

## “Imitation Two-Year Provisional” Option Extended Through 2012

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As technology developers make New Year’s resolutions regarding patent filings for 2012, the “Imitation Two-Year Provisional Patent Application” may be a tool worthy of consideration. The U.S. Patent Office (“Patent Office”) has extended, until the end of 2012, what it calls the “Extended Missing Parts Pilot Program.”<sup>1</sup> In essence, this program attempts to imitate what a true two-year provisional application would provide, but it sidesteps international priority risks and patent term issues and necessitates a few extra steps to achieve the “imitation.” Another caveat is that applicants must still file a non-provisional patent application and must still file internationally, if that protection is so desired, both within 12 months of filing a provisional application. The good news under this program, and what makes the program worthy of consideration, is that applicants now have an additional 12 months after filing the non-provisional from which to file any “missing parts,” including perhaps the most beneficial portion of the program—postponement of payment of search, examination, and any excess claims fees. For many entities, the postponement of these fees could be significant.

### Traditional Provisional and Missing Parts Practice

Under traditional practice, the filing of a provisional patent application serves as a priority date place holder for an invention while inventors and practitioners have an opportunity to work out finer details of language for the claims. Important to this end is that in order to assert benefits to the priority filing date, a provisional application does not require a single claim, an oath or declaration, formally compliant drawings, or search and examination fees. As such it is also not subject to examination. After filing a provisional application, the more formal non-provisional patent application must be filed within 12 months to take advantage of the provisional application’s earlier priority date.

When filing a non-provisional application under traditional practice, if either a proper oath/declaration by an inventor, sufficient government filing fees, or compliant formal drawings are missing from the application, the Patent Office issues a Notice to File Missing Parts. An Applicant then has to respond to the Notice to File Missing Parts which, in effect, allows an update to a filed non-provisional application to append the “missing parts” not originally included. The Applicant has two months to respond and the option to respond later by paying time increasing, one-month extension fees for up to five months after the initial two month period.<sup>2</sup> The accumulation of progressively more expensive extension fees limits the use of traditional missing parts practice.

### Achieving the “Imitation Two-Year Provisional”

Under the “Extended Missing Parts Pilot Program,” the traditional fee extendable two months turns into a non-extendable 12 months with a requirement to pay a rather minimal surcharge for the late submission of fees.<sup>3</sup> Other requirements to file a non-provisional under the “Extended Missing Parts Pilot Program” include: (i) Applicant must submit a formal request<sup>4</sup> with its non-provisional application to participate in the pilot program; (ii) the application must be an original non-provisional filed before December 31, 2012; (iii) the application must directly claim the benefit of the prior provisional application;<sup>5</sup> and (iv) Applicant must not have filed a non-publication request. The non-provisional application must also contain at least one claim, at least one drawing, and be ready for publication. By allowing an Applicant to submit a non-provisional application in this manner, while still preserving the beneficial priority filing date of the provisional application, the “Extended Missing Parts Pilot Program” is effectively extending the useful life of a provisional patent application to two years from the filing date, thereby achieving the Patent Office desire of an “Imitation Two-Year Provisional Application.”

The time extension and fee deferral aspects of this program can be utilized from a business standpoint to postpone strategic decisions regarding the further pursuit of an application. For example, an entity may file a number of provisional patent applications in a specific technology space and later change strategic direction or select only one of the areas within the specific technology space to pursue. Under this program an Applicant may defer the search and examination fees, which total almost \$900 and are typically due upon filing a non-provisional.<sup>6</sup> This translates to a deferral of almost 70% of the fees for up to an additional 12 months. For large entities with large patent portfolios, these savings could be quite significant.

### Risks and Limitations Associated with Using the “Imitation Two-Year Provisional”

Patent developers should be aware that entities utilizing the “Imitation Two-Year Provisional” may suffer diminishing patent term adjustments. Under this program, when the non-provisional application is filed, the Patent Office will still send a “Missing Parts Notice” to the Applicant. After three months of no response, any additional time taken by the Applicant may be subtracted from any patent term adjustment the Applicant may be eligible for at the end of the application process. Applicants should also keep in mind that the 18-month publication period will still be in effect from the earliest date to which priority benefit is sought,<sup>7</sup> and this new program does nothing to defer international filing costs or requirements. For a filing outside the U.S. that claims priority to a U.S. provisional application, the Applicant has only 12 months from which to file a foreign or PCT application.<sup>8</sup> For these reasons, patent developers interested in foreign filings should be aware of these risks and limitations of the “Imitation Two-Year Provisional Program.”

## Summary

By providing more time for technology developing entities to make strategic decisions on which patent applications to pursue, and by keeping money in the entities pockets all the while, the “Imitation Two-Year Provisional Application” should provide reason to celebrate for many patent applicants as the New Year begins. Pending further evaluation by the Patent Office this temporary program may see permanent adoption. Should it be made permanent, the “Imitation Two-Year Provisional Application” also strategically could be significant as the Patent Office moves to a modified first-to-file system on March 16, 2013, shortly after this extended option period expires.<sup>9</sup> For now though, this tool is available for use at least until the end of 2012.

Should you have any questions, please contact your Bracewell & Giuliani LLP patent attorneys. We will, of course, keep you advised as to any new developments in this area.

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<sup>1</sup> Extension of the Extended Missing Parts Pilot Program, 76 Fed. Reg. 78,246 (Dec. 16, 2011), *available here*.

<sup>2</sup> 37 CFR § 1.136.

<sup>3</sup> 37 CFR § 1.16(f).

<sup>4</sup> See PTO/SB/421, *available here*.

<sup>5</sup> See, e.g., 35 U.S.C. § 119(e); 37 CFR § 1.78.

<sup>6</sup> See USPTO Fee Schedule, *available here*. (Search and examination fees are deferrable under this program. Minimum fees due at filing: filing \$380, search \$620, examination \$250. Note that small entities pay one-half this amount.)

<sup>7</sup> 35 U.S.C. § 122(b)(1)(A).

<sup>8</sup> See, e.g., Paris Convention for the Protection of Industrial Property art. 4, as last revised at the Stockholm Revision Conference, July 14, 1967, 21 U.S.T. 1583, 828 U.N.T.S. 303 (under the Paris Convention, adopted by 174 countries worldwide, a twelve-month priority period is mandated); Patent Cooperation Treaty art. 8, 28 UST 7645; TIAS 8733 (under the PCT the same period is mandated as that provided by the Paris Convention).

<sup>9</sup> Leahy Smith America Invents Act, Public Law 112-29, Sec. 3, 125 Stat. 284 (2011).

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