



10 Things to Consider when Finding a Patent Partner

Cruickshank

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Chapter 1

Go Boutique When Choosing a Foreign Associate

What is a boutique firm? Well, according to Wikipedia it is a collection of attorneys, typically organized in a limited liability partnership or professional corporation specializing in a niche area of law practice. But here at Cruickshank, we think there is a far more appropriate and simpler definition: **‘Expertise with a Personal Touch’**.

When it comes to choosing between a boutique or dual firm, it depends on individual needs.

If you have a heart problem then a heart specialist is needed, not the family physician. Therefore if you are looking for a safe pair of hands to deal with the nationalization phase under PCT in Europe or elsewhere in the world then a specialist or boutique firm is more likely the better option. Additionally, here are some of the reasons to choose a boutique firm.



1. Expertise

A boutique firm will be focused on patent and trademark prosecution, intellectual property is what gets them out of bed in the morning.

2. Size

Litigation practices tend to have a lot of people. There are two sides to size.

1. These larger firms have a larger client base and often resources get sucked in when a big client comes on board. This can mean that work on your smaller case slows down or even grinds to a halt for a period.
2. Larger size often means larger costs; we will discuss costs in a moment.

3. Costs

Smaller teams have greater familiarity with client cases. This means you are not paying someone to learn the case history each time the file is opened. Smaller teams need fewer layers of management; so many boutique firms are leaner and fitter giving them a cost advantage over their dual practice siblings.

4. Team

Often we see that in boutique firms associates operate with greater autonomy and have more client contact than associates in large law firms. With a generalist you deal with the patent department in a boutique you deal with the entire firm. You have a full team playing for you.



5. Relationships

If relationships are important to you in business (and they are not for everyone) then boutique firms have another advantage to offer. Dealing with smaller teams leads to better relationships all round. Partners are generally more available to you as a client than in bigger firms.

“ Partners are generally more available to you as a client than in bigger firms”.

“Dealing with smaller teams leads to better relationships all round”



In conclusion, if you specialize in patents you are probably better to be dealing with a specialist or boutique intellectual property firm as a foreign associate. If you deal with a lot of foreign litigation a generalist or dual firm is possibly a better option for you.

Chapter 2

Intellectual Property Foreign Associates - Where Should They Be Located?

For the purposes of this chapter, we will concentrate on where your European Intellectual Property Associate should be located, as it is the geography we understand best. The same approach, however, should apply for choosing an associate anywhere in the world.

Consider The Gateways

There are 'gateways' to every region of the world. The Philippines is the Gateway to Asia and Ireland is the Gateway to Europe.

What makes these gateways? In the Philippines it comes from the relationship between the United States and the Philippines. The first overseas American Chamber of Commerce opened in the city of Manila in 1920, and the term 'gateway to Asia' refers to the American traders' way into investing in Asia.





Why is Ireland the gateway to Europe?

1. It is the only English speaking country in the Eurozone

2. Ireland has a track record for attracting foreign direct investment mainly from the US

3. The Economic Intelligence Unit ranked Dublin as the best city in the world for human capital

4. Being part of the European Research Area (ERA) means Ireland can contribute significantly to global research and development.

5. The highest shares of R&D expenditure in Europe performed in the business sector are observed in Ireland.

6. Ireland is fast becoming the Internet capital of Europe.



Ireland and the US

Ireland has a history of working closely with the US. The first American company to set up here was Ford Motor in 1919. Ireland is now home to 15 of the top 20 global players in medical technologies. In the interim Ireland has become the European country that understands the US corporate culture best. The Irish live and breathe it now, as they have done for four generations.

But what about Germany?

Because the European Patent Office is located in Munich, many US patent attorneys will naturally look to Germany when identifying a foreign associate. However, there are many other factors to consider:

- English is the first language in Ireland and the UK.
- Time zones in Ireland are closer to the US. This means faster levels of response.
- The exams and qualifications are the same for both countries.
- Ireland has a very strong domestic intellectual property practice.
- Dublin has a cheaper cost base than Munich.
- At Cruickshank, we believe that the location is not an indicator of quality but of price.
- Dublin for example, is closer to Munich than Los Angeles is to Washington.

If you are a US patent attorney you will understand this when you consider the costs of doing business in individual cities or states at home. In general a patent attorney will cost you more in New York than in Philadelphia or Pittsburgh

In conclusion, there are more things to consider when choosing a foreign associate than the location of the local patent office. In our opinion building a strong relationship with your foreign associate is critical to the success for both you and your client. Consider the gateways into the regions that you work in and look a little closer at your current relationship to see if they are still a good fit in the big picture.

Remember: “The location of the attorney is not necessarily an indicator of quality but it is often an indicator of price”



Chapter 3

Keeping Costs Down When Choosing A Foreign Associate

Transparency

As a patent attorney, it is very difficult to predict costs for clients and the regular question; “How much does a patent cost?” is not something answered easily.

We can predict the filing fees, give a quote for drafting it and tell the client what we need from them. However, once submitted, it is in the hands of the examiner.

Depending on the examiner it can cost a fortune!

This is the point where a good foreign associate can save you time and money. They should be able to review the objections and through experience identify what is straightforward and where the more serious problems lie.

They should at this point be putting together a strategy for you and therefore be able to give you an accurate quotation upfront. Your foreign associate should be building a strategy not just forwarding the post. So what you want to hear is:

“Look Ed, this is going to be very tricky so what I suggest we do is the following...”



An attorney who has the experience and takes this kind of stance is adding value and saving you money.

Think Smaller, Think Cheaper

Size does count. A small, boutique firm has more control over its own costs. Most will be keen to pass those savings directly onto clients in order to retain their business.

Typically, smaller firms will appoint a dedicated account handler to deal with all your queries, so you benefit from a single point of contact with in-depth knowledge of your company and your filing history.

Consequently, you will not have to pay for a new member of staff to learn the case history each time you have a query, or need to make a filing. Faster response times are also a given.

Fewer extras, more benefits

Larger firms have bigger expenses. Whereas smaller firms have a smaller cost base. With boutique firms, there are less added extras, such as travel costs and overtime.

Furthermore, a small management structure means that your case encounters less bureaucracy and has less distance to go when it comes to query escalation. As a result, you see fewer working hours on your invoice.

Here are some things to consider when reviewing your foreign associate:

- Are they keeping you informed of what is happening?
- Do they have the experience to be able to provide an upfront quote?
- Are they advising on strategy rather than acting as a go between?



Homework

Get a quote for the filing of the European phase of PCT application with 20 additional claims, now get a quote for the same exact application from a patent attorney in Munich, in London and in Dublin.

The results can be very interesting. Higher costs in bigger cities often have an impact on the cost of your PCT applications by requesting quotes from three different cities the differential will become apparent.

Remember, High fees do not always reflect high levels of service.

“Higher costs in bigger cities often have an impact on the cost of your PCT applications”



Chapter 4

How To Prevent a European Phase of a PCT Application Getting Lost In Translation.

Business is all about good communication. Get it wrong and, at best, your project could end up costing more than you thought. At worse, it can fail outright.

So when it comes to selecting a foreign associate, choosing a firm located in a non-English speaking country could cost you time, money and result in a serious breakdown of communication.

Avoiding a cultural faux pas

Cultural differences can create issues also. Some of these problems include a lack of understanding of indigenous expectations and business customs.

Therefore, having a native English-speaking firm is vital to avoid misunderstandings. Having one that has in-depth knowledge of the market in which you are seeking to file your application is even more important.

Senior partners aptitude for language

It might appear to be good business sense to go with a large European firm to solve the problem of dealing with regional borders, but that is not always the case.

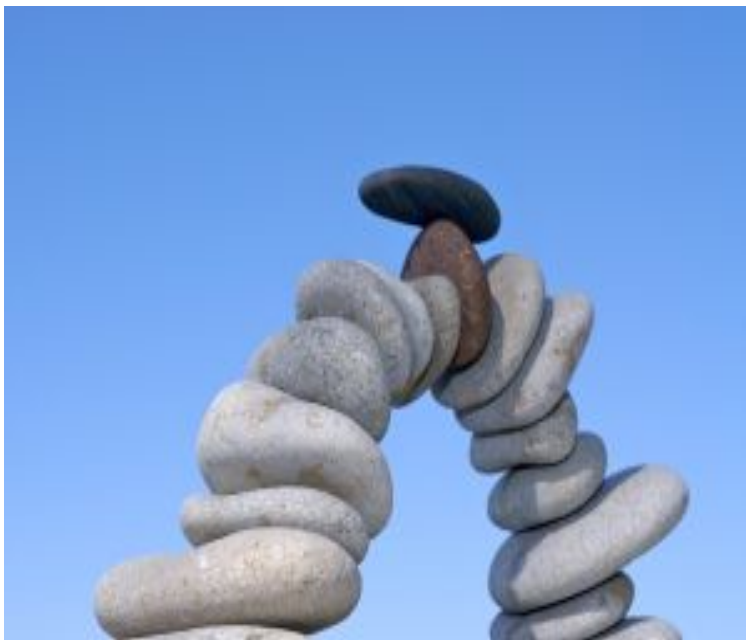
Often the English is great at the top but less so in the rest of the firm and it's the technical assistants and newly qualified attorneys that are dealing with the actions. It can sometimes feel like dealing with a different firm altogether.

A small firm with a successful track record in the market you are seeking to make your application should give you much more streamlined service - and a single point of contact to ensure your needs are met in the fastest and most efficient way possible.

Choose your partner carefully

An English-speaking foreign associate doesn't need to be the region where a patent application is to be filed. However, economic conditions and competition, for example, can affect costs and the firm's ability to deliver, certainly in terms of hiring and retaining the best staff. Even regional location can influence price. Firms outside capital cities will have a smaller cost base and should be able to pass those savings onto you.

**“Firms
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In summary, geographical borders are not the only barriers to a successful patent application. Cultural variations, large corporate structures and time differences can be equally problematic. Therefore it is in your best interests to go with a smaller firm based in a time zone close to your own, and with regional expertise in your target market.

Choose a foreign partner that can act as bridge - not a barrier.

Chapter 5

The Importance of Maintaining a Good Relationship with your Overseas Partner

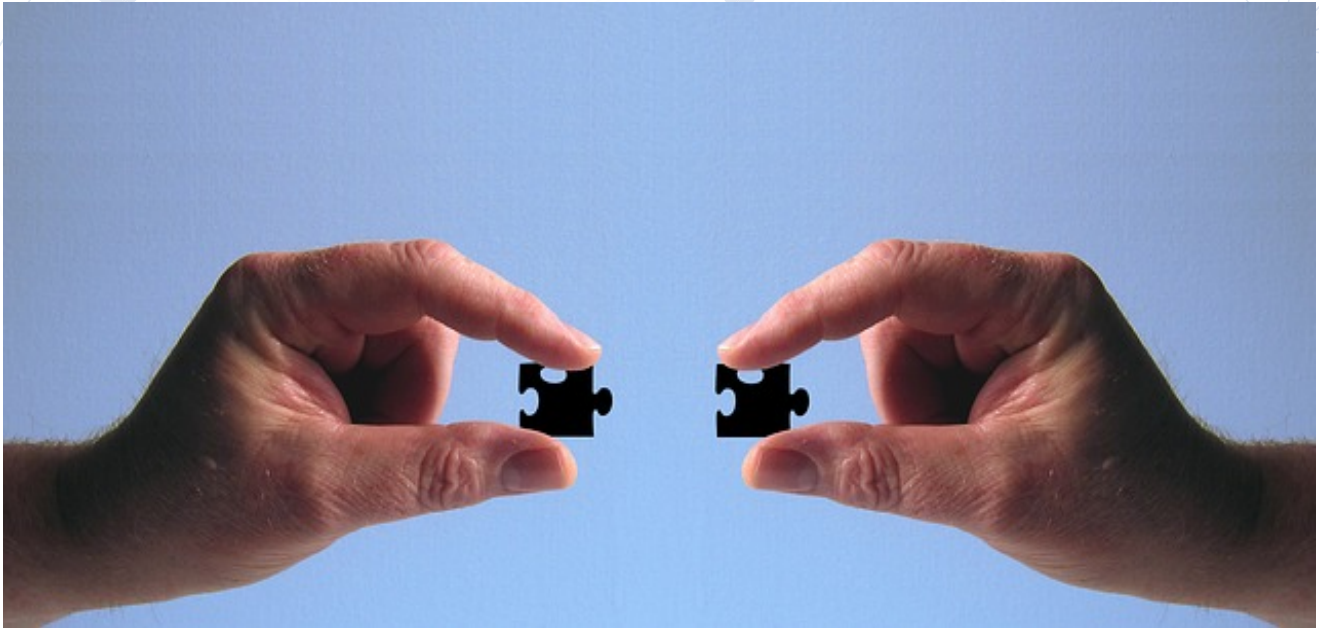
Wherever distance is involved in a business contract, then both parties can be a little unsure of the how strong the relationship is and how the nature of that relationship is contributing to the success of partnership's efforts. However, just as with any relationship, to be successful, both parties must do what they can to create a working bond based on mutual understanding and appreciation – one that results in a strong working relationship that improves the outcome of every assignment.



Who are you dealing with?

It is unlikely that you will meet your foreign partner face-to-face, so you need to make efforts to get to know them through research and the communication channels available. Talking to their other clients in the US and elsewhere may also be of value.

To start with, it can be useful to sit down with your own work colleagues and discuss what sort of relationship is to be expected and how it will assist in achieving set goals. In this respect, the boutique firm hosts many benefits. With everyone located in one office, there is a more uniform culture and approach that will be reflected in the collaboration. In fact, you will probably be on first name terms with everyone in the overseas office – not something that is likely to happen with a big company.



Try it on for size

One way of approaching the problem of how the staff at the overseas firm fit with your own, personality-wise, is to set up a simple test project. By the time the project has ended, you should have a good idea whether or not the partnership is likely to work out long term.

Remember too, that the best relationships are not one-sided. There are things you can do to enhance your working relationship, such as paying your bill in a timely manner or responding promptly to requests for information.

In business, a strong working relationship can mean the difference between success and failure. That is why it is crucially important to ensure your relationship with your overseas partner courteous, strong and mutually beneficial.

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Chapter 6

A Safe Pair of Hands for your Business

Of course, when dealing with any business partner, you want to know that an associate can be trusted to handle the given work with consistent care and efficiency. That can be more difficult when it comes to working with an overseas associate. Here, we talk about what to look for when seeking a partner who will protect your reputation, your business interests and offer confidence to proceed with other matters knowing your filing applications are in good hands.

Trust - one of the rarest commodities in business

You cannot trust everyone in business. However with a small company, when trying to maintain their reputation, will go the extra mile to deliver better service. This means they are likely to be more responsive and deliver regular updates in order to let you know that they are on top of things.

In short, a greater deal of trust can be placed in a smaller company than in a bigger firm, who may be focused on delivering better quality 'more important', or higher paying clients.

Consistency of Service

Which brings us neatly onto the next point – consistency. When you're working with an overseas client, you want to see the same high quality of service delivered each time an application is filed, not just initially in order to make a good impression

When there is an upsurge in business, bigger firms will struggle to cope and often deliver a poorer quality of service. With a boutique firm, there is much less likelihood of this happening, as there are less clients to deal with. If a new client does come on-board, in all likelihood, the boutique agency will recruit new staff to deal with the extra workload. A smaller agency will do more to keep you on board, while a bigger agency will respond to changes in business demand. For example, if a new client comes on board, then more resources will be directed towards making sure that client is satisfied.

Take Precautions

There are ways to ensure that an overseas partner keeps standards high. For instance, define your expectations in SLAs (Service Level Agreement) at the start of the contract. Include how regularly you expect updates on cases, this too will help.

What no business wants is issues coming to their attention long after they arose, or increased fees they were not expecting.

The lesson is, when it comes to filing patent applications, make sure the chosen foreign partner is fully committed to delivering a superior service in all your dealings.

Make sure the chosen foreign partner is fully committed to delivering a superior service



Chapter 7

Expertise Vs Size



We have already seen that big is not always better in terms of cost or service when it comes to choosing an overseas patent agency. However, in what ways does the level of expertise differ at a smaller firm when compared with a bigger organisation, such as a multi-national?

Not every specialist is equal

Most firms will recruit specialists from a number of sectors to optimise service delivery. The larger scale ones will undoubtedly have more team members from each area, whether that is research, industry or perhaps a scientific discipline. However, smaller firms will take a lot more care when hiring experts from each sector in order to maximise coverage.

The result being, while the smaller firm hires fewer staff, the professionals they do recruit tend to come with a lot more collective experience and knowledge. This often comes at a higher cost per hire to the firm, but since the quality is greater, the firm gets a better return on its investment. In turn, this leads to the client getting a higher level of expertise. With a bigger company, this level of expertise tends to be diluted across the company.



A question of accountability

Fewer, more experienced attorneys working on projects also means more accountability. In many cases, a smaller firm will have a single specialist dedicated to your project. As a result, this individual is likely to be more committed to succeeding on your behalf to prove their ability, justify their salary expectations and secure their future prospects within the agency.

In general, smaller agencies have their reputation to consider and will be reluctant to take on client cases that they do not have the expertise to service effectively

Does your attorney really understand your needs?

Of course, simply having expertise in a specialist area is only part of the solution when comes to filing a successful application. Equally important is the agency's capacity for getting to know the client, understanding their business and objectives.

With a smaller team, this becomes much easier. In fact, you may only have one dedicated specialist or point of contact whose role it is to look after all your filings. Along with this comes an in-depth understanding of your organisation and strategic goals.

It is also worth pointing out that employees at smaller firms tend to stay on for longer, meaning less disruption to projects due to staff turnover.

When it comes to expertise, the old saying, 'too many cooks spoil the broth' can apply to the world of patent filing too.

Chapter 8

Identifying and Dealing with Conflicts of Interest

In business, understanding competitors is vital. If your business partners are working with rival companies, then that can lead to a conflict of interest, resulting in damage to your own business and perhaps even a good reputation. So when choosing a foreign associate for filing, it is imperative to research their track record, as well as the clients they are currently working with.

Where do your partners interests lie?

With bigger firms, it can be challenging to find out everything necessary, as most will keep their client history confidential in order not to damage future business prospects. In many cases, the bigger the firm, the more chance there is to eventually encounter a conflict of interests. With smaller firms, it is much easier to keep tabs on what projects they are currently working on.

This is particularly applicable when it comes to working with overseas partners. Tracking their business interests, especially with multinationals can become more difficult if there is no protocol within the company to identify such conflicts.





Protect your interests

So when choosing a firm, make sure it is one that understands your business and goals. Ideally, one that will proactively work to keep the company's best interests at heart. Of course, there are no guarantees, but there are recommended steps to protect a company at the outset when agreeing the terms of the business relationship:

- Be specific when defining the relationship and expectations
- Request transparency throughout
- Establish clear protocols for reporting potential conflicts of interest
- Make it clear what actions will be taken for breaches of conduct
- Create a contingency plan in case of a conflict of interest occurring

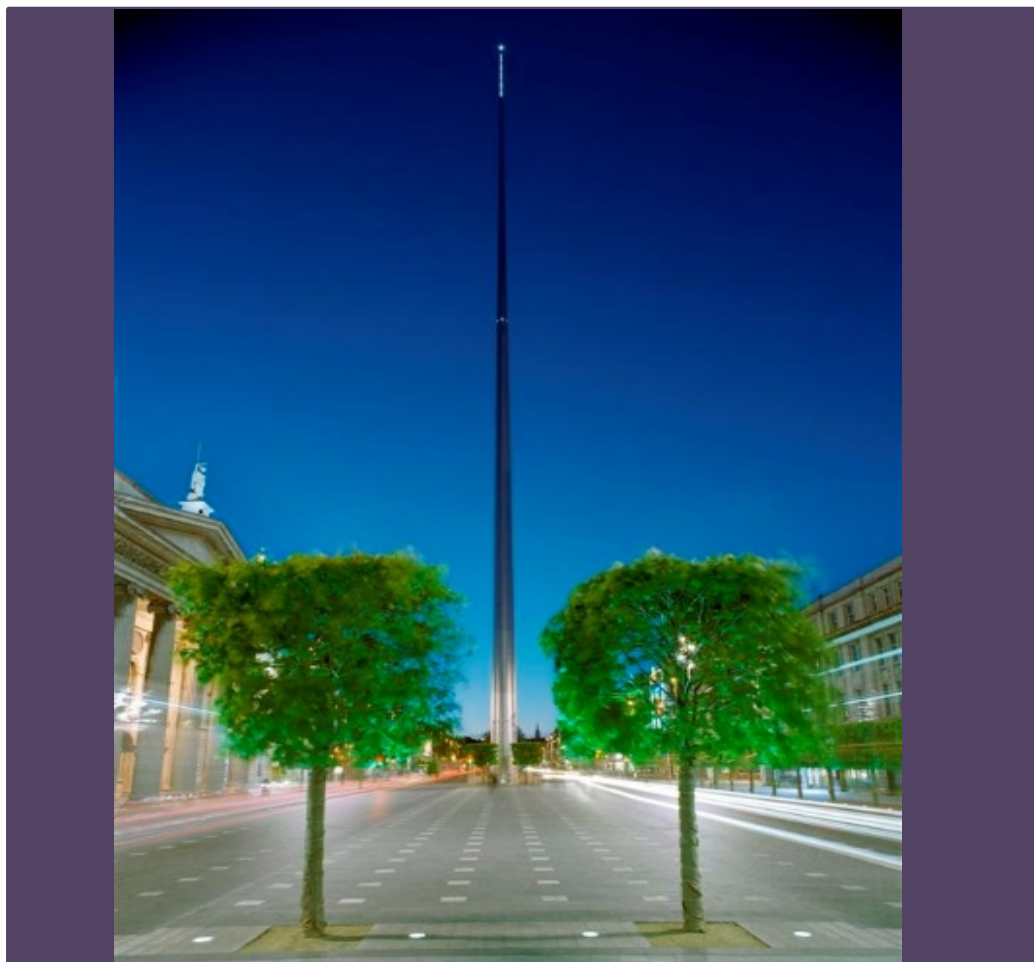
“Create a contingency plan in case of a conflict of interest occurring”

A conflict of interest can be damaging for both parties. Most smaller agencies will be aware of the reputational damage that could occur by engaging in business that results in a conflict of interest to their clients. They should therefore be open and forthright when it comes to these matters.

Chapter 9

Ireland – A European Technology Hub

For a patent attorney, choosing a European associate takes time and consideration. Naturally, you want the best for your business. This means finding a partner who can deliver high quality work, consistent service and price.



However, it is also important to know that these factors are influenced by location. After recently being voted the best country for business by Forbes, Ireland has definitely become a main attraction for US firms. Ireland is now full of unique opportunities and international experience.

Technology Hub

Unfortunately, as a technological hub, Ireland is often overlooked. Perhaps this is due to it still being associated with rolling green hills, sheep and the setting of *The Quiet Man*. However, in reality, this out-dated perception could not be further from the truth. Statistics from the Industrial Development Authority (IDA) Ireland show that:

- 9 out of the world's Top 10 software companies including Microsoft, Intel and IBM have made Irish investments
- 10 out of 10 of the largest "Born on the Internet" companies are operating out of Ireland such as Google, Facebook, Twitter and LinkedIn
- 4 out of 5 of the most successful IT companies, like HP, Fujitsu and Accenture, occupy headquarters in Ireland

The Irish pre-disposition for a high-functioning and globalised technology base makes it an attractive proposition for multinational firms. There are very few places elsewhere in Europe that can offer such a diverse and multilingual workforce. In fact, a survey conducted by Manpower in 2014 recognised Ireland as a global leader in the availability of skills and the best location to fill



What is more, Ireland hosts one of the lowest corporate tax rates in the world at 12.5%. This figure compares very favourably to other EU countries such as the UK's 20% and Germany's 30%. Not to mention the fact that there is also an excellent holding company regime and a growing network of double taxation treaties.



With all this in mind, is it any wonder that over 1000 multinational companies have chosen Ireland as their EU strategic base?

The scale and strength of Ireland as a global tech hub is only growing. It has an excellent track record and easy access to EU markets. This has helped develop a vibrant and promising start-up scene.

As David Marcus, president of PayPal once said “There’s really nowhere else in Europe where we can get such a talented pool of multilingual candidates that we can hire at this scale, and it’s truly been a great experience from the beginning.”

Don't overlook Ireland when searching for your European Patent Partner. Although small in size, it is more than capable in rising to any challenge and meeting your business's requirements.

Chapter 10

Having a Transparent Relationship with your Foreign Associate

Transparency is important when choosing a European filing associate. After all, the best way to discuss costs and accountability is honestly and openly. Otherwise you are running the risk of a breakdown in communication which in turn could lead to a breakdown in the partnership.

Many US Patent Attorneys work with Boutique Firms in Europe. They partner with them because they understand that Boutique Firms need to maintain their reputation for a direct and high quality service. That's worth more than client-numbers.



Honesty is the best policy

Unhindered honesty should remain key when investing in a new business relationship. Let this be the first box for ticking regardless of whatever else you may be hoping for. If an associate is long distance, especially if that distance involves a leap across the ocean, then there is no other option but to keep things as direct and straightforward as possible.

A firm needs to be one hundred per cent honest when it comes to any activity that may cost their partner money. Otherwise you would be better off casting your cash into a wishing well. In fact, while on the topic of money, partners should address even the smallest expenditures as soon as possible, if there is no financial exploitation then there should be nothing to hide.

Time is of the Essence

As mentioned before, finding a firm free of hidden agendas is crucial. However, the time in which it takes them to respond can also measure the mark of their service. There's a saying in business that the best time to answer concerns and increase transparency is yesterday. This basically means that the sooner a business can react to your needs the better. And in this day and age, given the countless real-time tools that all companies have at their disposal, it is unnecessary to expect anything less.

In this regard, boutique firms can offer a simple and direct work-path. Due to their smaller workforce and modest set-up, they appreciate the work you entrust in them all the more. This means that they will be quicker to resolve any issues which may arise out of respect for your company.



“The best times to answer concerns is yesterday”

Transparency and availability are signs of a good partner, not just a financially successful business. Size does matter when it comes to finding the right associate for your firm, but bigger is not necessarily better.



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