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Tesla's Patent Strategy: "Good Faith" or Preemptive, Intellectual Property Today

By Elizabeth Yang, Esq. and Hsiao (Mark) C. Mao, Esq. (February 16, 2015)

Seldom does a company like Tesla Motors ("Tesla") announce that it will continue to file patents without enforcing them. The promise of "open source technology" did not just surprise the legal community, but everyone in the world. One does not expect a corporation with a market cap of 32 billion dollars to freely give their technology away, especially after spending hundreds of millions of dollars obtaining hundreds of patents. Many other businesses, including patent trolls, would utilize patents solely to increase their intellectual portfolio, protect future product lines, and improve profitability. Patents do not come cheaply, precisely because they can be leveraged to exponentially increase the value of a co...