

THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

November 9, 1974

Vol. 1 No. 1

NEW SOCIETY OFFICERS CHOSEN

Eldon J. Alsop is the new President of the Intermountain Society of Inventors and Designers. He was chosen by the Society's new Board of Officers at their first meeting on November 7, 1974. The new Board was elected on October 26, 1974 at a regular meeting of the Society.

The new Board of Officers consists of Eldon J. Alsop, President; Stan Shelby, Vice President; Carol F. Anderson, Secretary; Charles C. Snow, Treasurer; J. Wanless Southwick, Carl S. Anderson, Dale W. Nelson, Joe Cope, and Ferrell S. Henderson.

MEMBERSHIP AND SUBSCRIPTION

Members of the Intermountain Society of Inventors and Designers receive a subscription to *The Inventors' Journal* as part of their annual dues. Membership in the Society can be gained by making written application to the Board of Officers accompanied by payment of a \$5.00 initiation fee and \$5.00 annual dues. Fees and dues are half price for students.

Applications for membership will be accepted at regular meetings of the Society or by mail (P.O. Box 222, Salt Lake City, Utah 84110).

Persons desiring a subscription to *The Inventors' Journal* without membership in the Society, may do so by paying a \$5.00 subscription fee.

The first issue of the Journal will be sent to nonmembers and members whose dues are in arrears, so they may gain subscription to the Journal by paying the necessary fees or dues.

UTECH AND INVENTORS GET TOGETHER

Utah Technical College (UTECH) has agreed to allow the Society to meet monthly at their new campus on Redwood Road in Salt Lake City. Not only will inventors have the enjoyment of fine new facilities at UTECH, but they can take advantage of the library's special selection of reference books and directories. Some of the books were purchased especially for courses related to inventing.

Inventors can get specialized technical help by taking one of the many courses taught at UTECH. UTECH is willing to sponsor a special class on inventing if a class of about ten people can be assembled. If you are interested in such a class, tell us.

NEXT MEETING OF THE SOCIETY

The Society will meet November 16, 1974 at 1:30 pm in the Library of the Rampton Technology Building of Utah Technical College at 4600 South Redwood Road, in Salt Lake City (take the 45th South Exit off I-15). The library will open at 1:00 pm.

Dean Hale, inventor of a forward motion dental chair and "Instajust Stool" will speak to the Society, sharing his experience in getting a new product on the market.

YEAR'S SCHEDULE

Members living away from Salt Lake City may want to make note of the following planned meetings of the Society and arrange to join with us if they are traveling this direction.

December	14
January	18
February	15
March	15
April	19
May	17

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a nonprofit corporation

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NEWS ITEMS ARE INVITED

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NATIONAL INVENTORS HALL OF FAME

The National Inventors Hall of Fame was founded in 1973 by the National Council of Patent Law Associations with the induction of Thomas A. Edison, who held 1,093 patents. Five additional inventors were named in 1974 -- Alexander Graham Bell, the inventor of the telephone; Eli Whitney inventor of the Cotton Gin, and Drs. John Bardeen, Walter H. Brattain and William Shockley, inventors of the transistor.

Nominations to the Hall of Fame are being solicited and should include the name of the nominee, a statement of significant inventive contributions to support the nomination and the numbers of the nominee's U.S. patents.

According to the Bureau of National Affairs, the final selection will be completed by December, 1974 so nominations should be mailed at once to:

H. Hume Mathews, Chairman
National Selection Committee
National Inventors Hall of Fame
Box 70-C, Scott Road, R.D. #1
Boonton Township, N.J. 07005

The National Inventors Hall of Fame was formally dedicated February, 1974 at Patent Office, and will be permanently maintained there.

FIVE YEARS OF SERVICE

The Intermountain Society of Inventors and Designers was organized a little over five years ago (on October 23, 1969) as a non-profit corporation under the Utah Non-Profit and Cooperative Association Act. Since then it has provided a forum where inventors could get together to profit from each other's experiences, be they good or bad.

SUCCESSFUL COURT ACTION AGAINST "INVENTOR ASSISTANCE" ORGANIZATIONS

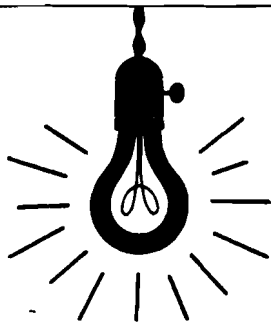
An Illinois court decision has stopped certain "invention assistance" organizations from doing business in Illinois. According to the October 31, 1974 issue of BNA's *Patent, Trademark and Copyright Journal*, one of the organizations has been operating nationwide for several years and has been very aggressive in the so-called "invention business". The report said the organizations have been enjoined from engaging in the practice of patent law and ordered to dissolve within 90 days.

Some of our local inventors have complained of being enticed to fly to Chicago at their own expense to listen to proposals of invention development by certain "invention assistance" organizations. Some even wrote out substantial checks to pay in advance for invention development services. One disappointed inventor complained bitterly about the poor quality of so-called services rendered by one organization.

The same BNA article reported that three organizations formed the "National Association of Invention Developers" (NAID) in 1973. They subsequently referred to their membership in this association in their newspaper ads, apparently to impart an aura of legitimacy to their activities. One of the three was one of the Illinois organizations ordered to dissolve.

TWO LETTER WORD ADVICE

If it is to be, it is up to me.



THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

December 6, 1974

Vol. 1 No. 2

DISCLOSURE DOCUMENT PROGRAM

An often misunderstood service is offered by the Patent Office, called the "Disclosure Document Program". Some inventors erroneously believe it can be used to "register" their idea with the Patent Office. Others mistakenly think they can protect their idea for two years with it.

The Patent Office says: "A paper disclosing an invention and signed by the inventor ... may be forwarded to the Patent Office by the inventor It will be retained for two years and then be destroyed unless it is referred to in a separate letter in a related patent application filed within two years."

This service is designed to give the inventor another way of documenting his conception of an invention. The Disclosure Document he sends to the Patent Office should contain a clear and complete explanation of the invention.

To use the service, the inventor can write the Patent Office as follows:

The undersigned, being the inventor of the disclosed invention, requests that the enclosed papers covering my invention entitled _____ be accepted under the Disclosure Document Program, and that they be preserved for a period of two years.

The inventor then mails this request and his Disclosure Document to the Patent Office, accompanied by a stamped, self-addressed envelope and a duplicate (carbon copy) of his request, which must also be signed by the inventor.

When the Patent Office receives the Disclosure Document, they stamp the date of receipt on the papers and give them an identification number. The duplicate request is returned to the inventor in the self-addressed envelope bearing the stamped date of receipt and the Disclosure Document number. The process may take 5 to 6 weeks.

A fee of \$10 is charged for this service and payment must accompany the Disclosure Document when it is submitted to the Patent Office. For more information about this useful program, you can get a free pamphlet from a nearby office of the U.S. Department of Commerce, or by writing the "Commissioner of Patents, Washington, D.C. 20231."

SPEAKER COUNSELS INVENTORS

"Research and development is the name of the game", said Dean Hale of Concept Industries of Logan, Utah. While speaking at the November 16 meeting of the Society, Mr. Hale asked why should an inventor design something people don't want or need? He said the inventor should build what people think they want -- what they want to buy.

Before an inventor tries to manufacture an invention, he must know what the market potential is. Who is going to buy it? How much will it cost to manufacture? Who will manufacturer it? Who will sell it?

Mr. Hale said most inventors would be surprised to learn that the people who sell a new product put about three times the money into the new product compared to the manufacturer. Because of the high costs of promoting a new product, the inventor usually doesn't get the big money.

Mr. Hale demonstrated his "Instajust Stool" which Concept Industries is currently manufacturing and marketing. The height of the stool is easily adjusted by a foot actuated valve. The stool is aimed at professional people like dentists who need to adjust their seat height quickly without contaminating their hands.

Mr. Hale found that conventional O-rings wore out and leaked eventually, so he had to design a new hydraulic seal which would permanently retain all hydraulic fluids within the system.

After the meeting, several inventors were seen visiting with Mr. Hale, asking him questions relating to their own inventions.

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WHO RECEIVES THIS JOURNAL?

If you are an inventor or a designer, but are not yet a member of the Intermountain Society of Inventors and Designers, you are invited to join now.

The Membership Committee has reviewed our mailing list and have made a note on each mailing label of persons who are neither paid up members nor persons with a subscription to the Inventors' Journal.

Three astericks on your mailing label means you need to contact us to either join the Society, pay your dues or to subscribe to the Inventors' Journal. In the future the Inventors' Journal will be sent only to those who are current in their dues or subscription.

To join the Society, your application should include payment of a \$5 initiation fee and \$5 annual dues. If you have previously joined the Society, your payment of the \$5 annual dues will make your membership current and bring you each issue of the Inventors' Journal.

Subscription to the Inventors' Journal without membership in the Society can be had by payment of a \$5 subscription fee.

NEXT MEETING OF THE SOCIETY

Dr. Harold Fox, a marketing specialist, will discuss how to find financial backing and how to open up channels of distribution for a new product in the market place at 1:30 pm on December 14, 1974.

The meeting will be held in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road, in Salt Lake City (take the 45th South exit off I-15).

Signs will be posted to guide you to the meeting room, however, you may want to come early to use the library's special collection of books for inventors. The library is also in the Rampton Technology Bldg.

Another meeting is scheduled next month for Saturday, January 18th.

PRESIDENT DESIGNATES COMMITTEES

President Eldon J. Alsop designated five committees to help the Society better serve its members. Stan Shelby, the Vice President, was named the Committee Coordinator to follow up on committee assignments.

Membership Committee: Carol F. Anderson and Charles C. Snow (Secretary and Treasurer respectively) were named co-chairmen with the responsibility of recruitment of new members and of keeping an up-to-date membership list and mailing list.

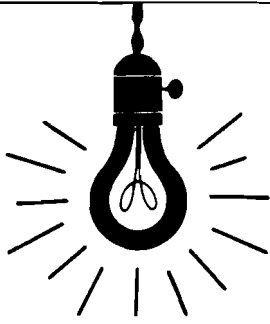
Program Committee: Dale W. Nelson was named chairman with the responsibility of developing suggestions of programs for the monthly Society meetings.

Services and Materials Committee: Joe Cope was named chairman with responsibility of finding sources of services and materials useful to inventors.

Invention Presentation Committee: Carl S. Anderson was named chairman to arrange for inventors to show and demonstrate their inventions at meetings of the Society.

Publications and Publicity Committee: Wanless Southwick was named chairman and editor of the "Inventors' Journal".

Each Committee is to consist of at least three members selected from the Society's membership. Members interested in serving on a particular committee should contact the chairman or one of the Society's officers. Committee reports are to be presented at Society Meetings and published in the Inventors' Journal.



THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

January 11, 1975

Vol. 1 No. 3

MARKETING SPECIALISTS SPEAK

"Stickability" (stick to it despite pitfalls) was named as an essential attribute of the successful inventor at the December meeting of the Society. Two marketing specialists, Mr. Hal Fox and Mrs. Mauvia Snow Bradford, "layed it on the line" in their fast moving description of their own marketing experiences.

Mrs. Bradford advised inventors to: (1) Have a goal (2) Gather the right kind of people around you (3) Know your competition and (4) Get an *experienced* lawyer to help you cope with competitors.

Where did they get financing? Out of their own pockets at first, but they found some investors using a simple newspaper ad: "Partner with \$10,000 wanted." Mr. Fox cautioned that the potential investor should be asked to sign a nondisclosure agreement. He suggested a lawyer be used to draw up the financial agreement.

Mrs. Bradford asked, "How much of your business or product are you willing to give away to get financing?"

Mr. Fox emphasized the need to evaluate the invention: (1) Determine what similar and competing products are on the market (do your homework) and (2) Determine interest in your new product by test marketing where the product is actually sold.

In a general question and answer session they commented on licensing agreements with manufacturers, whether to apply for a patent or not, the importance of packaging a product to sell, and their experience of getting a plastic product manufactured in Taiwan.

Several inventors spoke with Mr. Fox and Mrs. Bradford individually after the meeting around the punch and cookie refreshment table.

BECOME INVOLVED

Increased interaction among Society members has been stressed as a goal by President Eldon J. Alsop at recent meetings. He said, "more participation by members, wherever they live, in the activities of the Society will bring about the healthy exchange of ideas, accomplishments and experiences whether successes or failures. Resulting friendships and cooperation will stimulate the enthusiasm of each of us toward our own individual creative ideas and goals.

"This interaction among Society members should promote the kind of associations where members with common interests will join together to work on personal innovative projects. The Society will become a more successful and dynamic organization for helping its members through such interaction."

President Alsop stressed, "We have established action committees through which you may actively assist us in the activities of the Society. Your becoming involved can help upgrade the Society's effectiveness. I encourage your support through participation in these committees and in our monthly meetings."

NEXT MEETING OF THE SOCIETY

If you need money to develop your invention, don't miss the next Society meeting. Dr. O. Lew Wood, a professor from Weber State College will address the Society on the subject, "How to prepare a business package for presentation to a prospective financier." This meeting should give you more skill with the words and language that financial people understand. It should strengthen your chance of getting the venture capital you need to develop your invention. (Continued next page.)

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NEXT MEETING (CONT.)

Dr. Wood will speak at 1:30 pm on January 18th (Saturday) in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15).

Many members will gather in the library at its new opening time of 12:00 noon to use the special collection of books for inventors.

NEW COMMITTEE FORMED

Where do you find good published information about successful invention development? Start with the new Publications Committee chaired by Ferril S. Henderson. The Committee is accumulating pamphlets and books that will be placed in the Utah Technical College Library and/or distributed to members at meetings. One such pamphlet will be handed out at the January 18th meeting.

Mr. Henderson requests all members to share the title and source of good publications on inventing by writing him at P.O. Box 222, Salt Lake City, Utah, 84110.

As Vice President Stan Shelby put it, "As our files of research materials grow, we can better assist inventors. Each member can be involved in this upgrading of the Society by sending in good publications."

SOMETHING TO WRITE FOR

"Submitting an idea to a Manufacturer" is the title of a useful little pamphlet available for 25¢ from: Circulation Department, American Bar Association, 1155 E. 60th St., Chicago, Illinois 60637.

LAST CHANCE

This will be the last issue of "The Inventors' Journal" you will receive if you have not paid a \$5 subscription fee or your \$5 membership dues (plus \$5 to join the Society if not a member).

If three asterisks (***) appear on your mailing label, your name will be dropped from the next mailing list, unless we receive your subscription fee or membership dues.

WATCH OUT !

Another sad story has come to the Society from another person who recently discovered she had wasted her money on "invention assistance" organizations.

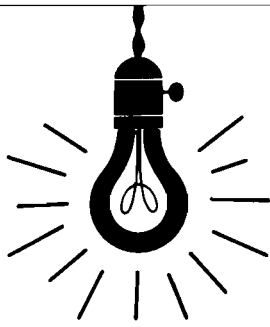
After she had become discouraged with one such organization, she went to another nationally-advertised "invention assistance" organization with no better results.

Some way her name was transferred from the first organization to the possession of a third "invention assistance" organization which called her long-distance many times with promises of thousands of dollars in royalties for her inventions. She didn't fall for the third story.

STIFLED GENIUS?

The United States ranks fifth in the world in inventions per man according to Mr Jacob Rabinow in an article in U.S. News and World Report (Dec. 23, 1974, p. 46-49).

How to stimulate innovative thinking? By giving inventors "money and glory". One or the other alone is not enough according to Mr. Rabinow. Low interest government loans might help he said.



THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

February 8, 1975

Vol. 1 No. 4

MONEY TO DEVELOP AN INVENTION

"Undercapitalization" was named as the primary cause of business failures by Dr. O. Lew Wood as he spoke at the January meeting of the Society. An invention must have adequate financial backing if it is to become a successful new product. But how can an inventor find such backing?

"If you are serious about developing an invention, do it yourself and hire the people you need to help you along," said Dr. Wood. His first counsel was to choose a proper legal structure for your business (sole proprietorship, partnership or corporation). He went into considerable detail to explain some advantages and disadvantages of each type of business structure. (Similar information can be found in the Small Business Administration pamphlet "Management Aids No. 80".)

Dr. Wood listed several possible sources of money: the inventor's own resources, private venture capital, loans, a general limited partnership, franchising, public offerings of corporate stock, and merger, acquisition or investment by another company. Whatever source of money is sought, a good "Business Prospectus" is necessary.

"A business prospectus", said Dr. Wood, "is a document which describes a company and its potential. It contains the language financial people understand as they evaluate the risks and benefits of a potential investment." Dr. Wood listed some of its essential elements:

1. Introduction to Business Area.
2. Brief History of Company.
3. Description of Business Plan. (What will be done with the capital raised?)
4. List of Risk Factors. (If done properly this list appeals to sophisticated investors)

(Continued next page.)

INVENTORS WEEK PROCLAIMED

Ceremonies at the U.S. Patent Office in Washington, D.C. and across the nation are proclaiming the week of February 9th, 1975 as "Inventors Week". The National Inventors Week proclamation was a product of the American Patent Law Association's efforts to recognize inventors.

In Utah, Governor Calvin L. Rampton proclaimed "Utah Inventors Week" in ceremonies at the State Capitol attended by officers and members of the Intermountain Society of Inventors and Designers and by representatives of the Patent Section of the Utah State Bar.

The Governor's proclamation said in part, "In this way, the State of Utah expresses thanks to her inventor-citizens for their contributions to the economy and welfare of this State and our Nation."

INVENTORS WEEK MEETING

On the concluding day of Inventors Week, February 15th, the Society will hold a meeting for all interested inventors in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15).

The meeting will start at 1:30 pm, however many members will gather in the library at 12:00 noon to use the special collection of books for inventors.

A special program to emphasize the importance of proper product design has been scheduled. Two specialists in the design field, Mr. Ferrell Thomas and Mr. Ed Mifflin, show how proper design can make a new product have more eye appeal, be easier to manufacture and result in a less expensive, more marketable new product.

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MONEY (CONT.)

5. Dilution. (If a company is worth one million dollars, does the investor give one million dollars for 20% of the company?)
6. Management. (Who is running the company? What has been their experience? Do they have a good "track record"?)
7. Legal Matters. (Any suits involved?)
8. Financial Projections and Statements. (Current status described by a balance sheet and income statement; or if a new company, a proforma income statement and cash flow projection.)

Dr. Wood emphasized the importance of the Business Plan, Management, and Financial Projections and Statements portions of the prospectus. He said the Small Business Administration has a useful Monthly Cash Flow Projection form (Form 86(10-72)). Also stock brokerage firms have various examples of a "Business Prospectus" that inventors could use as a guide.

SOCIETY'S FOUNDER RETURNS

Mrs. Lucille Hinmon returned to Salt Lake City after a year of employment on the West Coast. She attended the January meeting of the Society and was affectionately greeted by many of the Society members.

Mrs. Hinmon organized a meeting of inventors at the University of Utah in July of 1966. Those who attended showed interest in forming a society for inventors and thus the Intermountain Society of Inventors and Designers was born. Bimonthly meetings were held for about three years when in October 1969 the Society was officially incorporated under the Utah Non-Profit and Cooperative Association Act.

SBA HELPS INVENTORS

The U.S. Small Business Administration (SBA) is a prime source of publications for inventors. Mr. W. Grant Evans of the Salt Lake SBA Office made quantities of two SBA publications available to the Society, which were distributed to those attending the Society's January meeting: ("Know your Patenting Procedures" and "Small Business Profits from Unpatentable Ideas", Management Aids No. 49 and No. 53 respectively).

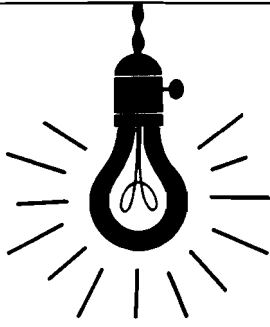
Mr. Evans offered further assistance to the Society in obtaining other publications, movies and speakers. Members are encouraged to visit their local Small Business Administration office to see what assistance is available.

TRAINING FOR INVENTORS

New inventors can often save themselves much pain and expense by learning some of the "basics" of successful inventing in a specialized course for inventors. One such course is currently being taught at the University of Utah by Mr. O'Brien Garrett and Mr. Dale Nelson on Wednesday evenings.

Their course is entitled, "Invention Management - from an Idea to the Market Place". The course puts emphasis on practical invention development, patenting, marketing and management methods. It is nearing completion, but others will undoubtedly be offered in the future. Utah Technical College has offered such classes.

NOTICE: An "Exporter's Seminar" will be held February 20th at the Fort Douglas Country Club in Salt Lake City to explore export finance, foreign credit insurance and foreign warehousing arrangements. It starts at 9:00 am but advanced registration is required (\$6 fee to SBA includes lunch).



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March 8, 1975

Vol. 1 No. 5

DESIGNERS HELP INVENTORS

If an inventor has an idea and wants to tell someone about it, how does he describe his invention? Using words only? Does he make a few scribbled drawings to illustrate what he sees in his mind? Mr. Ferrel Thomas Jr. showed members attending the February meeting of the Society a better way.

Mr. Thomas is an industrial designer and a patent draftsman. He showed an example of a complex invention which was expertly illustrated with three dimensional and exploded-view drawings before a full-scale device was ever built. These drawings were used to sell the invention to two industrial users. With two purchase orders in hand, the inventor built the actual full-scale device (for air pollution abatement).

Mr. Thomas explained how good drawings can help the prospective buyer visualize the product even before it has been made. The designer who prepares the drawings can help simplify the invention to make it easier to manufacture and give it more eye appeal before expensive production begins.

Another designer, Mr. Ed Mifflin, told the same group how basic shapes and colors can be designed into an appealing package for increased marketability of a product. The design can also be skillfully developed to emphasize unique features of the new product to let the customer know why the new product is especially valuable.

Mr. Mifflin suggested inventors should be prepared to take notes at the most unusual hours; whenever inspiration strikes. He also emphasized the need to keep good records of invention development.

Both Mr. Thomas and Mr. Mifflin answered questions of members during the discussion period and at the refreshment table.

NEXT MEETING OF THE SOCIETY

Two patent attorneys will be at the next meeting of the Society to speak on "Forms of Protection Available for Creative Property and How to Select the Form Needed." Mr. Wayne Western and Mr. Deon Criddle of the law firm, Criddle and Thorpe, will show that a patent is not the only form of protection available to the inventor.

They will speak at 1:30 pm on March 15th (Saturday) in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15).

Many members will gather in the Library of the Rampton Technology Building at 12:00 noon to use the special collection of books for inventors.

INVENTIONS WANTED!

The "Inventions Wanted" come-on has caught the eye of more than one inventor. This time the Society is looking for persons with patented inventions who would like to display or demonstrate them at meetings of the Society.

Anyone wanting to participate in this regular "show-and-tell" portion of future Society meetings, please contact an officer of the Society or write: P.O. Box 222, Salt Lake City, Utah 84110.

TYPISTS NEEDED!

The Society has a critical need for a typist living in the Salt Lake area to help with an increasing load of correspondence. It is strictly a voluntary position, as are all other positions in the society. The only pay is the satisfaction of helping a worthy project along.

Please drop us an offer of help to P.O. Box 222, Salt Lake City, Utah 84110.

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INCENTIVE TO INVENT

Technological innovation vital to solving the energy crisis was the subject of a speech by the Director of the Patent Law Program of the George Washington University, Irving Kayton, at a January meeting of the American Patent Law Association.

He noted that the price of oil had jumped from slightly over \$2 per barrel to over \$8 now. He suggested it would make sense to offer anybody with the invention which would save oil or be an alternative to oil, \$1 per barrel of oil saved.

"Doesn't it make sense to offer one buck extra when now we're paying six? It's true that whoever invents it will be getting seven million dollars a day, but all taxable by the United States, unlike the foreign oil which is not taxable in any way by the United States..." He noted prevailing opinions however, that believe, "Seven million dollars a day for a crummy inventor is an outrage."

He concluded by urging members of the American Patent Law Association to "...demand more from our patent system by way of incentive than has ever before been asked in order to save mankind."

AN INCOME TAX DEDUCTION?

Many inventors will be interested in Resolution 64 of the American Bar Association's Section of Patent, Trademark and Copyright Law. Adopted in August 1974, it puts the ABA on record favoring "...in principle legislation granting federal income tax relief to independent inventors to reduce the burden of developing and patenting inventions;" *(Continued)*

TAX DEDUCTION? (CONT.)

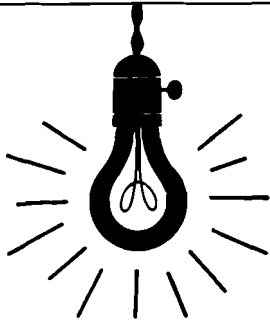
The resolution suggests adding the following paragraph to 26 U.S.C. 174(a) (1): "Notwithstanding anything to the contrary herein, an individual taxpayer can deduct all his costs for, and relating to, the preparation and prosecution of all patent applications, domestic or foreign, filed on an invention even if such costs were not incurred in connection with his trade or business". *But remember, it's not law yet!*

INVENTION DEVELOPMENT COMPANIES

The Society has learned of a few more inventors who have been sweet-talked into sending invention development companies money for promised services. One man spent \$100 for a patent search plus another \$1000 in advance for promised prosecution of a patent application and prototype preparation. Before he saw any results from the \$1000, the company was back asking for more money to do additional patent work in Canada.

California may do something about such companies. A bill (AB 485) has been introduced into the California legislature to regulate invention development service contracts. The bill proposes that certain specified terms be included in each contract which would assure the inventor of what he was buying with the contracted service. There is also a provision for the inventor to recover damages from the invention developer, and the developer could be punished for any willful violation of the bill's provisions.

We have recently heard rumors that a new or "transplanted" invention development company has taken up residence in the Salt Lake area and is beginning to solicit inventors. Caution is recommended.



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April 12, 1975

Vol. 1 No. 6

PATENT ATTORNEYS SPEAK TO INVENTORS

How can an inventor protect his idea and profit from it? Is a patent the only kind of protection? Two Salt Lake patent attorneys (Mr. Wayne Western and Mr. Deon Criddle of the law firm, Criddle & Thorpe) gave members attending the March meeting of the Society some straightforward answers.

Mr. Western suggested good communication between an inventor and his patent attorney is essential if the best way of protecting an idea is to be found. He explained some of the types of protection available for "intellectual property".

Trade Secret: Even though there is no law saying it can be protected, the courts have shown a trade secret can be protected. It must be kept secret with adequate precautions to assure secrecy. Mr. Western mentioned the "Coca Cola" formula as an example of a good trade secret. Advantages of trade secrets include their perpetual life and they are effective immediately.

Patents: Some ideas by their very nature can not be kept secret and still be exploited by the inventor. Patents can give the inventor legal rights to a new and novel idea for a limited time: 17 years for a utility patent and 7 - 14 years for a design patent.

Trademarks: A brief, easy to remember trademark may become a valuable source of protection for a product. "Coke" was one example given.

Copyrights: Certain types of intellectual property can be protected by copyright for 28 years. A copyright can be extended for a second 28 years. Mr. Western said games can be copyrighted as a book.

Three ways to profit from an idea:

1. Exploit it yourself.
2. Assign it to someone (sell out).
3. License it to someone (using an exclusive or non-exclusive license).

(Continued next page.)

PRESIDENT NOTES SOCIETY PROGRESS

At an April 3rd meeting of the Society's Board of Directors, President Eldon Alsop listed progress of the Society during the past few months:

1. Establishment of service committees.
2. Establishment of *Inventors' Journal*.
3. Outstanding speakers at the monthly meetings.
4. Increased number of new memberships.
5. A modest build-up of finances.
6. A refreshment table after meetings.

He then issued a challenge to the Board of Directors with the following goals:

1. Build new leadership for the Society by involving more members in committee opportunities.
2. Extend Society membership to more inventors, increasing membership.
3. Develop more ways to provide personal help to members with their innovative projects.

NEXT MEETING OF THE SOCIETY

Financial backing seems to be a major problem to most inventors. Mr. V. Jay Liechty, a Certified Public Accountant, may have some practical suggestions for inventors when he shows how to put together a cash-flow projection to be used in a business plan for soliciting financial backing.

Samples of a cash-flow projection will be handed out and questions will be answered, so each person will be able to apply the information to his or her own project.

The meeting will begin at 1:30 pm on April 19th (Saturday) in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15). The Library in the same building will be open at 1200 noon, where inventors can make use of its special collection books related to inventing and new product development.

**The Intermountain Society of
Inventors and Designers**
P. O. Box 222
Salt Lake City, Utah 84110

a nonprofit corporation

"The Inventors' Journal" is published approximately monthly to disseminate news of special interest to inventors.

NEWS ITEMS ARE INVITED

Subscription rate: \$5.00 per year, foreign postage extra. Society membership includes subscription.

ATTORNEYS SPEAK (CONT.)

The value of an attorney for drawing up an assignment or licensing agreement was emphasized.

Mr. Criddle participated in the question and answer session. When asked about invention development companies, he counseled those present to, "be sure you know what you are getting for your money." He cited several examples from his experience with inventors who had tried to use invention development companies to promote their new product ideas. He suggested that in general, "the greater the advertising [of the invention development company], the less the service".

Both Mr. Western and Mr. Criddle were approached by members individually at the refreshment table after the meeting to discuss special questions.

INVENTION PROMOTERS BLASTED

"It's pitiful," said Texas Attorney General Jack Wilson in an article in *The National Observer* (March 1, 1975, page 8), "but most of the victims were people who didn't have the money to lose. A lot of them borrowed it. Many were old folks trying to supplement an income that was already inadequate." The article was centered around "Invenco" based in Dallas, Texas where it and its founder were placed under a temporary injunction and ordered to put its cash reserves into escrow for return to clients.

The article also mentioned a National Science Foundation project designed to stimulate technological innovation by evaluating new ideas for a small fee. One such project located at the University of Oregon, Eugene.

DVORKOVITZ ?

Mr. Wayne Western mentioned the name Dvorkovitz at the March meeting of the Society. Who or what is Dvorkovitz? "Dr. Dvorkovitz & Associates" (P.O. Box 1748, Ormond Beach, Florida 32074) specializes in finding new products and/or processes, finding companies who have a need for the technology and bringing the parties together.

Mr. Western indicated some companies pay a handsome fee to Dvorkovitz to be the first subscriber to see the new ideas in a specific field. Dvorkovitz does not charge a fee to the inventor (licensor), since they receive their fees from the licensees who subscribe to their service.

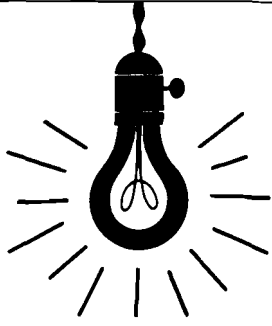
Their forms contain the sentence, "Products and/or processes described on this form will be evaluated, and inclusion in our files is entirely at the discretion of Dr. Dvorkovitz and Associates, whose prime criterion will be the potential value to the subscriber."

Since licensing is the goal with this service, patent protection for the product or process is essential.

PUBLICATIONS COMMITTEE REPORT

The Publications Committee was formed to collect all types of information useful to inventors. At the March Society meeting, Ferrell Henderson, Committee Chairman, handed out two Small Business Administration publications: A listing of over 250 "Management Aids" entitled *Free Management Assistance Publications* and Management Aid No. 92, *Wishing won't get profitable new products*.

Ferrell invites everyone to submit suggestions of publications to the committee for review (P.O. Box 222, SLC, UT 84110).



THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

May 7, 1975

Vol. 1 No. 7

CASH FLOW PROJECTION OUTLINED

"Cash is the oil of a business machine" said Mr. V. Jay Liechty, a Certified Public Accountant who spoke to the April meeting of the Society. On any kind of a business project, such as developing a new product, you need to make a projection of what will happen so you can know when you will need money and how much you will need.

Mr. Liechty said a "cash flow projection" consists of six items:

1. Projecting Income
2. Projecting Expenses
3. Projecting Cash Receipts
4. Projecting Cash Outlay
5. Projecting Balance Sheets
6. Review

Items 1 and 2 (projecting income and expenses) describe *what's* going to happen, while items 3 and 4 (projecting cash receipts and cash outlay) describe *when* it's going to happen.

For example, say you think you can sell \$1,000 worth of your new product in June, but when will you get paid for the sale? You would list your \$1,000 sale under June's Projected Income (Item 1) but because your customers may take three months to make full payment, you might list under Projected Cash Receipts (Item 3): June - \$600, July - \$300 and August - \$100.

For projecting expenses and cash outlay you would go through a similar process. You would first list all expenses you could think of and show them as Projected Expenses (Item 2) for the months you expect to incur the obligation to pay the bills. That's *what* you expect to happen. Then under Projected Cash Outlay (Item 4) you'd show *when* you would pay the bills. Some expenses may be incurred monthly, but paid quarterly or on some other delayed basis.

(Continued next page.)

INVENTORS' BANQUET

You are invited to the annual banquet of the Intermountain Society of Inventors and Designers, Saturday, May 17th in the banquet room of Chuck-A-Rama at 2960 Highland Drive in Salt Lake City at 7:00 pm. (RSVP)

Mr. Cordell Lundahl of Logan, Utah will be the dinner speaker. Mr. Lundahl is one of the Intermountain area's most successful inventors, with many millions of dollars worth of his inventions being marketed through out the United States. His bulk haying system is spreading rapidly into agriculture. He is currently branching into applications of electronics to agriculture and has built a new electronics manufacturing plant in Logan.

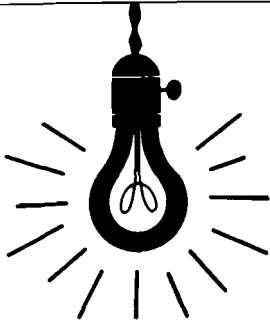
Mr. Lundahl will speak on the subject, "Can Inventing be Profitable for the Inventor? For Local Commerce? For the Nation?" His broad experience with inventing will allow him to describe both the pleasure of success and the frustration of failure. No one should miss hearing this man speak.

The banquet is open to all interested persons, but we need an accurate count of those planning to attend. *Please use the attached envelope to send \$3.75 per plate (7.50 per couple) to reserve your place at the banquet.* Please send it today to Charles Snow, Treasurer, P.O. Box 222, Salt Lake City, Utah 84110.

LEAR TO SPEAK

William P. Lear, well known inventor and designer will be commencement speaker for Utah Technical College at Salt Lake, June 6 in the University of Utah Special Events Center.

Mr. Lear developed the Lear jet and the eight-track stereo sound tape system among his many innovative projects.



THE INVENTORS' JOURNAL

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September 20, 1975

Vol. 2 No. 1

LUNDAHL SPEAKS AT BANQUET

"Inventing is as profitable as your homework," said Cordell Lundahl at the annual Inventors Banquet held May 17th. Just having an idea is not enough, according to Mr. Lundahl, you need to get to know the field your invention falls into. Keeping good records is also a must.

Mr. Lundahl said big companies have men who go around the world gathering information for their companies to use. He said many good ideas are lost because they were not adequately protected. "Big companies are scared of the inventor who has documentation and patent protection," he said.

Will your idea make you any money? Ask yourself, "How will it benefit the ultimate user? What will it produce for the buyer? Will it save him money or labor?" For the idea to make you money, it must have some economic value to the buyer.

Mr. Lundahl told of the need to know the mark up in an industry when negotiating a royalty. Get their financial statement. What is their profit on products? If their profit margin is 8%, they won't pay a 7% royalty, he said.

When negotiating with a manufacturer, Mr. Lundahl suggested you should make adequate notes and then see your own attorney who writes out the contract and sends it to the manufacturer.

OF WIVES, SAID LUNDAHL....

"It takes a lot of patience to be married to an inventor. When you are laying in bed at night and reach over next to you and find a vacant spot, and then discover him sitting in a corner with a blank look on his face, you've got to have patience."

NEXT MEETING OF THE SOCIETY

Lyle J. Martinson, an inventor from Utah will tell the Society of his experiences in developing and marketing his new ideas.

He will speak at 1:30 pm on September 27th (Saturday) in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15).

Meetings of the Society for the coming season will be held on the third Saturday of each month beginning in October thru May 1976.

GOOD NEWS ON DUES

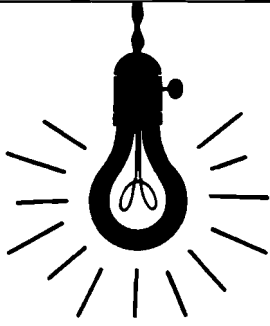
With the price of just about everything going up, you'll be pleased to know the Society's Board of Directors voted to keep the Society's dues the same as they have been for years: \$5.00 per year and a one-time fee of \$5.00 to join the Society.

ENERGY INVENTIONS AVOID RED TAPE

The Government Patent Office gives energy inventions top priority according to Isaac Fleischmann, Director of Information in the Commerce Department's Patent Office in the September issue of "Energy Reporter".

He said that while the normal processing time for patent applications is 21 months, the waiting period for energy inventions has been slashed to 6 months.

The priority program for "inventions in all aspects of the energy field" became an official Agency policy in October 1973. Since then, over 200 applications have been approved for priority examination, and 58 patents have been granted -- a record output for a non-war period.



THE INVENTORS' JOURNAL

A publication of the Intermountain Society of Inventors and Designers

October 15, 1975

Vol. 2 No. 2

HOW TO EVALUATE YOUR INVENTION

"Inventors tend to get emotionally involved with their ideas," said Lyle J. Martinsen, President of Practical Innovations, Inc. to Society members attending the September meeting.

"Sometimes you must put an idea on the back burner" he said, "because if you don't you may spend your whole life developing the wrong product and never get people to use it." To overcome this hazard, Mr. Martinsen emphasized the need to honestly evaluate each idea for a new product.

Mr. Martinsen uses a list of 23 questions to evaluate his ideas. He used the list to illustrate experiences he has had trying to promote new products. He said the idea should be thoroughly evaluated before making application for an expensive patent. Only a few of his questions can be listed here.

Is it practical? If it is, it will reach more people. Is it new? To find out, it is cheaper to have a reputable patent attorney do a patent search.

Does a market now exist for the product? Beginners should start where a need exists since the effort to overcome human inertia can be overwhelming. How obvious are its advantages?

What is the potential market volume? Will 1% or 2% of the potential be sufficient to sustain your sales?

"Regardless of the ultimate market potential," emphasized Mr. Martinsen, "how many potential buyers are there for the product?" He cited an example of a stick-on label for oranges that also functions as a peeler.

It is a great idea that had to be put on the "back burner" because even though 12 billion oranges are eaten each year there was only one potential buyer big enough to use the idea and they lost interest after considering the cost of developing machinery to attach the stick-on to each orange. (Cont.)

ELECTION OF SOCIETY OFFICERS

A new Board of Directors for the Society will be elected at the next meeting (October 25th). The Nominating Committee was elected at the September meeting. That committee; Charles Snow, Ed Rabiger and Lucille Hinman, has been putting together a slate of candidates which will be presented to the Society. Nominations from the floor will be accepted.

Term of office for Society officers is one year. After their election, the new Board of Directors will meet to select the President, Vice President, Secretary and Treasurer.

NEXT MEETING OF THE SOCIETY

Mr. Laird Gogins, a Salt Lake City inventor, will speak to the Society about his experiences gained while trying to sell his invention to the automotive industry.

Several members of the Society have had ideas for products related to automobiles and they especially may benefit from hearing Mr. Gogins address this subject.

He will speak at 1:30 pm on October 25th (Saturday) in the Rampton Technology Building of the Utah Technical College at 4600 South Redwood Road in Salt Lake City (take the 45th South exit off I-15).

Those wishing to use the special collection of books on inventing and new product development in the UTECH Library should come early, since the library closes at 1:00 pm.

MEMBER DIES

Mr. Roy Z. Beck, an inventor from Layton, Utah and a member of the Society recently passed away.

The Intermountain Society of Inventors and Designers expresses its condolences to his widow and family.

