



Virtual Marking: Maximizing the Competitive Value of Your Patents

Marking – the placing of relevant patent numbers on products to alert potential competitors – can be a valuable competitive tool. By marking a product, or marketing materials associated with a product, with a patent number, competitors are put on notice that the patent covers the product (and potentially similar competitive products). If the patentee later files suit for infringement, marking enables recovery of damages for conduct occurring after marking, even before the infringers are actually notified that they are infringing¹.

The Evolution of Marking

The America Invents Act changed marking from relatively expensive and risky to cheap and low risk, in two key ways. **First**, it significantly reduced the risk of false marking lawsuits (e.g., incorrectly associating a patent with a product that does not actually practice the patented invention), by allowing only competitors who were materially harmed to make a claim of false marking². **Second**, it permits virtual marking rather than listing each relevant patent on the product itself. Virtual marking places marking information on a webpage, and the product or marketing materials only need to include the webpage URL³. This means that product and marketing materials need not be updated as additional patents issue, patents expire, or patented features are added to or removed from a product. The update is simply a change in the webpage. The elimination of the need to retool reduces the cost of marking significantly.

But despite this, many companies do not mark their products and sales materials. Why not? Some companies are not aware of the benefits of marking. Some companies recall the risk of false marking lawsuits, and do not realize that the law has changed to reduce that risk. Some companies do not know how to implement a virtual marking program that is consistent and useful.

We recommend virtual marking, and offer the guidelines below for setting up a virtual marking program that complies with the law, provides the benefits of marking, and is not unduly costly.

Legal Requirements of Marking

Marking requires associating a particular patent with a particular product. Virtual marking simply moves the details of this association from a product to a website. All that is required is that you list the correct URL where the disclosure is available on the product and its packaging, and that the website with the patent listing is publicly available.

Setting Up Your Virtual Marking

Handling virtual marking is relatively simple. It requires:

- Placing “Pat. URL” on the product and/or its packaging. The URL may be for example, www.company.com/virtualmarking, or www.company.com/legal/marketing or www.company.com/product/marketing, www.product.com/patents.html, etc.
- Setting up a web page at the URL. The content of the webpage depends on your company’s preference. Some formats include:
 - A database searchable by patent number or product identification.
 - A single page list identifying products and associated patent numbers.
 - A single page list identifying patent numbers and associated products.
 - Separate pages for each product, listing patents applicable to the product.
- For each product, listing the relevant patent numbers. There is no need to provide a link to the actual patent. Sample language includes:

Company's technology is used in products sold by the company and products and services sold and offered by its commercial partners. This page is intended to serve as notice under 35 U.S.C. § 287(a). The below products are covered by the patents listed, and may be covered by other pending or issued U.S. and foreign patents.

Products	Patents
Product ABC Version 1.23	U.S. Patent No. 6,000,000 U.S. Patent No. 1,234,567
Product ABC Version 1.4	U.S. Patent No. 6,000,000 U.S. Patent No. 5,123,456

For a smaller company with a limited product line, having a single page listing all products is likely sufficient. For a larger company, an index page is probably worthwhile, splitting out the various product lines.

Some companies have chosen to simply provide a listing of all of their patents, without specifying the products to which each of those patents apply. Although it has not yet been tested in court, such generic listings likely are insufficient to serve as notice for the purposes of virtual marking.

Maintaining Your Virtual Marking

Setting up a virtual marking system is relatively straightforward, but keeping it up to date, and ensuring that it is provably publicly available, is not trivial.

Outside counsel, if they are the primary contact for all patent matters, should be able to set this up for you as well. But generally, it is best to have a group that includes product managers as well as attorneys maintaining the virtual marking page.

The maintenance of the virtual marking page requires being aware of patents as they issue, as well as the product lines and the relationship of the patents to products. Here's one approach to the ongoing marking process:

- Ensure someone is in charge of maintaining the virtual marking page (typically, this is someone in the office of the Chief Technical Officer (CTO), or Intellectual Property (IP) group, or an outside counsel);
- Set up a tracking system for the following triggers and events:

Trigger	Event
New patents issue	Add patents to virtual marking web page and associate with products
Existing patents expire	Remove expired patents from virtual marking web page
Launch of new products or expansion of product line	File patent application Add new products to virtual marking web page and associate with pending applications or patents
Product end of life	Remove products from virtual marking web page

- Maintain a log with the dates the marking web page was updated and a screenshot of the web page on that date; and
- Periodically audit and update the marking web page, to ensure the identified patents and products are current.

Someone should be given responsibility for maintaining the web page itself. This can be someone in-house, or it can be hired out. There are a number of service providers who provide this as a service, such as VP Mark⁴, Patent Status⁵, Ocean Tomo's Patent Marking⁶. These services will track issued patents, and maintain a time stamped page, so that you will have proof of the virtual marking.

With a large and complex portfolio, maintaining the virtual marking page is not trivial. However, the substantive benefits of marking outweigh the costs for most companies who may want to enforce their patents in the future.

1 35 U.S.C. 287. Note: marking is not required for method patents. *Bandag, Inc. v. Gerrard Tire Co., Inc.*, 704 F.2d 1578, 1581 (Fed. Cir. 1983).

2 35 U.S.C. 292.

3 35 U.S.C. 287(a).

4 <http://vpmark.com/> (HIPLegal is not affiliated with, or endorsing, this company).

5 <http://www.patentstatus.com/virtual-marking> (HIPLegal is not affiliated with, or endorsing, this company).

6 <http://www.patentmarking.com/patentmarking/> (HIPLegal is not affiliated with, or endorsing, this company).

Note: This is not intended to provide legal advice, as every situation has different facts, and it does not create an attorney-client relationship.



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