



Invention Marketing

Do you have an idea for a product or service you are sure could bring you riches and fame if people knew about it? Hundreds of inventors and entrepreneurs introduce new ideas to the public each year. Some are highly successful; others are not. Knowing how to get started is an important first step toward reaching success.

Beware of companies that promise to develop or market inventions for an advance fee.

Research and plan

Experts advise entrepreneurs to begin any new venture with careful planning. A written business plan is essential when seeking outside financing or obtaining investors. Start by organizing your thoughts to set goals and objectives.

You should:

- Define your product. Develop a detailed description of the product or service identifying special features, anticipated price, and whether similar items or services are already available.
- Address legal considerations such as licensing requirements, zoning laws, government regulations, patent and copyright needs, and other issues. You may want to seek the advice of a reputable patent attorney.
- Define the market. Consider such things as target audience, market area, trends, and competition. Evaluate the product and what niche it will fill.
- Decide on a marketing plan. Should you design a business to market your invention or license your invention to another company? A reputable license agent can help you find a home for your invention.

Develop financial statements, make projections regarding profits and anticipated expenses. It is always a good idea to have a certified accountant review all financial plans and statements.



Beware of scams

Beware of companies known as invention promotion firms that promise to develop or market inventions for an advance fee. Consumer complaints show these companies do very little to promote inventions and rarely find firms interested in manufacturing them. Many fraudulent companies charge large advance fees for a research report or market evaluation, or for patenting, marketing, and licensing the invention. Reputable licensing agents depend on royalties from successful clients and not on large advance fees.

Fraudulent companies also tell all inventors their ideas have market potential. They claim to have connections to interested manufacturers or make promises to exhibit your invention at trade shows. These are false promises.

Once a dishonest company has your money, it is very difficult to get it back. You may consider legal action under the American Inventors Protection Act of 1999. Under this act, an invention promotion company must, prior to signing a contract, disclose the following information about their 5-year business history:

- How many inventions have they evaluated?
- How many of those inventions got positive or negative evaluations?

- Total number of customers.
- How many of those customers received a net profit from the promoter's services?
- How many of those customers have licensed their inventions due to the promoter's services?

Protect your idea

There are three ways to protect ideas – patents, copyrights, and trademarks.

- Trademarks are names, symbols, slogans, and other marks used to identify and distinguish products from those manufactured and sold by others. Federal registration is not required but has the advantage of providing notice to the public of the registrant's claim of ownership and the right to use the mark.
- Copyrights protect original works of authorship, like poems, books, articles, artwork, and music against unfair copying.
- Patents give inventors the right to prevent others from making, using, or selling an invention for a certain period of time.

Anyone can file an application for a patent, but not all patents are approved. To obtain approval, the invention must be useful, new and original. Costs to file a patent application may vary and it can take several years for an application to be approved.

Although you can prepare and file applications for patents yourself, it is usually a good idea to work with a reputable attorney who specializes in that area of law.

For more information about patents, contact:

US Dept. of Commerce
 Patent and Trademark Office
 Washington, D.C. 20231
 (800) 786-9199
 (571) 272-1000
 Website: www.uspto.gov
 Email: usptoinfo@uspto.gov

Protect yourself

Good ideas cannot be rushed. Take the time to research and plan, consult with legal and financial experts, obtain all pertinent information, and take the necessary steps to protect yourself against future problems.

Other good sources of information include:

Wisconsin Economic Development Corp.
 201 West Washington Avenue
 PO Box 1687
 Madison WI 53703
 (855) 469-4249
www.inwisconsin.com

**University of Wisconsin – Madison
 Small Business Development Center**
 Grainger Hall
 975 University Avenue
 Madison WI 53706
 (608) 263-2221
www.sbdwisc.edu

**Small Business Administration – Wisconsin
 District Office**
 310 West Wisconsin Avenue
 Suite 580W
 Milwaukee WI 53203
 (414) 297-3941
www.sba.gov/offices/district/wi/milwaukee

*For more information or to file a complaint,
 visit our website or contact:*

Wisconsin Department of Agriculture,
 Trade and Consumer Protection
Bureau of Consumer Protection
 2811 Agriculture Drive, PO Box 8911
 Madison, WI 53708-8911

Email: DATCPHotline@wi.gov

Website: datcp.wi.gov

(800) 422-7128 TTY: (608) 224-5058

InventionMarketing138 (rev 10/23)