

Provisional patent applications in the post-AIA era

Preliminary provisional patent applications have surged in popularity due to the growth in online filing resources, their lower costs and the explosive growth of prior art on the internet.

Daniel M Cislo and Michael Anderson explore the issues

On 16 March 2013, the US implemented the Leahy-Smith America Invents Act (AIA). Enactment of the AIA, substantially enhanced the value of US provisional applications (PPAs) and greatly expanded the scope of available prior art. In the five years preceding enactment of the AIA, PPA filings grew tremendously in popularity, particularly among new market entrants and pharmaceutical companies.

This surge in popularity of PPAs has been assisted by the proliferation of web-based PPA filings tools like PatentFiler.com. In the post-AIA era, the traditional benefits of PPAs are greatly amplified by several factors, including the establishment of a first-to-file priority system in the US, and an explosion of prior art documents on the web and at various patent offices throughout the world.¹

The need for quick preliminary provisional patent applications

Recently, market forces have shifted the IP acquisition landscape, reducing both real costs and opportunity-costs associated with IP acquisition. Web-based filing tools permitting the filing of very early “preliminary” provisional patents are ideal resources for patentees who wish to harness these cost savings. “Preliminary” provisional patent applications (“preliminary” PPAs) are used primarily to quickly secure a priority date, and are different in form and substance from later filed and highly-detailed patent attorney-drafted “substantive” provisional patent applications and non-provisional applications. Under the first-to-file system, use of quick “preliminary” provisional applications is critical because “substantive” attorney-drafted provisional patent applications or non-provisional applications often require three to five weeks of attorney preparation time. Later filed “substantive” provisional patent applications and non-provisional applications can take advantage of the additional time spent by exhaustively searching the prior art, better understanding the inventive concepts awardable for protection, fleshing out the details of various embodiments of the invention, and taking into account features necessary to be added for marketability of the innovation. The urgency to file “preliminary” PPAs was enhanced by the AIA, which greatly added to the procedural and cost benefits of PPAs. The AIA has continued to fuel growth in popularity of “preliminary” PPAs due, in part, to the large number of new prior art issues arising every day.

The US PPA provided for in 35 USC §111(b) was created in 1995 as a component of the GATT Uruguay Round implementation.² The PPA has gained popularity around the world largely due to its low cost and limited formal requirements. While it is well-known that such limited formalities help to expedite filing and to secure a priority date, the question of how federal courts handle prior art patents and published applications that claim priority to PPA applications is often less clear to practitioners.

Addressing this question, the Federal Circuit has indicated that (under 35 USC 102(e)) a non-provisional application claiming the benefit of a PPA within 12 months of PPA filing will be given the prior-art date of the PPA filing once the non-provisional application is published or patented.³ Section 119(e) explains how an application having a priority claim back to a PPA “shall have the same effect, as to such invention, as though filed on the date of the provisional application” provided that the PPA sufficiently discloses the claimed invention under Section 112(a). Federal Circuit case law has clarified that a PPA sufficiently discloses a claimed invention when the PPA provides written descriptive support for the claims of the associated non-provisional patent (or non-provisional patent application).⁴

Thus, as a general rule, while a pending PPA or abandoned PPA does not qualify as “prior art” under 25 USC 102, a PPA may mature into a prior art document if it provides written descriptive support for the claims of the issued or published patent of which it was a PPA.

While the priority date of an eventually filed non-provisional patent or application is measured from the PPA filing date, the 20-year patent term for such a filing is measured from the filing date of the non-provisional application. This arrangement effectively permits an extra year of patent eligibility for those patentees utilising a “preliminary” PPA rather than a non-provisional application as a first step in the patent acquisition process. In other words, PPAs are capable of extending patent eligibility from 20 to 21 years, allowing US patentees to extend the tail end of the patent term.

This benefit also extends to foreign patentees. For example, if a foreign entity is granted a patent based on a PPA, the patent will assume the 102(e) priority date established by the PPA.⁵ Conversely, if a foreign applicant for US non-provisional patent rights makes a priority claim based solely on a national country patent application, the 102(e) date for US examination purposes will be the filing date of the regular US patent application. Thus, like US patentees, foreign applicants can obtain earlier 102(e) prior art dates for their US patents if they base them on provisional applications instead of basing them solely upon home country applications.

The increasing value of “preliminary” PPAs has also been driven by the large number of prior art references being published on the web. In 1994, for example, there were less than 3,000 total websites worldwide. By 2014, more than 1bn websites had been posted, representing a 3.3m% increase over 20 years.⁶ Much of this observed increase is attributable to a high frequency of activity on blogs and social media sites. For instance, as of the date of this writing, according to the site Internet Live Stats, 717 Instagram photos and 1,108 Tumblr posts were uploaded every second on the web. The average span of time a given website is “active” has also more than doubled over the past two

decades (from 44 days in the late 1990s to about 100 days in 2015).

Thus, considering the explosion of available sources of prior art on the web in addition to the effective extra year of patent eligibility permitted by PPA use, it is nearly always advisable to file “preliminary” PPAs rather than non-provisional applications as a first step to protect innovation.

AIA and first-to-file rules accentuate the need to file “preliminary” PPAs

With inexpensive filing fees, flexible language requirements, and the maintenance of secrecy for 12 months, the PPA allows early stage inventors to easily secure a priority date without publicly disclosing their invention. The utility of these features has only been amplified by implementation of the America Invents Act (AIA) on March 16, 2013.

Notably, the AIA effectively expands the scope of available prior art under Section 102 to include a wider range of activities in foreign countries. For example, while pre-AIA Sections 102(a) and 102(b) required that non-documentary events (“known,” “used,” “in public use,” “on sale”) occur “in this country,”⁷ the AIA has entirely eliminated the geographical limitation “in this country”. This change expands the scope of available prior art by allowing patentees to rely on activities in both US and non-US territories to establish priority rights.

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In addition to granting applicants geographical flexibility, the USPTO continues to maintain PPAs in secrecy in the year following PPA filing and thereafter if applicants decide against a follow-on non-provisional patent application. The continued maintenance of PPA secrecy in the post-AIA era means that applicants can develop and monetise their innovation without fear of derivative applications from competitors.

Thus, changes in Section 102 serve to encourage both the innovation development process and PPA filing, while expanding the scope of available prior art during prosecution of subsequent non-provisional applications. Indeed, a “preliminary” PPA is often the most logical option for applicants who wish to begin the process of protecting an invention in the US without triggering local novelty bars by publicly disclosing an invention.

Summarising these findings, the USPTO continues to allow inventors to file applications through EFS-Web⁸ although there are now third-party providers offering simplified interface and billing systems, in addition to web-based tools to manage PPA filings. These tools offer the speed of online filing with the option of some patent attorney oversight, a feature most applicants should consider in order to ensure compliance with the enablement, written description, and best mode requirements.

Further, with a growing abundance of web-based resources, inventors will likely continue to increase the number of early

Action points

When using USPTO’s web-based filing tools like EFS-Web and seeking “preliminary” PPAs, in-house counsel should consider the following four key points:

- Always review the prior art as quickly as possible to determine whether a “preliminary” PPA is warranted, however the low cost of web-based preliminary PPAs may encourage early filing without the higher costs of extensive searching;
- Quickly file a “preliminary” PPA based on the innovation as understood at that time which may be the writings and sketches of the inventors;
- Later, file additional embellishments via follow-on “preliminary” PPAs as the innovation is refined, which could be the work product of a patent attorney working with the inventor to create a more comprehensible disclosure; and finally
- File a non-provisional patent application claiming priority to all previously filed provisional patent applications within 12 months of the early “preliminary” PPA, being careful to use consistent terms and define terms as required to take into account the evolving nature of the innovation being developed.

“preliminary” PPAs they file in order to both protect highly valued product developments and to achieve significant cost savings through online filing. As these web-based tools are refined in the future, the US PPA will likely emerge as an invaluable tool for foreign and domestic patent applicants who wish to commercialise their products in the post-AIA era.

An explosion of prior art on the internet, an expanding definition of prior art, and the acceleration of other innovators’ work dictates early filing of “preliminary” PPAs, using a low cost web-based provider.

Footnotes

1. Internet Live Stats, “Live Page.” 04/04/2016. www.internetlivestats.com
2. Uruguay Round Agreements Act, Pub. L. 103-465, 108 Stat. 4809 (1994), 19 USC 3501
3. *In re Giacomini*, 612 F.3d 1380, 1384 (Fed Cir, 2010)
4. See *In re Giacomini*, 612 F.3d 1380, 1384 (Fed Cir, 2010); See also *Dynamic Drinkware, LLC v Nat’l Graphics, Inc*, 800 F.3d 1375 (Fed Cir 2015)
5. 35 USC § 102(e)
6. Internet Live Stats, “Live Page.” 04/04/2016. www.internetlivestats.com
7. AIA § 102(a), AIA § 102(b).
8. United State Patent and Trademark Office, EFS-Web (2013). <http://portal.uspto.gov/external/portal/home>

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Daniel M Cislo is the managing partner of Cislo & Thomas and the creator of PatentFiler.com. The firm specialises in patent, copyright, trademark filings, licensing, and intellectual property litigation.