

LAW WEEK COLORADO

Patent Office To Help Counsel, Economy Grow

By **James Carlson**
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DENVER — It's tough for Tom Franklin to find a hyperbole big enough to describe the extent of the impact Denver's soon-to-be patent office will have on the area.

More innovation, more law firms, more burgeoning companies, all catalyzing to form an economic boom that he says will outstrip the current forecasts of a couple hundred million dollars. Try billions, he says.

"It's not one plus one equals two," he said. "It's one plus one equals 27."

You can forgive the patent lawyer his excitement. Along with John Posthumus, a shareholder at Sheridan Ross, and Michael Drapkin, a partner at Holland & Hart, Franklin, a partner at Kilpatrick Townsend & Stockton, spent the past few years lobbying the federal government to create satellite patent offices and to place one in the Mile High City.

Whether his predictions will come to fruition remains to be seen. The governor, mayor, and the state's two U.S. senators and six representatives must have thought it was worth something. They mounted a full-frontal assault to grab one of the four offices that by a 2010 law must open by 2014.

Last week, the U.S. Patent and Trademark Office announced it would open three additional regional hubs in Dallas, San Jose and Denver. A hub already opened in Detroit. The plans are aimed at reducing a backlog of 750,000 patents and expediting the approval process that can take more than three years.

The effects for Denver, and its legal landscape, are multi-fold, ranging from easing the patent process for the area's companies and patent lawyers to providing the area itself with numerous benefits like a tax influx and prestige.

Ease of process

Denver patent lawyers might not be traveling much any more. Prior to last week's announcement, and until the office is built here, those attorneys and the inventors or company representatives had to fly to Washington, D.C., to get an interview with a patent examiner.

Now, the patent examiners will be in Denver.

"The most beneficial thing during the process is to have a face-to-face interaction



Tom Franklin, John Posthumus, Michael Drapkin — all from different firms — were part of the team that worked to get a U.S. patent office open in Denver. | LAW WEEK FILE PHOTO

with the patent examiner," said Posthumus. "You're trying to explain a thing that defies words. It hasn't been seen before. There's a strong visual aspect to it."

That face-to-face interview not only improves the level of interaction, it also saves time and money, said Molly Kocialsk, patent counsel for Denver-based hardware and software company Oracle. She said avoiding having the company's own innovative staff travel to Washington, D.C., for interviews will offer "significant savings."

A catalyst

The U.S. economy runs more on knowledge than goods, and those who pushed for the Denver patent office say that's why having the office here positions the city for the next century. It means more money coming into the area.

"It certainly raises the brand of Colorado as an innovative state and will attract

businesses," Posthumus said.

According to an economic analysis conducted by the University of Colorado's Leeds School of Business, the office will bring in \$439 million in the first five years. Franklin says that analysis leaves out the catalyzing effect.

"Economists aren't good at calculating the impact of a catalyst," he said. "\$440 million? No, no, it's billions. Billions."

The catalyzing effect comes in multiple ways. First companies using the patent process are likely to consider Denver when opening a new office. Law firms specializing in patent law will do the same.

The office will likely cross-pollinate with private industry. An examiner who works at the Denver office for a number of years and then moves into industry will take his understanding of how that knowledge economy works over to the company. Conversely, a local engineer working in the private sector will take his expertise

into the patent office. Both sides will become more sophisticated, Franklin said.

Those involved hope this process starts soon.

Posthumus said original plans called for opening the next three offices by 2014, but now there is an effort to expedite those openings. "I get the clear sense they want to open sooner," he said.

And he and the others are wasting no time lobbying again for what Franklin said is a project that "will transform Colorado as we know it." •

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