In November 2009 at the 14th Annual Independent Inventor’s conference in Alexandria, Virginia, the Director of the U.S. Patent and Trademark Office (USPTO) announced another pilot program designed to reduce the growing backlog of patent applications awaiting examination. This new pilot program, the Patent Application Backlog Stimulus Plan, allows small entity inventors the opportunity to receive special accelerated status of a pending patent application if the patent applicant will expressly abandon a related patent application that has not yet been examined.

This very limited pilot program has been advertised as providing a significant benefit to both the patent applicants and the Patent Office. For patent applicants, the benefit lies in having the ability to exercise greater control over the priority in which their patent applications will be examined. For the Patent Office, the benefit is the selective elimination of some unexamined patent applications from the ever growing backlog of pending applications. In this article we will report on the status of this pilot program and consider those supposed benefits as well as possible negative results for applicants and the Patent Office.

The examination of a newly filed patent application is normally conducted based upon the chronological order in which the application was filed. In addition to the already established Accelerated Examination Program (see MPEP 708.02(a) and 72 FR 36323 of June 26, 2006), on which I reported at the time of its inception, the Patent Office has over time also recognized special circumstances under which certain patent applications can be designated as special and given priority in the scheduled examination order. Under 37 CFR 1.102, the Director of the USPTO can grant a petition filed by a patent applicant requesting that the application be advanced from the normal scheduled examination under certain very specific circumstances. A detailed discussion of each of the currently recognized special circumstances for which the Director of the Patent Office may make special a patent examination and accelerate the scheduled examination thereof is provided in 37 CFR 1.102.

A discussion of the particulars of the existing accelerated examination programs listed above is not the primary subject of this present article. It is sufficient to say that the patent regulations currently allow for accelerated examination in specific cases in which the applicant’s age or health status qualifies, or if the subject matter of the application is deemed of peculiar importance to some branch of the public service, and the head of some department of the Federal government requests immediate action for that reason.

Other acceptable foundations for a petition for accelerated examination which are commonly approved by the Patent Office include particular manufacturing circumstances, actual infringement, environment quality improvement, energy related inventions, superconductivity, HIV/AIDS and cancer, countering terrorism, and biotechnology by small entities.

The primary subject of this article, the new Patent Application Backlog Reduction Stimulus Plan, is unique to the above listed, established “make special” programs, in that the new pilot program is not limited to a few selected technology areas and does not require, as in the Accelerated Examination Program of MPEP § 708.02(a), extraordinary burdens placed upon the applicant.
The current pilot program, described in FR 62285 of November 27, 2009, became effective that same date. Initially, it was established as a very limited pilot program open only to patent applicants meeting the following specific qualifications: (1) The patent application for which special status and accelerated examination is requested is a nonprovisional patent application having an actual filing date earlier than October 1, 2009, in which the patent applicant established small entity status under 37 CFR 1.27; (2) the applicant also has another copending, nonprovisional patent application that has an actual filing date earlier than October 1, 2009, and that copending application is complete under 37 CFR 2.53 (i.e., the application contains an executed oath or declaration and all required fees have been paid); (3) the patent application for which special status is requested and the other copending patent application either are owned by the same party as of October 1, 2009, or name at least one inventor in common; (4) the applicant files a fully compliant letter of express abandonment under 37 CFR 1.138(a) in the copending patent application before it has been taken up for examination and, with the letter of express abandonment, submits a statement that the applicant has not and will not file an application that claims the benefit of the expressly abandoned application under any provision of Title 35 U.S.C. and further agrees not to file a request for any refund of paid fees in the expressly abandoned patent application; and (5) files a petition under 37 CFR 1.102 in the application for which special status is sought, the petition including a copy of the letter of express abandonment filed in the other copending patent application. Although no refund of filing, search and examination fees for the abandoned application are allowed, the Patent Office, for the purpose of the pilot program, sua sponte waives the $130.00 fee for the required petition to make special under 37 CFR 1.102.

With an understanding of the above discussed qualification requirements for the pilot program, let us now consider the advantages and possible disadvantages of the program for both the applicant and the Patent Office. As stated earlier, the patent applicant can exercise greater control of the priority in which his application is examined if he is willing to expressly abandon another copending and not yet examined application. For the patent applicant who wants the earliest possible examination and resolution of the patent prosecution process the advantage of an accelerated examination under this new pilot program is obvious. Perhaps not so obvious are the possible negatives to the applicant’s interests in abandoning the copending application as the “trade off” for receiving the accelerated examination of the first application.

Frequently, the time of patent pendency can be used by the patent applicant advantageously to further develop the technical aspects of the invention. This further technical development of the original inventive concept can be protected in continuation or continuation-in-part (CIP) patent applications filed as copending applications. It is conceivable that an accelerated examination of an application might proceed to a final conclusion of allowance or abandonment before the inventor has realized his full concept of the invention. The time delays inherent in the period of patent pendency are also frequently put to valuable use by the applicant in the development of manufacturing, licensing or assignment efforts that can be essential to commercial exploitation of the invention.

While this new pilot program provides the applicant with the advantage of accelerated examination and might also result in some disadvantage from that compressed time of patent prosecution, a clear disadvantage of the program is the trade off of express abandonment of the copending application. An expressly abandoned patent application cannot be revived (see MPEP § 711.01 and § 711.03(c). Protection of an invention through the patent process is often necessary to provide the incentive to expend time and resources to develop and bring that invention to the market.

The expressly abandoned copending patent application, having thus been removed from the queue of applications awaiting examination by the Patent Office, absent a later filing, may simply be discarded. If the invention claimed in the abandoned application has value, that value may thus be lost to the public and commercial benefit. If the patent applicant later wants to file for patent protection for the invention defined in the abandoned copending application, that filing must be done without the advantage of claiming priority to that abandoned application. It is possible that an intervening prior art reference can be cited by the examiner and result in complications for the later filed patent application. The later filed application will also be moved to the back of the queue of applications awaiting examination. Finally, if the later application does ultimately result in an issued U.S. patent, it is a possibility that the invention may not be as commercially valuable when the patent finally issues. For these and possibly other reasons,
the trade off of express abandonment of the copending application may have costs that are not fully appreciated by the applicant at the time of filing the petition for the first application to be made special.

The growing backlog of unexamined patent applications continues to frustrate patent applicants and create tensions between the Patent Office and its applicant customers. To relieve these frustrations and tensions the Patent Office continues to seek ways to reduce the problem of prolonged pendency. When introducing this new pilot program, the Patent Office expressed an expected result of the elimination of some unexamined patent applications from the ever growing backlog of pending applications.

On its face, the concept of inducing an applicant to expressly abandon a copending application as a tradeoff to obtain the accelerated examination would seem to result in the reduction of the troublesome backlog of pending applications; however, if all or the majority of those abandoned patent applications are later refiled by the applicants, albeit without claiming priority to the abandoned application, the actual impact of the new pilot program is simply deferring the examination of applications rather than the elimination of pending applications from the long line of those awaiting examination. Action deferred is not action completed or eliminated.

The small window of opportunity to participate in this pilot program was initially limited to the period from November 27, 2009 until February 28, 2010. The new pilot program has not been enthusiastically embraced by the public and as of this writing the Patent Office has informed me that only about 20 patent applicants have submitted petitions under the pilot program. For this reason, I have been told that the program will be extended until June 30, 2010 to allow additional participation by interested patent applicants. The likelihood of success of the new pilot program is still very much an open question.

The intention of this article is to inform the reader of the newest initiative by the USPTO to reduce the increasing backlog of pending patent applications. While the initial brief period of opportunity to participate in the pilot program has seen limited participation from patent applicants, the Patent Office is hopeful that by extending the period for the pilot, the program will prove beneficial for both applicants and the Patent Office. This article is not intended as legal advice, but is provided only to make the inventor/entrepreneur aware of the new pilot program currently being tested by the USPTO and to briefly discuss the possible advantages and disadvantages of the same.

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The Ten Golden Rules of Intellectual Property:

#1 Do not disclose your ideas to anyone until you are protected
#2 Keep meticulous documentation
#3 Identify all legitimate inventors
#4 Establish ownership of the invention
#5 Know the state of the art
#6 Honesty really is the best policy
#7 Timing of the sale is critical
#8 Premature public use can bar patentability
#9 Expeditiously obtain patent protection in the relevant market
#10 Enforce the patent with foresight and discretion