

Keith Benman, "Patenting Northwest Indiana's Products," **The Times** (Jan 5, 2003, pp. D1, D3)

In 2002, region businesses were part of a patent rush that has sent applications doubling in the last decade.

A drawing for an automatic hose valve sketched out on a napkin some 30 years ago was good enough to provide the basic design for the first product ever made by Task Force Tips Inc., a Valparaiso firefighting equipment manufacturer.

But a napkin won't do much to keep that valve and successive products safe in the marketplace, according to Rod Carringer, Task Force Tips vice president for sales and marketing.

"We're not in a domestic marketplace anymore," Carringer said last week. "Were in a global marketplace. For us the whole concept of patents is a art of doing business because our customers worldwide expect us to lead the pack in new product development."

And increasingly, companies across the globe are trying to "knock off" or copy other companies inventions, according to Carringer and other Northwest Indiana manufacturers.

That fact of business life has led to a surge in patent applications filed at the U.S. Patent and Trademark Office.

The number of patent applications filed each year with the Patent Office has more than doubled during the last decade, going from 177,830 applications filed in 1991 to 345,732 filed in 2001, according to Patent and Trademark Office statistics. Patents issued increased from 106,698 in 1991 to 183,975 in 2001.

A patent for machinery and processes, called a "utility patent" protects an inventor's intellectual product for 20 years. A patent for an ornamental design, called a "design patent," protects the inventor's work for 14 years.

Last year Northwest Indiana companies took ownership of 26 new patents, contributing the total of 135 granted to people in the region. Most of the company patents were designed by engineers and designers who work at the companies. But some were also the work product of outside consultants or inventors.

Ashland Products Inc., Lowell, a maker of window and door hardware, led the pack with seven patents. Task Force Tips won approval for four, including one for a device for safely breaking out car windows at accident scenes. Others with multiple patents were Custom Speech USA, in Crown Point, a designer of speech recognition software and the Hammond Group Inc., a producer of lead chemicals.

PolyJohn Enterprises Corp., in Whiting, had one patent approved in the last year, for a knockdown portable toilet. But during the years it has secured patents on a regular basis, including eight in the past five years, ranging from patents on portable sinks to portable stand-alone restroom facilities with handicap access.

The company's strategy in taking out patents is simple, according to Rodney Mullett, an engineer at PolyJohn whose name appears on many of the company's patents.

"It's really to keep the wolves at bay," Mullett said.

By "wolves," Mullett means competitors in the intensely crowded field, where at least a dozen companies go head-to-head with PolyJohn to provide portable toilets and sinks.

PolyJohn has a long tradition of seeking patent protection for its designs. It has a full-time design department of three, large for a firm of its size, in Whiting, according to Mullett. It also has engineers and designers in the United Kingdom, where it also has operations. But Mullett is quick to ad, "Our best designers are our customers."

Securing a strong patent which will adequately protect a company's intellectual property is not cheap. Mullett estimates PolyJohn spends from \$8,000 to \$10,000 per patent. It will spend more if it needs to. The company will also lay out the money to defend its patents against knockoffs, according to Mullett.

Task Force Tips is currently sending anywhere from \$20,000 to \$30,000 for a typical patent, which may be filed in numerous countries, according to Carringer.

About a quarter of Task Force Tips sales are now overseas. Competitors there know a good thing when they see it and often try to knock off the company's products, according to Carringer. For that reason, the securing of strong patents, which form the basis for challenges to those knockoffs, has become more important than ever.

Companies are always loathe to give out what they spend defending patents in the negotiations or in court. But they agree it is something they try to avoid by getting a strong, defensible patent in the first place.

A recent trademark infringement case heard in U.S. District Court in South Bend gave a glimpse into how much can be spent defending patents and trademarks. The case involved a dispute between General Motors Corp. and DaimlerChrysler over the grille that is on General Motor's Hummer H2. DaimlerChrysler contended it was a knockoff of its Jeep grill.

In front of the dozen lawyers arguing the case, and expert witness was asked how much he had charged DaimlerChrysler for a brand recognition survey he had done on the H2 grill. His reply was more than \$200,000, but he noted he was not yet done with his billing. He was one of five expert witnesses who testified.

Companies contacted for this article expressed general satisfaction with the patent process itself, though most noted the length of time, two to three years, it takes no secure one.

That process may be in for big changes in the years to come. The U.S. Patent and Trademark Office is pushing for Congress to adopt its "21st Century Strategic Plan." The plan is designed to increase quality, productivity and efficiency in the patent application process, according to Brigid Quinn, deputy director of public affairs.

In particular, the office is concerned about the increasing load of work brought about by the sharp increase in patent applications. The U.S. Patent and Trademark Office realizes it can no longer "hire" its way out of the challenges it faces, according to Quinn.

The offices staff of patent examiners has increased from 2,100 in 1998 to approximately 3,600 today.

One of the 21st Century Strategic Plan's more "revolutionary" aspects will be the outsourcing of research on "prior art," according to Quinn. That process involves digging up all drawings on approved patents which relate to the invention or design an inventor wants to patent. It is one of the more labor-intensive steps in making sure an inventor's idea is truly new.

The plan will also tie fees into the length of the patent application. Currently a flat fee of \$750 is charged for utility patents. A flat \$330 fee is charged for filing a design patent. There are also maintenance fees running \$5,000 or more which have to be paid during the life of the patent.

One big incentive for adopting the 21st Century Strategic Plan is that it will cut down on the length of time between the time a patent is applied for and its approval or rejection by the patent office, according to Quinn.