

Patent Marketing

To Transform Patent Filing into "Strategic Investment"

Aki Ryuka, Patent Attorney & US Attorney-at-Law, California

RYUKA & PARTNERS

CHAPTER 01

Mismatch between: Patent Portfolio Goals, and Patent Filing Strategies

| Mismatch 1: Selecting Filing Countries

- JP companies say:

"No plan to enforce patents aggressively, but

want to balance portfolio strength to **avoid being sued**"

- Setting the goal of the number of patents cf. their competitors'
- Dividing the goal by countries per business scales.

| Mismatch 1: Issues

Assume that the client has the market share in Asia, and a competitor has the market share in the US:

Patents in Asia ➔ Good for excluding others, but not for countering

- Patents should be filed in the competitor's market (e.g., the US) to counter lawsuit and avoid being sued.

Mismatch 2: Drafting Claims

- Objective is to maintain a balance of patent power.
 - Describing and protecting the "own company's product details"
 - Evaluating the inventions high, if used by own.

Issues (ex.) : If the invention is "easy to circumvent,"
it fails to serve maintaining balance.

Protecting own product details

➔ Good for some licence goals, but not for countering

| Filing strategies must meet the patent objects

- Making clear the objects first.
- Then, determining the countries and inventions to file.

Patent filing = Investment for the future

As an investment, an "Exit Strategy" must be envisioned.

CHAPTER 02

The Patent Marketing Framework

| Introduction of Patent Marketing

- Just as product development requires marketing,
- Patents require a pre-designed "winning position."

4-Quadrant Matrix for Patent Marketing

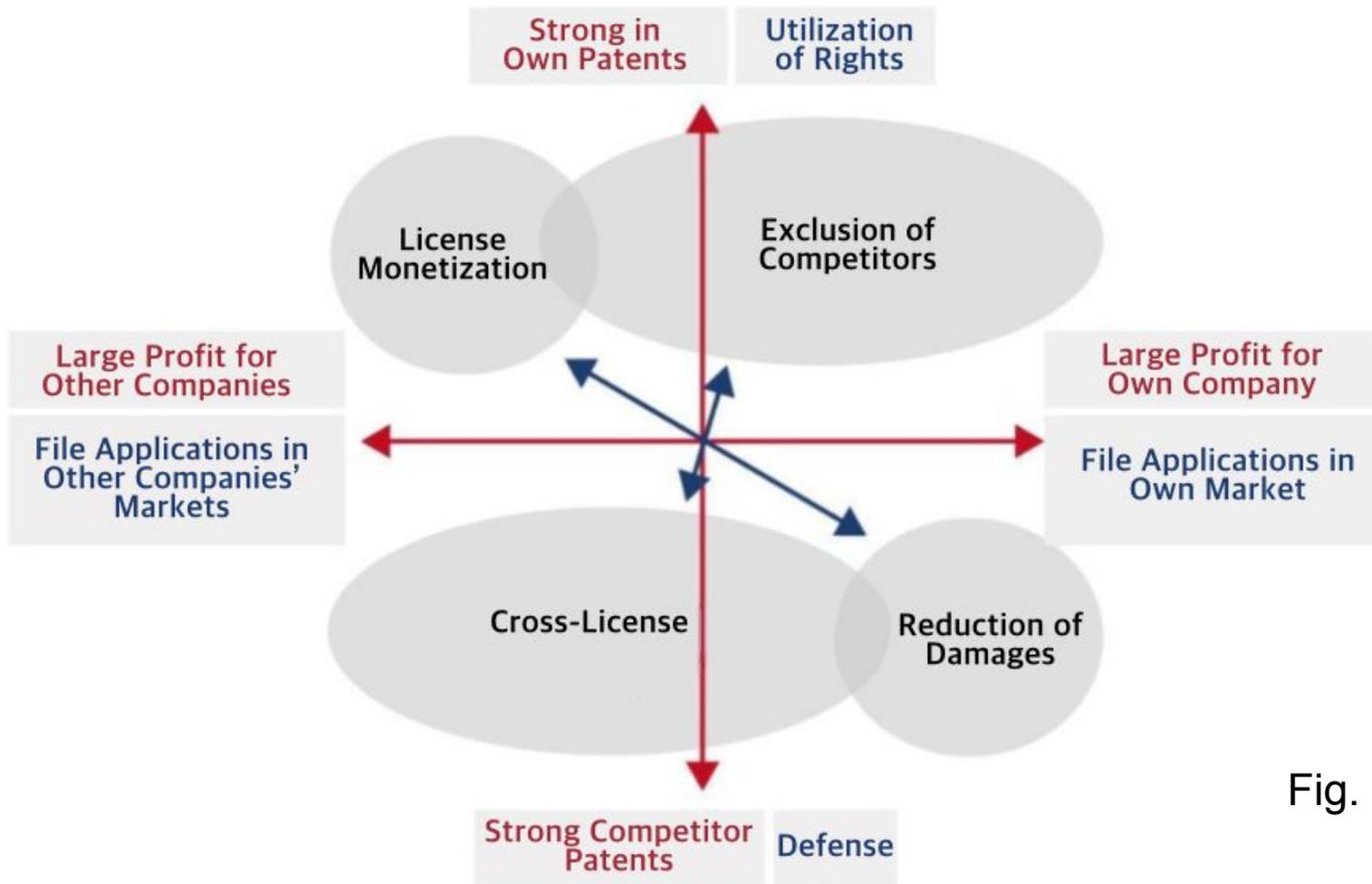


Fig. 1

Quadrant ① [Top-Right: Exclusion of Others]

Own business profit will be larger and own patents will be stronger

Patent Objective: Exclude competitors from the market and protect own monopoly profits.

- **Where to file:** Own market + Competitor's production base.
- **What to cover:** Competitor's products

| Quadrant ② [Top-Left: Licensing]

Competitor's profit will be larger, but self-patent can be stronger.

- **Objective:** Licensing
 - Monetarisation
 - Building a network for Open & Close strategy
- **Where to file:** The market of the potential licensees
- **What to file:** Inventions that the others "want to use."

Value of "Own Product Coverage" in the Top-Left Quadrant

- Patenting own products can be essential where:

1.

Performing OEM
(production under
the other's brand).

2.

Providing
manufacturing
know-how as well

3.

Licensing to local
subsidiaries to
repatriate profits.

Quadrant ③ [Bottom-Left: Defense via Cross-Licensing]

Competitor's profit will be larger and competitor's patents will be stronger.

- **If patents are actively** enforced, high risk of a fierce counter-attack
 - ➔ Patents can still be used "defensively"

Holding even a few patents that "hit" the competitor's products enable mutual licensing to reduce business suspension risks.

| Strategy for [Cross-Licensing]

- Where to file: Competitor's market (+ production base)
- What to cover: Competitor's products

| Quadrant ④ [Bottom-Right: Reducing Damage Risks]

Own business profit is larger, but other patents are stronger

- **Character:** High risk of damage compensation in the US by NPEs.

Objective: Minimize damage compensation.

| Specific Strategy for [Reducing Damage Risks]

- Strategy: Obtain patents that cover own products.

Cause: Proving that "products rely on own patents"

Result: Lowers the degree of contribution of the NPE's patent and reduces damage compensations.

Where to file: Own market

What to cover: Own products

| Summary of Filing Strategy (Matrix Correspondence)

- **Right Side (High Self-Profit)** → File in own market
- **Left Side (High Other-Profit)** → File in other's market
- **Upper Side (Strong Patents)** → Aggressive utilization
- **Lower Side (Weak Patents)** → Defensive utilization
(Preparation against enforcement)

Summary of the Filing Strategy

In Figure 1	Purpose of Patent	Filing Country	Scope of Rights
Upper Right	Exclusion of Others	Own Market (+ Manufacturing Base)	Competitors' Products
Lower Right	Reduction of Damage Compensation	Own Market	Own Products
Upper Left	Licensing	Competitors' Market	Competitors' Products / Own Products
Lower Left	Cross -Licensing	Competitors' Market (+ Manufacturing Base)	Competitors' Products

CHAPTER 03

Application Examples of Patent Marketing

| Drafting Claims per Objectives

- **Objective: Exclusion of Others**

→ Patents should broadly cover circumvention methods.

- **Objective: Licensing / Damage Reduction**

→ Covering own products is also important

| Inventor Interviews

- ✓ Discussing the "Objective of this patent" first
(which quadrant?) based on Patent Marketing
- ✓ Deciding the goals of the claims and specification
- Essential to discuss strategy before hearing technical details.

| Patents for Financing:

Fundraising, showcasing technical strength to shareholders

- ✓ Explaining the patent strategy utilizing the Patent Marketing
 - ➔ Logically demonstrates the "contribution to business"

| Optimizing Prosecution Cost

- It is impossible to put full effort into every filing.
- ✓ **Cause:** Clarify the position (quadrant).
- ✓ **Result:** Allocating larger budget (e.g., divisional applications) to “patents for exclusion” and prosecuting more carefully.

| Analysis for "Business Selection and Concentration"

- Issue of products that require many technologies
(e.g., cell phones)
- ✓ Mutual use of patents
 - ➡ Hard to maintain the "Top-Right (Exclusion)"
- ✓ Enforcement is difficult ➡ Profit margins decline.

| Strategies for High-Profitability

- Concentrating on "specific parts" (e.g. communication chips) where self-strength can be overwhelming.
- ✓ "Top-Right (Exclusion)" is envisioned in that specific area.
 - ➔ Can exclude others and obtain high profits (e.g., Qualcomm).

| Global Market Caution: Technical Disclosure

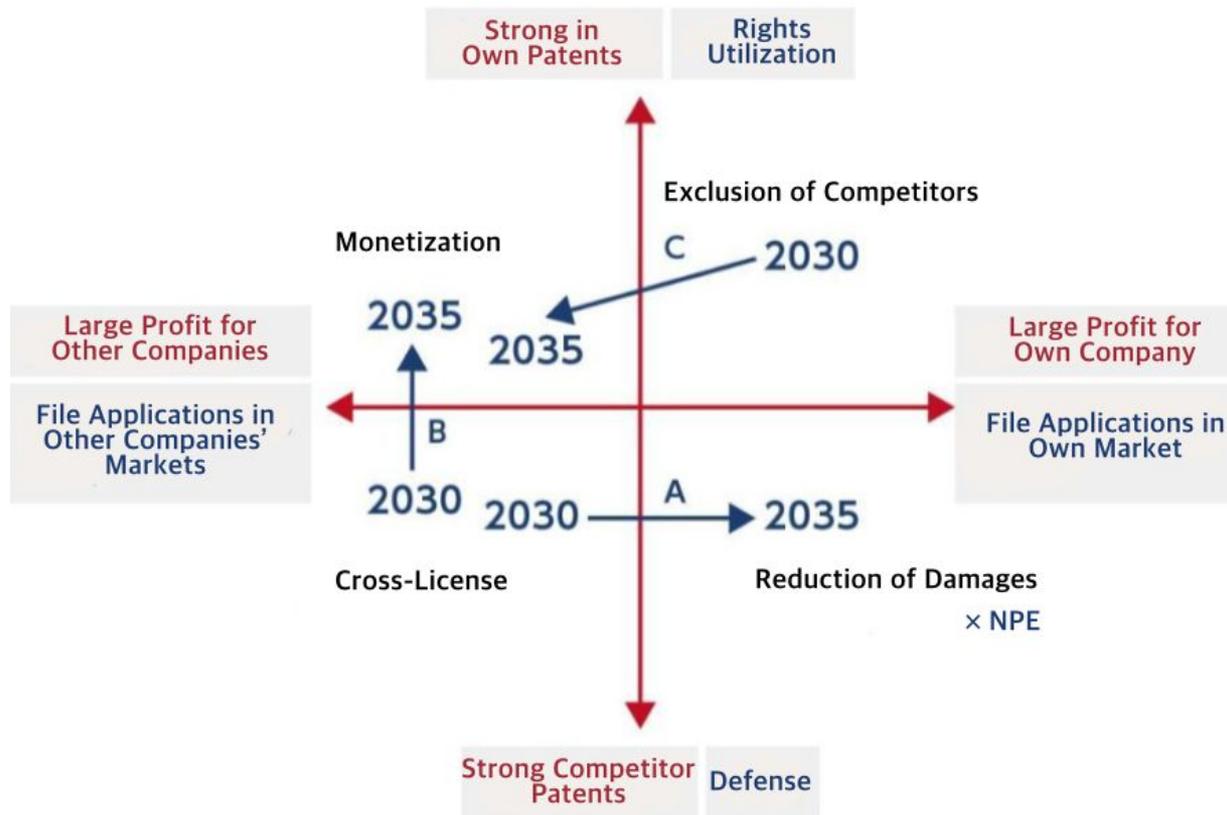
- Even Japanese filings are read worldwide via AI translation.
- ✔ Filing only in Japan leaves other countries defenseless.
 - ➔ Teaches competitors and allows them to grow

| Global Strategy

- ✓ Filing in other's markets as well.
 - ➔ Utilizing the other patents by Patent Marketing.
- ✓ ex. Taking "Top-Left (Licensing)" position and use the patent for licensing.

Filing Objectives Change over Time

- ✓ Anticipating that the positions shift.
- ✓ Enables patents prepared for future shifts (e.g., from Monopoly to Licensing)
- ✓ Filing a divisional application



"Assumption" is More Important than Strictness

- No need for perfect calculations.
First, place the "target position" on the map.
- ✔ Perform a tentative assumption (marketing)
➔ Creates a basis for deciding "what and where to file"

"Assumption" is More Important than Strictness

- Patent Marketing = A "common language" connecting R&D, IP, Management, and Investors.
- Transform filing from a "procedure" into a "strategic investment."
- **Final Result:** Maximize technical value and achieve sustainable business growth.

Thank you.

[Questions/Suggestions?](#)

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