

From Idea to Commercialization: Getting your invention to market

By Lynn Wilson, February 2009

As a new inventor the most common question probably looming in your mind is “Where do I start?” You have an idea that you think has market potential but the road between conception of your idea and seeing your invention reach the marketplace is confusing if you don’t know where to start and what street to turn down next. The steps outlined below are a roadmap to help guide your invention to its final destination --- store shelves!

Document the Date of Conception

The reason that inventors should document their ideas is for the legal purpose of proving their date of idea conception. The inventor who can prove they are the first person to come up with an idea first, is the one who will be considered the first, inventor. This is important in the event another inventor or patent holder claims infringement, in cases of invention theft, or if another person simultaneously files for a patent on the same invention. It will be to your advantage to have documentation of dates and details of the idea conception. You can document your invention by using a bound notebook or record of invention form . Clearly describe the idea and concept and then sign and date (in ink). Also, have two other people read your description of the invention then sign and date the form as witnesses. The description should include the following: consecutively numbered pages, the purpose of the invention, a detailed explanation of the invention, drawings or sketches and a list of features and advantages. It is best to have someone that fully understands the invention as your witness such as someone in the industry to which your invention applies.

Conduct a Preliminary Patent Search

A preliminary patent search is necessary to determine if someone else has already obtained protection for the invention you are trying to patent. You can do a preliminary patent search through the United States Patent & Trademark office (www.USPTO.gov). You can also hire a patent attorney or patent agent to assist you for a fee. The RSU Innovation or a Patent & Trademark library can assist you at no charge. The University of Central Florida has patent search tutorial videos that can help <http://library.ucf.edu/GovDocs/PatentsTrademarks/Tutorial.asp>

This process can produce three outcomes.

- You find something that is very similar and need to make modifications to your invention
- You don’t find anything similar but determine that your invention is not likely to be patentable
- You don’t find anything similar and think you’ve got something worth taking further

Before you apply for a patent keep in mind:

1) The process of getting a patent is a lot of work and very expensive. You may spend more time and money going through the process than you will ever get in return.

2) Inventors often spend so much time going through the process of trying to protect their idea they miss their window of opportunity to reach the market while there is a demand.

3) While patents protect your invention for a limited term they also disclose your information. If you have an invention you think you can profit from but want to keep the important details secret, you may opt not to get a patent.

Conduct Market Research

Market research will be the most time consuming aspect of commercializing your invention. This is not something you can do in a few weeks; it can take months or years depending on your specific invention. Market research will help you gain an understanding of who the potential buyers of your invention are. Why would they use your product? What are they currently using and is there a significant advantage to switching to your product vs. what they are already using? How much would they be willing to pay? If consumers needs are already being met by another product find out what they like and dislike about the product. Through your diligence in market research you may even find additional markets you never considered before.

So how do you conduct market research?

- Utilize Census data for demographic information
- Interview experts in the industry (CEO's, Marketing or Product Managers)
- Read industry magazines
- Attend tradeshows
- Focus groups
- Place samples in actual retail environments
- Surveys

How Do You Plan to Make Money on the Invention?

When it comes to making a profit from your invention you have a few different options.

1. Start a company and sell the product yourself – By starting your own company, you retain total control of your product idea, how it is going to be manufactured, marketed and sold. The nice thing about venturing is that you can still make money with low volume sales, because you make more of the money and don't need to share it with a manufacturer. While this sounds like the best choice you should be prepared for the numerous responsibilities of business ownership.

You should also determine if you have sufficient skills and resources to operate a business and market your invention successfully on your own.

2. License your invention – When licensing, you own your invention but rent out the rights to make, use or sell your invention in exchange for either a flat fee, or percentage of each unit sold, or both (royalty). If you do not want to start your own business or don't have the financial resources to do so then licensing your invention may be the way to go. Licensing will save you the hassles of manufacturing and distribution. However, if your product is not a high volume product and only sells a few thousand units a year, then receiving a 5% royalty on the manufacturer's wholesale price might not be the kind of return you would be happy with.
3. Sell your invention – Selling your intellectual property patent means that you have permanently transferred ownership of your property to another person or company for an agreed upon one-time fee. All future commercial opportunities including royalties will no longer be yours.

Resources

If you would like to learn more about the patent and commercialization process I suggest reading **The Inventor's Bible** by Ronald Louis Docie, Sr. This is a great book that provides in-depth detail on the topics covered in this newsletter. The revised and expanded version has a patent and new product marketing workbook included.

Frequently asked questions regarding patents are available at www.uspto.gov. You may also make an appointment to visit with the RSU Innovation Center staff for further information or assistance by calling 918-343-7533. Two other resources available are the Patent and Trademark Library at OSU and the Oklahoma Inventors Congress (OIC). The OIC meets monthly in Oklahoma City and Tulsa. For more information about OIC, visit <http://www.oklahomainventors.com>