

# Buyer Beware: The 24 Month Provisional Patent Application Pilot Program

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# Under Current Rules

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- Provisional patent application
  - Requirements
  - Expires 12 months after filing
  - Often submitted as short write-up, copy of presentation, lab notebook
  - Can be (preferably) submitted with complete specification, drawings, claims

# Current Rules Cont'd

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- Non-provisional patent application
  - Requirements
  - To receive priority date of provisional application, must file application within 12 months and provisional must fully support invention
  - Filing date: specification, drawings, at least one claim
  - Fees, oath/declaration may be filed later as missing parts due 2 months from Notice (with five 1-month extensions)

# “Extended Missing Parts Pilot”

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- “[A] change that would effectively provide a 12-month extension to the 12-month provisional application period (creating a net 24 month period)”
  - 75 Fed. Reg. 16750 (Apr. 2, 2010)
- Pilot program commenced September 1, 2010
- Can participate by submitting PTO/SB/421
  - 75 Fed. Reg. 53631 (Sept. 1, 2010)

# The Proposal

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- A 12-month extension for search / exam / excess claims fees of a non-provisional patent application claiming priority to provisional application
- Said to result in a *de facto* 24-month provisional patent application period

# Stated Benefits

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- Increased publications (provisio of pilot is publication of application)
- Longer time frame to pay fees gives applicants more time to ascertain value of inventions and whether to incur additional costs to pursue patent rights
- Better targeting of applicant's resources to commercialization efforts at critical time period

# It seems so easy!

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- As presented by USPTO, non-provisional would require drafting of at least one claim, with minor revisions to specification to add the claim(s) at the end of the specification and the reference to the prior-filed provisional application in the first sentence of the specification

# Sign Me Up!!

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Sounds great...

So what's the downfall?



# A Trap for the Unwary

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- PTO mischaracterizes the effect
  - It does not prolong the pendency of a provisional application, or delay the date by which a non-provisional application must be filed.
- 12 month deadline for filing non-provisional and foreign applications still exists.
  - Do not avoid most significant costs: non-provisional preparation and foreign application fees

# Most Significant Costs

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- Drafting of complete description of invention as well as claims
  - \$4K to \$12K (average)
- Cost of Foreign Protection
  - Global protection is costly (over \$500K for single invention in 50 major countries)
- Versus delay payment of \$445 for small entity (\$890 for large entity)

# The Real Potential Pitfall

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- PTO states that you can just draft at least one claim to provisional for non-provisional and “minor” revisions to specification to add claims.
  - With full set of claims to be added at end of extended missing parts period by preliminary amendment

# The Real Potential Pitfall

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- Depends on the fullness of the provisional application
  - If “incomplete”, *i.e.*, short, lab notebook, copy of presentation
    - PTO strategy will be disastrous for patent owner
  - If fully drafted as non-provisional
    - PTO strategy will allow for delay in payment of \$485/\$890 (and excess claim fees)

# Incomplete Provisionals

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- The practice of filing incomplete provisional applications to be “fixed” at 12 months has own set of deleterious effects
  - Whether non-provisional receives priority date of provisional
  - Is there any intervening prior art?
  - Species doesn’t support genus
- Missing Parts Pilot
  - Cannot be presented that only minor changes are needed

# What about “Benefits”

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- Delayed costs are insignificant to costs necessary to preserve strong patent rights
- Delay helps focus efforts (\$\$) on commercialization at critical time period
  - But may prevent IP rights on R&D efforts to commercialization
  - Likely won't be able to just present new claims towards commercialization at 24<sup>th</sup> month

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# What is Required for Non-Provisional Application to be “Supported” by Provisional Application?

# The Written Description Requirement

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- Requires an inventor to demonstrate “possession of the claimed subject matter as of the filing date”
  - Knowledge of the structure
  - NOT functional description of what it does (unless known correlation between function and structure)
  - Varies by the nature and scope of claims and complexity and predictability of relevant technology
- To prevent claims from reaching into after-arising technology



# The Written Description Requirement

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- In order to adequately support a claim to a genus, must disclose either a representative number of species falling within the scope of the genus or structural features of the genus so that one of ordinary skill in the art can “visualize or recognize” the members of the genus.
- Generic claim language appearing as such in specification will not satisfy written description if it fails to support the scope of the genus claimed

# The Enablement Requirement

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- Requires inventor to teach a person having ordinary skill in the art at the time of filing how to make and use the claimed invention
- Also prevents the reach of claim scope into after-arising technology

# Recent Federal Circuit Review

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- "Patents are not awarded for academic theories, no matter how groundbreaking or necessary to the later patentable inventions of others."
- "[C]laims to research plans also impose costs on downstream research, discouraging later invention."
  - Broad, yet not enabled, claims to basic research can result in being an hindrance to later efforts to commercialize / realize a working invention.

# Recent Federal Circuit Review

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- “Basic scientific principles are not the subject matter of patents, while their application is the focus of this law of commercial incentive. The role of the patent system is to encourage and enable the practical applications of scientific advances, through investment and commerce.”
- “[T]he patentee is obliged to describe and enable the subject matter commensurate with the scope of the exclusionary right.”

# Effect of Ariad

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- Written description requirement presents hurdle to those in their pursuit of patents covering basic inventions in new technologies
  - When claiming a genus, must identify examples to describe genus
- Particularly difficult for smaller companies, as well as academic institutions
  - Limited resources
  - Subject to pressures to expose technology for academic or commercial reasons (e.g., obtaining funding)

# How to Avoid Support Issues?

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- Can file multiple provisional applications
  - Claim priority to multiple provisional filings
  - Update with new data, new embodiments as invention is further developed
  - Low cost to update
  - Confirms additional priority date to minimize support issues

# THANK YOU!

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Any Questions?

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