

Wind Technology Patent Strategy

Q&A With Timothy M. Smith, Patent Attorney, and Aly Z. Dossa, Patent Attorney, Osha Liang LLP

Since 2008, wind turbine manufacturers GE and Mitsubishi have been engaged in legal battles before the U.S. International Trade Commission (ITC) and federal court over wind turbine patents.

According to intellectual property attorneys Timothy M. Smith and Aly Z. Dossa, Osha Liang LLP, Houston, TX (713-228-8600), the dispute involves U.S. Patent No. 5,083,039 (the '039 patent) which was issued on January 21, 1992 to U.S. Windpower Inc. (which later became Kenetech Windpower, Inc.)

In 1995, Kenetech filed a complaint with the ITC alleging that German wind turbine manufacturer Enercon and U.S. wind farm developer New Wind Power Corp. planned to import into the United States a variable wind speed turbine made by Enercon that infringed the '039 patent. The ITC ruled in favor of Kenetech, and Enercon was unable to import its wind turbine into the United States until it licensed the '039 patent in 2004 from GE, which had acquired the patent.

In 2008, GE sought to enforce the '039 patent at the ITC alleging that a 2.4 MW turbine that Mitsubishi Heavy Industries was seeking to import into the United States

violated the '039 patent.

This case illustrates the importance of patents as a form of intellectual property that can grow, define, identify, and/or restrict a business in the wind industry.

Wind Today spoke with attorneys Smith and Dossa in April about wind technology patent strategy and its importance to the wind industry.

Benefits of Patents

The benefits of obtaining a patent can be substantial. Obtaining a patent may protect one's technology because of the exclusive rights (to use, make, sell, offer to sell, license) that accompany a patent.

Entering into licensing agreements with third parties interested in using a patented technology may generate revenues for a patent holder. Building a patent portfolio may increase the value of a company because of the technologies protected by the patents.

For start-up companies or companies looking for investors, the increased value provided by a patent portfolio may lead to future funding. A patent may also increase the commercial marketability of a product.

Obtaining a Patent

Obtaining a patent in the United States and abroad involves the same basic requirements.

Generally speaking, a patent is granted after an application is filed—in the case of the United States, the application is filed with the U.S. Patent and Trademark Office (USPTO)—and successfully completes the examination process.

A few important details related to receiving a patent include:

- **Threshold question.** A threshold question must be met as to whether the invention is something that is eligible to be covered by a patent. Generally, an inventor may obtain a patent in the United States on "anything under the sun made by man."

A machine, manufacture, composition of matter, and process are patent eligible, although the U.S. Supreme Court is considering a case involving exactly what types of "processes" may be patented.

- **Examination process.** An invention is subjected to an examination process, where the invention is scrutinized for such requirements as novelty and non-obviousness—or often



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some equivalent thereof.

An invention is largely an improvement on a known technology, and so in most countries the invention must meet these requirements to the satisfaction of the examining authority.

- **Time.** Some countries have a process that does not require a substantive review, and so the examination process is relatively quick—sometimes a year or less.

In the United States, the time required to examine an application depends on a number of factors, including the technology field of the invention—both in terms of how many applications the USPTO is considering in that field, and how advanced the technology is in that field—as well as how well the application is drafted.

Some cases at the USPTO take five years or more before a resolution is reached, although the average time for examination in the “green” technology space is around 3½ years.

- **Money.** Finally, money is required. Fees are due upon filing the application, to periodically continue the examination process, to receive a patent grant, and in most cases to maintain the patent.

Impacts of a Delay in Examination of a Patent Application

The benefits that accompany the patent take effect after the patent is granted.

In other words, while a patent is being examined, no rights to prevent others from making, using, etc. the associated invention exist. As a result, an inventor or

“The Green Technology Pilot Program allows currently pending patent applications to be advanced to the front of the examination queue if certain conditions are met.”

— Aly Dossa

company that owns the technology may want to obtain a patent as quickly as possible to protect the business interests associated with the invention.

Including the term “patent pending” on products puts other parties on notice that the associated product includes

technology covered by a patent application that may become a granted patent in the future.

USPTO Programs to Help Expedite Patent Applications

The Green Technology Pilot Program. For companies developing wind power related technology, the Green Technology Pilot Program allows currently pending patent applications from these companies to be advanced to the front of the examination queue at the USPTO if the following conditions are met:

- The invention in the patent application is directed to

“A patent is granted after an application is filed ... and successfully completes the examination process.”

— Tim Smith

alternative energy production.

- The patent application was filed prior to December 8, 2009.
- The claims of the patent application materially contribute to the discovery or development of renewable energy resources.
- The request to participate in the Green Technology Pilot Program is made prior to the examiner completing the initial examination of the patent application.

The pilot program is limited to the first 3,000 patent applications. Further, the request to participate in the pilot program must be made prior to December 8, 2010.

The Patent Prosecution Highway (PPH) Program. The PPH program seeks to reduce the delay in examination of patent applications at the USPTO by leveraging examination results of a corresponding patent application in a foreign country.

For example, consider the scenario in which a company files a U.S. Patent Application at the USPTO and a corresponding European Patent Application at the European Patent Office (EPO).

Under the PPH program, if the EPO examines the European patent application and determines that at least one claim is patentable, the company may file a request for the U.S. Patent Application to be placed in the PPH program. Once admitted to the PPH program, the U.S. Patent Application is advanced to the front of the examination queue.

Currently, the following patent offices/countries are participating in the PPH program: Australia, Canada, Denmark, Finland, EPO, Germany, Japan, South Korea, Singapore, and the United Kingdom. ■