A look at the process of filing a patent

Should you file a provisional or non-provisional application?

By Neil Juneja

In this edition, we will be looking at the procedure of filing a patent. As we discussed in the November 2014 issue of Marijuana Venture, there are three types of patents: utility patents, design patents and plant patents. Utility patents are the most common patent type by a large margin and the one we will look at here.

After successfully creating an invention, the options are to file a provisional or a non-provisional patent application.

PROVISIONAL PATENT APPLICATION

A provisional patent application (PPA) saves your place in line by granting a filing date. Upon filing, it sits in a file at the United States Patent and Trademark Office (USPTO) and is not examined. The inventor has one year to convert it into a non-provisional patent application, or it expires and disappears forever.

So what is the point of filing a provisional?

A PPA is less expensive than a non-provisional, less time-consuming to draft, and provides a filing date sooner than filing a non-provisional application. The invention encompassed in the application is preserved and superior to all other applications filed after it, as long as it ultimately results in a patent. In addition, a PPA delays the issuance of a patent for up to a year.

Since the patent term is 20 years from filing a non-provisional, this will delay the beginning of the patent term by up to one year.

NON-PROVISIONAL APPLICATION

A non-provisional patent application is the application that the patent office actually examines and (with luck) will mature into an issued patent. After filing a non-provisional application, the USPTO will examine it for the three main requirements: utility, novelty, and nonobviousness (as described in the November issue).

The USPTO examiner will invariably find some deficiency in the requirements and file an office action rejecting the application. For instance, the examiner may decide that the invention is not new or would be obvious in light of previous inventions and published papers.

The applicant can respond to the office action with an argument as to why the examiner is wrong. If the response succeeds, the examiner can file another rejection for other deficiencies in the application. This chess game continues until the patent is ultimately issued or rejected.

From filing, a non-provisional patent application will have an average pendency of 3.2 years to issue. Also, unlike a provisional patent application, which remains sealed, a non-provisional patent application will publish and become public 18 months after filing.

How does one choose which type of application to file?

The pharmaceutical industry prefers provisional patent applications because the most profitable year in the patent term of a drug is the 20th year. In addition, FDA approval will take years before the product can go to market. This wait time cuts into the early term of the patent. On the other hand, the technology industry prefers to skip the provisional and file a non-provisional because the most valuable years in high-tech are the first few years.

The invention may be obsolete in less than five years, let alone 20. Often, the technology industry will petition for fast-track status, which reduces the total pendency of the application to under a year. This means that in less than one year from filing, the patent holder can protect their invention from infringers.

So which is the best direction in the marijuana industry? I believe that racing for issuance provides substantially more value than extending the expiration date of the patent term by delaying the issue date.

This is because the marijuana industry is an emerging industry with a staggering rate of growth. Innovation is moving faster in this industry than it ever has before. Waiting any longer than necessary to enforce innovation against one's competitors can lead to a reduced market share. And one cannot enforce a patent application. Only an issued patent can be infringed upon and only an issued patent can be the basis of a lawsuit for patent infringement.

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On the other hand, if one's invention is so broad or believed to be so beneficial for 20 years, delaying issuance as long as possible might have substantial benefits.

PATENT PENDING

Patent pending means that a patent application of any kind has been filed but is not yet enforceable. Placing the phrase "patent pending" puts other parties on notice that an application is pending and may mature into an enforceable patent.

CONCLUSION

In most cases, when it comes to marijuana patents, the best option is to immediately file a non-provisional patent application and seek fast-track status. This allows for enforceable rights in the early stages of the market.

If one is short on resources, a provisional is an option, but certainly not the best route to take. MV

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