



Podcast Transcript

Fast Track or Slow Stroll? Find the Right Pace For Your Patent Prosecution Matters

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Kattman: For a company rushing to bring a breakthrough product to a red hot marketplace, the goal may be a speedy patent prosecution at the United States Patent Office, but for a stealth mode company, the goal may be a slower and quieter process that gives the company time to refine its own products and to evaluate its competitors. No matter your business's ultimate objective, your business has an interest in how quickly or slowly things progress at the patent office. I'm Amy Kattman, and you're listening to BakerHosts. To provide us with insight into this topic we have Aaron Rabinowitz, a partner in the intellectual property group at BakerHostetler. Aaron has a background in chemical engineering and handles patent matters for a verity of clients, including publicly traded corporations and Ivy League research universities. Welcome to the show, Aaron.

Rabinowitz: Thanks, Amy. It's good to be here.

Kattman: Aaron, when I think about the U.S. Patent Office, I think of a sophisticated organization, but also one that's dealing with hundreds of thousands of patent applications at a time and perhaps gets a little backed up. Once you file a patent application with the U.S. Patent Office, aren't you stuck waiting in line just like you do at a toll booth or the deli counter?

Rabinowitz: Well, Amy, I think you're right. There is always some element of waiting, much like you said, at the deli or a toll booth, but you can speed prosecution up at the U.S. Patent Office or you can slow it down, and I guess sort of by analogy to the deli counter, you can keep your place in line if you're in no rush, but if you know what you want to order, if you have something specific in mind, you can skip

ahead, and on the other hand, if you're still making your mind up, you can let others go ahead of you.

Kattman: Great. We all know patents are valuable assets. So, let's start with an obvious question. Why would you want to slow prosecution down?

Rabinowitz: Thanks, Amy. That's a good question, and it is a little counterintuitive to slow prosecution down, but in some cases that may be the right thing to do. So, for example, one reason you might slow prosecution down is because you'd like to conserve money. You may have your intellectual property ready, but you're not quite ready to spend money on it just yet, and to do this you can defer prosecution at the patent office to delay the costs of going back and forth with the patent office, and in some cases, if you're really cost conscious, you can put prosecution on a complete hold.

Another reason that you might slow things down is you may be having a very difficult prosecution with the U.S. Patent Office. You may be going back and forth with the patent examiner, having a hard time persuading them, and you may need some extra time to develop clinical data or some other scientific data to help support your arguments with the patent examiner. If that takes time, you may want to push pause on your prosecution to give you time to collect and generate those data. Another reason that you might want to slow things down is you may be waiting for a favorable court decision that you think is coming, or perhaps a change in the U.S. Patent Office's own rules that might be favorable or helpful to your arguments with the patent examiner. So, any of those reasons are good reasons to slow patent prosecution down.

Another reason that's perhaps more business related is you may want to slow things down because you haven't yet finalized the design for your own product. Because of this, you may want to take some extra time just to be sure that your patent covers your final design and doesn't cover some sort of intermediate design that you don't end up actually selling on the market, and sort of the flip side of that is you may also want to wait until your competition has finalized their product designs, so in that case you could at least tailor your patent coverage to cover your competitors' designs. So there, I think, are a couple reasons that I think you might want to sort of push pause on prosecution, in that doing so can help you defer some costs and can also give you some good time to strategize.

Kattman: So, what are the options for slowing prosecution down?

Rabinowitz: Yes, that's a good question, and there are a few choices on the menu for slowing prosecution down. If you're in a situation when there's no office action pending, in other words, you don't have anything to respond to from the patent office, you can ask the patent office to suspend prosecution for up to six months just by making a showing of what's called good cause. Another thing you can do is you can request a deferral of up to three months when you file a request for continued examination in response to an office action. So, there's two things you can do. A third thing you can do is you can request a deferral of up to three years at the beginning of the process, before you've received an office action or a

notice of allowance. Now, each of these options does require a payment of sort of a nominal petition fee, but these fees are relatively small compared to the cost of going through a patent prosecution when you're not quite ready.

Kattman: So, Aaron, those all sound like good ways to slow things down, but patent prosecution is public, so can't your competitors see that you've asked the U.S. PTO to slow things down?

Rabinowitz: That's a good question, and the answer to that is yes, but only sometimes. So, if your patent application has already been filed, you're exactly right that your competition can keep an eye on you, and they can do this just by checking the status of your patent application on the patent office's own public website, but there is a way to hide your patent application. If you know that you're only filing your patent application in the United States and not in any other country, you can do what's called filing a non-publication request when you file your patent application. If you do this, your patent and your patent application file remain completely secret until your patent finally issues. This is one way you can spring a surprise on your competitors, because it keeps your patent application hidden until your patent issues, but it does require some advance planning and it's not something you can do if you plan to file outside of the United States.

Kattman: Good advice. Aaron, let's turn to the question of why one would want to speed prosecution up. Seems like you'd want to get a patent as quickly as possible, but when is that really the right thing to do?

Rabinowitz: In terms of specific situations, you can imagine a situation where you're rushing to bring a blockbuster product to a crowded market, and you want to stop your competitors from selling knock-off products as soon as possible. That's a situation where maybe you want to get a patent as quickly as possible. Another situation might be, you're a startup company, you're trying to raise some investment funds, and you think that you might have a better chance of raising those funds if you have a granted patent in hand to show to prospective investors. Another situation is, you may just be at a place where you feel like you just want to have some points on the board, so to speak, and have that granted patent in hand to help you out with future negotiations, like a licensing deal or some sort of cross-licensing deal, so that you have something of value that you can bring to the table. Another situation could be one where you're a participant in a crowded market and you'd just like to have a patent in hand just as kind of a deterrent against competitors who might be thinking of suing you in this crowded market. So, I think all of these, some are kind of more offensive reasons, some are more defensive, these are all sensible reasons to maybe have a patent in hand as quickly as possible.

Kattman: How can you speed prosecution up?

Rabinowitz: Yes, there are a few mechanisms for speeding things up at the U.S. Patent Office, and normally applications are taken up by the patent office in the order in which the applications are received, but there are a few ways to speed things up, and one common way to do this is something that's called a petition to make

special, and that's a paper that's filled with the U.S. Patent Office in which the applicant explains to the office that there's something about the application or about one of the inventors that deserves special treatment. So, an example of this might be an inventor who's of advanced age, an inventor who's in poor health, or a technology that's very, very useful and beneficial to the environment or some other important objective like, say, countering terrorism.

Another way to speed things up is something called a patent prosecution highway, which is an agreement between the U.S. and some other patent offices in which each patent office basically agrees to honor the decisions made by other patent offices in the group. So for example, if you have a patent application in France that gets a positive result, you can take that positive result and show it to the United States Patent Office, and then the United States Patent Office will accelerate the United States patent prosecution based on that good outcome from France.

Kattman: So, you've shared some of the more popular ways to speed prosecution up. Are there any less common ways to do so?

Rabinowitz: Sure, there are some less common ways to do that, and the reason they are less common is because they are more expensive. So, one way to accelerate things is something called track one examination, and in the track one examination approach the applicant pays a fairly high fee, they have to limit the number of claims in their application, and they also commit to responding to any office action promptly without taking any extensions of time, and in response or sort of return for this, the U.S. Patent Office will expedite overall examination of the application with the goal of resolving the application within only 12 months, which is pretty fast. The trick here, though, is the U.S. Patent Office only accepts a limited number of these requests each year, so you have to be mindful that the patent office has enough spots open when you apply for the program.

A fourth approach that's maybe a little bit less expensive is something called accelerated examination, in which the applicant pays a petition fee, limits their claims, and also has to do what's called an accelerated examination support document, in which the applicant does their own prior art search and explains to the patent office why their patent claims are patentable over the prior art that the applicant found. So, in some ways the applicant is doing some of the work that the patent office would otherwise do, and this program is relatively fast, and it also has the goal of resolving an application within only twelve months, and even though these last two programs are expensive in the sense that they have these upfront petition costs, they can ultimately be cheaper than a regular prosecution because the claims are generally more focused, there's fewer claims, and when you have fewer claims and better focused claims, you have fewer office actions and less sort of expensive back and forth with the patent examiner.

Kattman: This is very interesting, and we've covered a lot of useful ground. Aaron, do you have any last pieces of advice for patent applicants who are considering their options for either speeding up or slowing down patent prosecution?

Rabinowitz: Sure. There's a couple things to consider. One thing is just to take some time before you file your patent application and consider just how quickly you want to have finality from the U.S. Patent Office. As we've discussed, there's lots of good reasons to speed things up and there's also some good reasons to let the process run its normal course, and there may be some reasons to slow prosecution down. Some of these options really carry little to no cost, and you can use them at any stage in the patent process, which is nice because that means you can change the pace of your prosecution as your business situation may change. For example, maybe your company goes from stealth mode to becoming a real player on the market, and when that happens, maybe you adjust your patent strategy accordingly and you accelerate patent application examination at the U.S. to get those granted patents more quickly than before, and really, you know, as they say, timing is everything, and being able to exert some control over the timing of your patent prosecution can be really helpful both from a financial position and also from a business strategy position.

Kattman: Aaron, that was an informative discussion, and there really are a lot of options out there for patent applicants. Thank you.

Rabinowitz: Well, thank you, Amy. It's a pleasure to be here.

Kattman: If you have any questions for Aaron, his contact information is in the show notes. As always, thanks for listening to BakerHosts.

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