

Infringer Incites a Wake-up Call to Secure IP Insurance

Fifteen years ago, Sam Montross, a woman inventor and entrepreneur, founded a small company which featured a single product. The company, Cadence Keen Innovations (CKI), was founded on the principle of recognizing a need, providing solutions that work and dedicating time and talent to innovating custom bedding products designed to make life easier.

CKI continued to experience growth and quickly gained recognition in the industry for its innovative, patented, "Made in the USA" products which, unfortunately, could easily be duplicated. As a result of the company's success, its biggest customer, a much larger company, began knocking-off the products. CKI repeatedly notified the company about their "infringing" activity, and luckily the party eventually ceased producing the product. CKI at once realized how lucky they were to get out of this incident amicably and relatively unscathed.

This potentially ruinous incident was a wake-up call to CKI. The company recognizes there is absolutely no way they could survive if they actually became involved in a full-blown patent infringement case. The cost to fight the case on the merits would unquestionably put them out of business.

Twelve years ago, CKI turned to Intellectual Property Insurance Services Corporation (IPISC) to insure its patents, covering products that are the company's livelihood, against potential infringers. The Intellectual Property Abatement insurance policy provides the funds to enforce intellectual property rights. The policy levels the playing field and allows companies such as CKI to get to a decision based on the merits of the case, not how much money they have. The policy helps mitigate the potential high costs and consequences associated with IP litigation.

Ms. Montross is a huge proponent for IPISC and its insurance products, and has held a policy for twelve years. She

comments, "IPISC is my resource, my 911. Because of IPISC's insurance products and its responsive litigation management team, the infringers tend to stay away." Sam goes on to say, "I also place notices on my products declaring that they are insured. This strategy is another way to fend off any potential infringers. To a small company like mine, it means everything to have the team at IPISC behind me. All I have to do is pick up the phone. As a small business owner, I take comfort knowing that IPISC is on my team!"

"Of recent note, two Chinese companies were "ripping-off" my licensed products overseas, but were not yet selling in the US. Eventually, the company began selling the infringing product in the US through a large, well-known online retailer. My licensee, also covered under my IP insurance policy, informed the retailer about the infringing product that they were selling on their website. The licensee notified the retailer that he had an insurance policy to enforce IP rights against the Chinese infringers. The retailer immediately contacted the infringing party and demanded indemnification. The company apologized but was unwilling to indemnify the retailer. The infringing party promptly took the product off the market." Sam continued on to say, "Just holding the insurance policy levels the playing field and is a real game-changer."

Cadence Keen Innovations is certified by the National Women Business Owners Corporation (NWBOC) as a Woman Owned Business, and is a diversity supplier to companies such as Disney Cruise Lines, Hilton Corporation, Carlson, Choice Hotels, Loews, Starwood, Intercontinental, Marriott, and Wyndham. You may contact Ms. Montross at 954.563.7222 or sam@cadencekeen.com, www.cadencekeen.com.