

Google Patent Starter Program FAQs

Question: Why is Google doing this?

Answer: We are big fans of the [LOT Network](#) program, which we think of as a great long-term way to help fight against patent trolls. So, encouraging smaller companies to join the LOT Network is just something that we think makes great sense. Further, being able to help support smaller companies and developers by providing them patents with the expectation that such companies and developers will grow and further contribute to a responsible patent system seems like a pretty good idea to us.

Question: What are the benefits to joining the LOT Network?

Answer: Industry statistics show that almost 70% of patents litigated by patent trolls originated with operating companies. The LOT Network is an industry-led networked, royalty-free patent cross licensing agreement for transferred patents. Under the LOT Agreement, every company that participates grants a license to the other participants where the license becomes effective only when patents are transferred to non-participants. The bigger the network gets, the more protection the membership gets against future attacks from patent trolls. More information is available on the [LOT Network](#) website.

Question: How do you define startups or developers? What if we have been in business for 5 years but are still between \$500K - \$20M in revenue?

Answer: While the program is geared and targeted at newer companies and developers, the only two criteria we are formally requiring are revenue (between \$500K and \$20M) and similarity of business to Google (because we want to be sure that we have patents that are relevant to prospective participants). Ultimately, however, Google may refuse participation in this program to any party for any reason (or no reason at all).

Question: What would the LOT membership fee be after the first two years?

Answer: In working with the LOT Network on this Program, we are pleased that it has agreed to waive its fees for the first two years to participants. After those first two years, continued participation will be at the then-existing rates set by the LOT Network. Current fees start at \$1,500/year and go up to \$20,000 depending on the size (measured in revenue) of the member.

Question: If we don't want any of the patents that are "selected" for our consideration, can ask for a new set to be created?

Answer: No. Because of the expected volume of interest in this program, we are not going to be in a position to revisit our initial patent selection list with prospective participants. It is for this reason that it is very important that you take special care in filling out the initial interest form from our [website](#) and in describing the work of you company or firm. We will do our best in trying match you with appropriate assets, but we can make no representations.

Question: What are the fees associated with owning a patent? Will Google cover those costs?

Answer: There are many potential fees associated with owning a patent, notable of which are patent maintenance fees that are paid by the patent owner to the U.S. Patent Office at various points in the life of the patent. Foreign patents may have similar costs. Once Google has transferred an asset to you, Google will NOT cover any costs or fees associated with the patent asset and such assets will be transferred "as is." This means, for example, that if the maintenance window for a particular asset is open (i.e., its maintenance fees have not yet been paid), after transfer, the cost of maintenance will be born by you and not Google.

Question: If we request to purchase patents from Google through the program, what will be Google's criteria for determining whether or not to sell and at what price?

Answer: As part of this Program, participants will have access to part of Google's portfolio and may inquire of us regarding the potential purchase of any such assets. Google will respond to each request on a case-by-case basis and not every asset in our portfolio will be available for sale (and, in fact, many might not be).

Question: What are the ramifications of leaving the program before the requested 2 years?

Answer: If participants choose to leave the LOT Network, the 2 patent families that Google transferred upon admittance to the program will revert back to Google and the participant will no longer have access to the 3rd party tool to view potential assets to purchase. Google is not obligated to provide you with a license back to any acquired patent families in the case of such a reversion. No other penalties would apply.

Question: Can we use acquired patents to sue someone else for patent infringement?

Answer: It is our expectation that assets acquired under this program will only be used for defensive purposes (*i.e.*, if you are sued by someone first, then you would be free to counter-sue for patent infringement with an acquired asset). Beyond defensive purposes, we are not looking to have acquired assets used to help folks sue others. Accordingly, the Patent Purchase Agreement on our [website](#) (see Section 2.4) makes clear that if an acquiring party attempts to sue for patent infringement using an acquired asset for non-defensive purposes, it will owe Google a material penalty (*i.e.*, one we hope is sufficient to deter such action in the first place!).