TOP TEN SCAM WARNING SIGNS

✓ Slick ads or radio, TV and magazines
[These are the first "hooks".]

✓ The Company's refusal to respond to your questions in
writing signed by a Company official
[Legitimate Companies will provide the answers in writing]

✓ Salespeople want money right away...upfront

✓ You are told to describe your idea in writing, mail it to yourself and don't open the envelope because that will
prove your date of invention [This is worthless advice]

✓ You are promised a patent search but no patentability
opinion signed by a patent attorney or agent
[This should be provided to you]

✓ You are guaranteed to get a patent or your money back.
[No one can guarantee issuance of a useful patent]

✓ You are advised to apply for a design patent [This type of
patent has limited applicability to most inventions]

✓ You can't reach salespeople or company officials
without leaving many messages [Maybe there is no real
office location or company]

✓ You are told that your idea is a "sure-fire" hit!
[Probably every client of this company is told
that be skeptical]

✓ The Company refuses to provide client references or copies
of forms and agreements for your review
[Get at least five names in your area to contact and
show the forms to an attorney before signing]

BEWARE OF THE "HOOKS" THAT LURE YOU
INTO A SCAM

Unscrupulous invention promotion, marketing or licensing
companies use a series of "hooks" to lure you into the
company's web:

1st. the "free" inventor's kit;
2nd. phone calls to get your money for an invention
evaluation;
3rd. the evaluation then leads to a request for more
money to create a report;
4th. the "report", in a nicely bound book, says that
your invention is patentable and marketable; and
5th. now there is need for more money to continue
the process of getting a patent and marketing your
invention.

CONTACT
Director, Office of Independent Inventor Programs
United States Patent and Trademark Office
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Acknowledgements:
ftc.gov

INDEPENDENT
INVENTORS
Are you ...
... the target?

SCAM
PREVENTION
ASK TEN QUESTIONS
SAVE THOUSANDS OF DOLLARS!!

Get answers to these questions in writing from any promotion, marketing or licensing company wanting to help you. Helpful hints are given in the brackets.

1. Total number of inventions evaluated for commercial potential in the past five years by the Company and how many of those evaluations were positive and accepted by the Company and how many were negative and rejected by the Company.

[Legitimate firms have fairly low acceptance rates, usually under 5%].

2. Total number of customers, known by the Company, who have received a net financial profit as a direct result of the Company’s promotion services and what is the Company’s success rate over the past five years (that is, the number of clients who have made more money from their invention than they have paid to the Company).

3. Names and addresses of all previous invention promotion companies with which the Company or its officers have collectively or individually been affiliated in the previous 10 years and what other names has the Company used in this or other states.

4. Total number of customers, known by the Company, to have received license agreements for their inventions as a direct result of the Company’s services. [If the success rate is too low, say less than 2-5%, then think about going elsewhere].

5. How many customers (inventors or their representatives) have contracted with the Company for promotional services in the past 5 years; excluding those who have purchased trade show services, research, advertising or other non-marketing services and excluding those who have defaulted on payments to the Company.

6. Is there an up-front fee and, if so, how much is it and what are you getting for it? How much will the complete process cost from submission of my invention to obtaining a patent and a licensing agreement? [Reputable firms have relatively small, if any, up-front or other fees because they make their real money from successful royalty arrangements for the inventions they accept).

7. Has the Company ever been investigated by or been in trouble with the Federal Trade Commission, Better Business Bureau, any consumer protection agency or Attorney General’s Office and if so, when and where?

8. Who selects and pays for the patent attorney or agent to do the patent search, patentability opinion and patent application preparation? [You should be able to select your own, because the attorney or agent represents you, not the Company].

9. Provide you with the names, addresses and phone numbers of five clients of the Company in your geographical area and copies of all contracts and forms to review [Do this before signing or paying any money].

10. Does the Company provide a written opinion of the “marketability” (that is, potential success) of your invention? [If all you get is a market analysis, for example, the number of potential customers, it’s probably not worth much].

INVENTORS BEWARE

DO write a letter to any promotion, marketing or licensing company that seeks to help you and ask for written answers to the TEN QUESTIONS listed in this brochure.

DO use common sense in evaluating the answers. If they make sense, fine. If not, seek assistance from a patent attorney or agent or, contact the Office of Independent Inventor Programs at the United States Patent and Trademark Office.

DO get information and answers in writing, signed by a company official before you pay any money or sign any document.

DO be alert for the scam warning signs and hooks

DO NOT accept verbal promises, assurances or representations.

DO NOT be a victim of a scam.

Dear Inventor,

Every year thousands of Independent Inventors, like yourself, are targeted by unscrupulous invention promotion, marketing and licensing firms.

These firms take advantage of an inventor’s enthusiasm for their product. They not only solicit inventors with exaggerated promises to obtain valuable patents but they make false claims about the potential market success of those inventions.

These firms provide you with basic market research at a large fee and ultimately obtaining an overly narrow or useless patent that is worthless in the marketplace.

Remember, if it sounds too good to be true, it probably is. Please read this brochure!