

A Powerful Patent Strategy...

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A PROVISIONAL APPLICATION IS PART OF A POWERFUL PATENT STRATEGY, BUT ONLY IF THE PROVISIONAL APPLICATION IS PREPARED PROPERLY. IF IT DOES NOT COMPLETELY DESCRIBE THE INVENTION, IT WILL DO MORE HARM THAN GOOD.

“We have an invention but don’t want to spend a lot of money protecting it right now. What should we do?” In light of budget realities, an answer frequently given to this question is to file a provisional application. If done properly, filing a provisional application is an effective way to protect an invention while being less expensive than filing a “regular” utility patent application. A provisional application can be part of a strategy to extend the expiration date of a patent, reduce the up-front costs of preparing and filing an application and alleviate problems associated with continuing modifications of the invention. However, in practice, provisional applications often do more harm than good due to the false sense of security derived from inadequately prepared provisional applications.

Provisional applications are filed with the United States Patent and Trademark Office (USPTO) and expire one year after their filing date. Provisional applications are not substantively reviewed or examined by the USPTO. Instead, provisional applications serve as a placeholder for a utility application that is filed within one year. The requirements for filing a provisional application are more informal than the requirements for filing a utility patent application. For instance, a provisional application does not require claims and can be filed with drawings that are less formal than those required of utility applications. The informal nature of the filing documents has given the provisional application a reputation of being an inexpensive way to preserve patent rights while requiring significantly less effort to prepare and file. While this reputation is true up to a point, it has led to a common misconception: because of the more informal filing requirements of a provisional application, the technical description of the invention required in a provisional application is less than that required of a utility application. This is absolutely untrue and companies that file provisional applications having inadequate specifications are at risk of losing their valuable intellectual property rights.

The specification of provisional applications must satisfy the same requirements as utility applications. That is, under 35 USC §112, first paragraph, the specification of each must “contain a written description of the invention and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art... to make and use the same, and shall set forth the best mode contemplated by the inventor in carrying out his invention.” Unfortunately, the specification is the area of the provisional application where companies are most tempted to cut corners in order to reduce expenses. To cut costs, companies have submitted user’s manuals, marketing material and/or high-level summaries of the invention as provisional applications. However, in preparing provisional applications with such materials, companies must understand the associated risks—reliance on such provisional applications can lead to a loss of intellectual property rights.

For example, under the U.S. patent law, a triggering event such as a sale, an offer for sale, a public disclosure or a public use of the invention starts a one-year clock within which a provisional or utility patent application must be filed in order for the inventor to preserve the ability to protect the invention. However, if the provisional or utility application does not satisfy the written description, enablement and best mode requirements of §112, first paragraph, the inventor loses the ability to obtain U.S. patent protection unless an application that does satisfy these requirements is filed within one year of the triggering event. If a company is interested in patent rights outside the United States, the test is even more strict since patent rights in nearly all other countries are immediately lost unless a fully compliant provisional application or utility patent application is filed before public disclosure of the invention or sale of a product incorporating the invention.

Two recent cases illustrate the renewed vigor with which the courts are applying the requirements of 35 USC §112, first paragraph. In *New Railhead Mfg., L.L.C. v. Vermeer Mfg. Co.*, 298 F.3d 1290 (Fed. Cir. 2002) the patent owner offered to sell an invention (the triggering event). Within a year of the triggering event a provisional application was filed and a year thereafter, *i.e.*, more than one year after the triggering event,

a utility patent application was filed. On summary judgment the Federal Circuit determined that the provisional application failed to satisfy the written description requirements of §112, first paragraph, because the application did not disclose details about how the invention worked as claimed in the subsequent utility patent. Since the provisional application was not properly prepared, the utility application could not properly claim priority to it and the earliest priority date for the utility application was its own filing date. Accordingly, the utility application was held invalid because an offer for sale was made more than one year before its priority date.

In *Symbol Tech., Inc. v. Lemelson Med., Edu. & Research Found. Ltd Part.*, No. CV-S-01-701-PMP (D.C. Nev. filed Jan. 23, 2004) the District Court of Nevada invalidated a series of patents owned by the defendant, Lemelson, that related to machine vision and automatic bar code technology. The patents claimed priority back to patent applications filed in 1954 and 1956. The district court examined the patents at issue and held, *inter alia*, that the relevant specification did not enable the invention under §112, first paragraph because the specification was not written in enough detail to enable a person of ordinary skill in the art to practice the claimed invention. *Id.* at 27.

This trend of courts analyzing patents carefully to ensure that they satisfy the requirements of §112, first paragraph requires that companies seriously look at the quality of the provisional and utility specifications that they have filed and are currently preparing. In particular, in situations where only preexisting or high-level materials have been submitted as a provisional application, *e.g.*, a user's manual, or when a provisional application was filed but the brunt of the cost-cutting measures were borne by the specification, the provisional application should be reviewed to determine whether the specification satisfies the requirements of §112, first paragraph. If there are doubts as to whether the requirements are met, the company should not rely on the provisional application and should, instead, begin preparing a new provisional application or utility application that satisfies the patent requirements. Since the USPTO does not substantively examine a provisional application, companies should proactively analyze their existing provisional applications because, otherwise, they may not become aware of a problem with a provisional application until asserting an issued patent that claims priority to the provisional application, for example in litigation or license negotiations. However, at that point, which may be many years after the filing of the provisional application, correction of the problem is likely to be impossible.

If done properly, provisional applications are a cost-effective mechanism to protect inventions. A provisional application filing fee is less than one-quarter than that of a utility patent application. In addition, since a provisional application does not require the preparation of claims or the submission of references in an information disclosure statement, the immediate cost of preparing a provisional application can be significantly less than that of preparing a utility application.

Another advantage of using a provisional application strategy is in the common situation of having an invention change significantly as more research is performed. Instead of filing a string of utility applications, a more cost-effective strategy is to file several provisional applications over the course of a year in order to obtain a priority date for various embodiments of the invention. Within one year of the first filed provisional, a single utility application can be prepared that fully describes and claims all of the various embodiments. Another advantage is that the filing of a provisional application permits an applicant to extend the term of a patent for up to a year because the expiration date for a patent is 20 years from the earliest priority date but the duration of the provisional application is excluded from this calculation.

Provisional applications can be part of a powerful patent strategy to extend the duration of a patent, reduce up-front costs and alleviate problems associated with continuous modifications to the invention. However, along with these advantages come the problems associated with the erroneous belief that a company can cut corners in the preparation of a provisional application by reducing the effort spent generating the description of the invention. In practice, many provisional applications have done more harm than good because of the false sense of security derived from provisional applications that do not satisfy the requirements of 35 USC §112, first paragraph.

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