your patents away. If you create a bad system that's prone to errors, you are bound to miss things, and in the patent world, missing a date for example can be fatal. What we're trying to do is help you set up systems in your business that you can set up once and do it right the first time to save you headache and that will help streamline your business so that you can focus on things that you love to do. So an easy to use, easy to understand system that multiple people

can view at the same time. And if you can even add on the fly editing, that kind of thing helps people to get on the same page in a very short amount of time. So at the different companies and law firms I've worked at, I've been exposed to different document management and docketing management systems, including excel spreadsheets, and I think that ClearAccessIP offers a very great solution.

Alex Goody:

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Thank you Jason. And if we want to make sure that everyone can stay on the same page as your organization grows, we need to make sure that they have tools - because there's always a risk that vital information might slip through the cracks. So ensuring that you have a way to limit the risks and the pitfalls is crucial. So I'm going to show you that today in ClearAccessIP, and I want to give you a broad range and idea of what features a startup will need and what a small organization would want to do in order to leverage the platform and the collaboration with Maschoff Brennan to the fullest extent. So first I want to discuss the invention disclosure process. I want to show you how you might use these tools to aid in making the determination of whether you're going to file. And then I want to show how ClearAccessIP can guide your ongoing prosecution efforts and work to contact with Jason's team in an effective way. And finally, we'll show you how you can aggregate all of your filings, all your assets, and all of your documentation together around important milestones, because when you go to raise your next round of funding or to engage in M&A, your preparedness and use of ClearAccessIPs tools will be apparent. So you, as an early stage startup, a founder, or an employee in a company that will have patent filings, you need to set yourself up for success early on. So let's dive right in.

Alex Goody:

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Now, here's your main page and this will be most useful once you have your filing, but essentially it will show due dates. It'll show the maintenance fees, the ongoing fees to keep the patent alive. And when you click into this patent filing all of these fields here, they're all auto filled. And they link to every document to come from the patent office. It's entirely hands free. It requires no ongoing effort on your part. It's merely a view into and a repository for all the documents and all the information you would need. But let's step back. Let's get you to the invention disclosure because that's the first step, the first place where you're going to encounter ClearAccessIP, and the first spot where you'll have to discuss with Jason and his team. So an invention disclosure is the idea for your invention and what will become your patent application begins its life as an invention disclosure. And here in the platform we have your repository for those. So Jason talked extensively earlier about

the importance of filing early and filing often and making sure that anything that's publicly disclosed goes through some act of internal process. Well, this tool can support that. It can support that information gathering, it can support that review by holding everything together. Now you want to think of this like your google drive it. It's Kinda like your google docs. It's the shared sandbox between you, your engineers and your outside counsel and you want to have at hand a link for anyone that might have a bright idea, so they have the ability to fill this out. With merely a link they can get to this page which will give them prompts so you can make sure that you're putting in there the important factors around the invention. You'll put in the focus of it, the market sector, the current state of the art and of the technology and all of the steps that make it possible. If your company is like ClearAccessIP, you probably have a lot of great ideas and not enough people or budget to implement them all at once. Filing patents on every innovation can get expensive. But, because the invention disclosures are shareable, you can easily use the system to support an invention review committee or other process to make sure that your team is investing in the patents that will be most effective in protecting the company.

Alex Goody:

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ClearAccessIP through IPDealRoom gives you a market intelligence tool to look at the entire landscape of filings that match your invention. That way you can decide early on with minimal effort whether you want to proceed with filing. Creating a DealRoom in ClearAccessIP to access the market. Intelligence is easy, so step one, let's name it, let's say that's for internal review. This page gives us a list of all of our invention disclosures, all of our applications, anything loaded into your system. Add it to the DealRoom, turn on the machine learning and sit back while it scans the entire patent corpus. And very soon you'll begin to experience the power of the natural language processing and AI making up ClearAccessIP.

Alex Goody:

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Now, this information glean from our DealRoom can be a great way to gain market intelligence. Where analysts or an investment banker can find competitors based on their products or on the market, patent filings provide an unbiased window into R&D investment, one that can't easily be gamed by investor relations or marketing departments. Where you normally would have to purchase an expensive subscription with a marketing firm to gain market intelligence. ClearAccessIP includes this window into the future plans of other companies, of other potential competitors or potential partners or really anyone else in the field with an already filed application via DealRoom. We've seen our customers use the IP map in so many ways - to creatively draft their patents, tweak their

business plans, and make investment decisions. What's also great about the IP map is that once you run a DealRoom, it updates weekly. If there's ever a new filing, you will know about it,

Alex Goody:

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So hopefully it's gone well. You found exactly where your invention fits in and you're ready to file, and once you file that patent, you'll be back here at your main view. This is your day to day - This is how you'll access ClearAccessIP most of the time. In your manager account, you'll have an overview of that manager's filings. You might have different technical managers focus on different areas, or not. But all of the filings, all of the disclosures, all of the grants or any other assets they might load into the system will show up here in their account. This shows how ClearAccessIP can scale with your organization. These automated filings, these reminders just make sure you don't miss a beat. And the reporting features are going to become a crucial part of your way of showing investors, of showing her board and of showing your CEO and founder what you're doing and how you're doing it in an easy way. And remember from here, there's no more assembling of documents for that. There's no more keeping multiple copies. You don't need to remember to ask counsel for updates or file all of their emails and all their documents in some way, because every single morning before you even wake up, ClearAccessIP pulls in anything new from the PTO and notifies you of these actions - and that saves serious headache.

Alex Goody:

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In any organization. You're going to have to share your progress internally and externally. You're going to have to report to your CEO, your investors, your board, and the community, and in most organizations, business teams, not just IP teams are resource constrained in their ability to pay someone to tell their story and show compelling analysis that supports their worldview. Maintaining a coherent IP strategy and a good set of records can go a long way in preparing you for these conversations. Investors and other buy-side entities often discuss these issues as paramount to the eventual success of a startup. IP hygiene such as comprehensive documentation, and filing and chain of title are critical housekeeping items. Y Combinator, for example, stresses the importance of this record keeping and there Series A checklist. They even have a special section for intellectual property. But your IP strategy is so much more than hygiene in the eyes of the buy-side. Done correctly, it can compellingly tell the company story of how the technology was put together. It tells you what the first iterations were and what the hypothesis was, and it shows what you learned and developed, how you overcome your obstacles, and it shows the

state of the art in the marketplace and how that solution fell short of customer needs. And it'll show how your well positioned for that hockey stick growth that investors are always looking for. This can help you make the case that there's a real business model and not just some fancy technology.

Alex Goody:

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The ways people deal with these issues today is in a very static way and it's labor intensive and it's usually out of date the minute it's done. For assembling the IP story alone, typically you have to get your paralegal or someone in your team to assemble the current set of data that is held by outside counsel - or sometimes you have to pay them to do it. Maybe you get a spreadsheet or a download from a docket system or maybe you've held it internally. Next, you have to compile the file histories, every document from every patent, from multiple sources: from outside counsel, from the PTO, from your engineering documents. And you have to assemble that, you have to package it up and then it's made available. But look, every time you do that, it's true for that moment in time.... Maybe... Even then you've probably made mistakes. People haven't downloaded all the documents, some of them are mislabeled, some of them are put into the wrong files. It might be in a confusing order. And next time the PTO mails you a response, the next time you have to pay a maintenance fee, your packet is out of date again. Now imagine having to do this for every other type of business diligence packet.

Alex Goody:

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With ClearAccessIP, you have a tool that enables your team to within seconds create a set of your assets to be able to share out reliably. You can share that out with investors or third parties, and that's really valuable. You can easily explain where you are right now, where you've been and where you're going because you're able to visualize and demonstrate the ROI of that business asset and that investment, and that is crucial for the buy side. ClearAccessIP removes all of those barriers. It removes all of those issues we've discussed and it ensures that your materials are never out of date. Everything from the patent office comes in when it's published and your packet of materials updates accordingly. But even outside of fundraising, you need to keep your investors and board abreast of what's going on in the organization and this is a great low cost, low effort way of just keeping them in the loop. And when all the craziness surrounding raising your next round of funding comes up, this will be just one less issue to worry about.

Alex Goody:

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We want to help you and your organization to better harness the benefits of your innovations, and we don't want the administrative costs around IP to be another bottleneck,

another money sink, or any kind of impediment to your success. Thank you for joining me and exploring the tools that ClearAccessIP brings to the table and thank you to Jason Croft for all of your help and for sharing your advice. Please feel free to email me at alex@clearaccessip.com. If you have any further questions. And now back to Jason.

Jason Croft:

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Thanks for listening. I know there are parts in here that might've been a little dry, a little boring, but I really think that we have focused on topics that are important and beneficial to you into your company, and if you're ever in Utah, let me know because we've got an extra set of skis or a mountain bike with your name on it.