The United Inventors Association (UIA), a 501 (C) (3) organization, is the world's leading center for inventor/entrepreneur education. Founded in 1990 and headquartered in upstate NY, the UIA is an umbrella association supporting and networking local and regional inventor organizations as well as supporting the efforts of individual inventors to learn the process of new product development and successful commercialization. UIA's members come from throughout the USA and abroad and include individual inventors and innovators, academia, small and medium enterprise, service providers and non-profit companies.

Please support the efforts of the UIA by becoming a member. Visit <a href="https://www.uiausa.org">www.uiausa.org</a> for information.

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## **NEVER**

Never utilize the services or listen to the advice of an invention submission company, especially one that advertises on national radio or TV. Historically, this industry has been the subject of many indictments, investigations, and complaints about poor performance.

When a patent application is published or a patent is issued, mailings arrive in large numbers. Be very skeptical about these mailings – they have become an alternate advertising venue for invention scam companies.

An invention submission company is basically one that initially offers a free evaluation. The company responds positively to the idea and offers, <u>for a fee</u>, some sort of report. Included with that report (or very shortly thereafter), will be an offer, for a much more <u>substantial</u> fee, to submit the idea to industry for you.

The reports are remarkably similar to one another, typically only slightly customized to your product. The information is often meaningless but the reports are written to entice you to pay them thousands of dollars. Invention scam companies don't see ideas they don't like.

Services offered (for a fee) include patentability searches, obtaining patents, developing marketing materials, and promoting the product to industry.

Efforts to get you to sign up for these services include a hard sell approach, generally pushing you to send your money quickly and continuing to contact you should you not respond.

The process invention scam companies offer is something you could do more cheaply. Numerous inventors report that their own efforts have been of higher quality.

Their success rate in getting products on the market is generally distorted, dismal or non-existent. Their business model is premised on making money from the inventor, not from products that get sold.

They rely on your enthusiasm for your idea/product and your lack of experience with the worlds of product development and business.



# FACT SHEET

What you need to know about the invention promotion industry

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### **UIA RED FLAG WARNINGS**

## Inventors' Digest Magazine's First Ten Commandments of Invention

#### **DON'T SCAM YOURSELF!**

The following list can be used as a guide to verify the credibility of an invention promotion company.

### Avoid companies that:

- refuse to provide in writing the number of ideas they have represented and how many inventors made more money than they invested.
- refuse to provide in writing the number of ideas that have been sent to them and how many they accepted.
- refuse to provide at least three clients (preferably in the inventor's own local area) that can verify their credibility.
- refuse to provide in writing the number of favorable patent searches vs. unfavorable searches they have done (if the company offers this service).
- use salesmen who apply pressure to send money in right away.
- recommend a design patent be applied for.
- provide a patent search without a patentability opinion.
- don't answer the phone directly and force you to always leave a message.
- claim to be located in one State but all correspondence are postmarked from another State. Frauds commonly use fictitious addresses and mail drops to hide their true location.
- offer a money back guarantee if patent does not issue.
- recommend submitting your idea to manufacturers without applying for patent first. Most manufacturers will not consider an idea from the outside unless it is at least patent pending.

- 1.) Stay away from invention marketing companies that advertise on radio and late night TV.
- 2.) Keep good records about your idea . . . some day they may be the back up you need to prove YOUR idea is YOURS!
- 3.) Go to a Patent Depository Library or go on line to the US Patent and Trademark Office web site (www.uspto.gov) and do your own patent search. If you find that your invention is already patented, there's no need to go to a patent attorney. For a list of libraries go to www.uspto.gov
- 4.) Build a model. No need to get fancy at first . . . cardboard, white glue, balsa wood, off-the shelf parts. No matter how simple the idea, prove it works.
- 5.) Have your invention evaluated by a non-biased professional (even if your Mom's in the business, go to someone else!)
- 6.) Read all you can about new product development. Go to your local bookstore or library . . . others have gone before you. Don't reinvent the wheel.
- 7.) Network with other inventors. Join a local inventor's organization.
- 8.) If your patent search looked promising (see #3), make an appointment with a patent attorney. Show your attorney the results of your search and follow the advice he or she gives you.
- 9.) Do what you do well and hire pros to do the rest.
- 10.) Don't fall in love with your invention but if you're really sure you've got a winner (see #5), hang in there! Even "overnight" successes take a while!

Developing an idea and getting a product on the market requires you to commit time, money and effort.

<u>Do your homework! Take the time to learn the basics:</u>

- Understand what the difference is between a patent and a provisional patent application, and read about strategies that people use.
- Learn about using non-disclosures (NDA)

   when an NDA is the right thing to use and when it's not.
- Read about what inventors before you have done.
- Get an objective third party evaluation.
- Join a local inventors group.

### Check out the folks you'll be doing business with!

- On line: Search for information on a company by trying initials along with the full name of the company. (If you search IBM, I.B.M. and "International Business Machines", you will get different pages to review.) Review the first several pages of hits. Skip the "Paid Links" sections on the right or top of the page.
- Dishonest companies tend to change names, so pay attention to pages that mention the old and new names of a company.
- Most businesses get two or three quotes from potential suppliers; you should too.
- Visit the USPTO public forum for invention promoters/promotion firm complaints and responses:www.uspto.gov/web/offices/com/iip/complaints.htm and the Federal Trade Commission Consumer Alert: Spotting Sweet-Sounding Promises of Fraudulent Invention Promotion Firms www.ftc.gov/bcp/conline/pubs/alerts/invnal rt.shtm
- Don't entrust the development of your idea from its early stages to presenting it to companies and/or launching the product to one company. Very different skills are required for patenting, engineering and marketing.