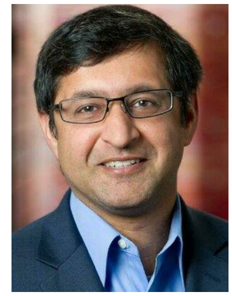
How Patent Applicants Can Prepare For Electronic Issuing

By **Miku Mehta** (April 6, 2023)



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In a welcome move for patent applicants, the U.S. Patent and Trademark Office will soon begin issuing patents electronically.

This comes after centuries of issuing patents in print form, although those fortunate enough to receive a patent who wish to hang it proudly on their wall can receive a printed ceremonial copy.[1]

This long-awaited transition, effective April 18, should benefit applicants by shortening the pendency between issue fee payment and grant of the patent, as well as saving the USPTO money.

Despite the benefits, it's worth asking how the shortened time to grant could affect a patent recipient's rights, particularly with respect to continuing applications and the duty of disclosure. What should patent applicants do to plan for this change?

First of all, what is the new electronic patent process?

Under the new issuance procedure, the USPTO will publish electronic patents via the Patent Center, with each electronic patent bearing the seal and director's signature in digital form.

The electronic patent grant will be considered the official patent grant, and may be accessed by the patentee as well as the public.[2] As is the case under paper patent issuance, the electronic patents will publish on Tuesdays, and the USPTO's Official Gazette will continue to publish the detailed patent information.

During a transition period, the agency will issue patents electronically, and also mail a ceremonial paper copy to the patentee's correspondence address of record, without charge.

After the transition period, the ceremonial paper copy will be available for purchase by patentee. The current practice of making the certified copy and presentation copy available for purchase will continue.

Practitioners should continue to monitor USPTO news for additional process details. For example, the duration of the transition period has not been announced. For patentees wishing to receive the ceremonial paper copy, it is important to understand the ordering process after the transition period.

Further, because the exact manner in which the patent grant will appear in Patent Center is not known, it is not clear whether automated docketing tools will be able to provide the electronic patent via email, or if practitioners must manually access Patent Center to perform the download.

For firms and applicants with significant volumes of applications, this may affect workflows and docketing processes.

What practical issues should I be aware of?

Starting April 18, the pendency between issue notification and grant is expected to be significantly reduced, to the point that there may just be two or three business days between the issue notification and the patent grant — possibly less due to time zone differences, holidays or other unavailability.

For example, the notice states that the issue notification will be published "Wednesday or Thursday before the patent issues." Given that the USPTO issues patents on Tuesdays, applicant and counsel may only have two or three business days of notice prior to the issue date to take any necessary actions.

This could affect an applicant's path to a final patent. Let's first consider continuing application practice.

One of the mandatory conditions for filing a continuing application — e.g., continuation or divisional — is the copendency requirement.[3] That is, in order to file a continuing application, the parent application must be copending — e.g., the later-filed application must be filed prior to patenting or abandonment of the prior application.

While the U.S. Court of Appeals for the Federal Circuit held in Immersion Corp. v. HTC Corp. in 2016 that the Tuesday of the patent grant is technically within the copendency period, a safer approach has been to take any pregrant action — such as a continuation, petition to withdraw and/or information disclosure statement — at least one day before the grant date.

For example, an application should be filed on Monday before the patent grants on Tuesday, or the preceding Friday if Monday is a Federal holiday.[4]

Once the copendency has been lost due to patent grant, there is little to nothing that an applicant can do to recover the right to file a continuing application.

While other due dates can be extended by petition for extension of time, and petition practice may be used in limited situations to address lapse or abandonment, there is no such provision to recover the right to file a continuing application where copendency is broken by patent grant.[5]

While there are post-grant processes such as reissue[6], those processes have significant limits, such as the recapture rule[7], which precludes the filing of previously claimed but canceled subject matter in the issued patent, as well as limits on broadening after two years from grant.[8]

Got it. How should I prepare for these changes?

In view of the speedier patent grant and the last opportunity to file a continuing application, applicants and practitioners may want to consider the following post-allowance practices:

Report quickly and completely.

The notice of allowance should be reported out within a matter of days of receipt, to ensure sufficient time for adequate consideration by applicant, particularly for applicants requiring additional time — e.g., overseas applicants requiring translation, or extremely lengthy applications.

Once the notice of allowance is received, applicants should review the notice and conduct related diligence as early as possible, to evaluate whether to file divisional applications to nonelected inventions, and/or continuation or continuation-in-part applications directed to unclaimed subject matter.

Tune your pre-allowance claim review policy.

Ideally, claim review for continuing application filing should be an ongoing process throughout prosecution, and well before the notice of allowance. Applicants should consider having policies that allow applicants and counsel to actively develop and consider continuing application claimsets at an earlier stage — e.g., restriction or first indication of allowable subject matter, or based on product analysis.

Review your docketing system.

As mentioned above, it is crucial to have a risk management system that provides regular reminders as a rule. Further, any reminder tools for applicants should be set and tested to ensure that the reminders are timely and clear.

During the transition period, it may be advisable to update the language of the reports and reminders, so that readers are aware of the shortened timelines. For clients that routinely file continuing applications, practitioners should reach out and discuss the impact of the timing change on reporting, reminding, decision making and filing steps.

Check your checklist.

It is customary to use checklists and protocols at the time of allowance to thoroughly check the application for any remaining issues. The shortened time to grant means that any issue should be addressed as early as possible.

Thus, the checklists and the users of the checklists should perform the check at the time of reporting the allowance, so that any issues can be communicated to applicant.

Examples of checklist issues include:

- Priority claims;
- Consideration of references submitted under the duty of disclosure;
- Executed declaration;
- Recorded assignment;
- Verification of allowed claims;
- Possible rejoinder of nonelected claims;
- Post-allowance amendments; and
- Response to missing parts or noncompliance notices.[9]

Move quickly upon instruction.

As soon as continuing application instructions are received in writing, the docket should be updated, and the continuation should be immediately prepared and filed, preferably on or before the date of issue fee payment.

Past practices of paying the issue fee and then awaiting the issue notification to file the continuing application should be considered risky, and should be avoided.

Have a contingency plan.

Consider establishing a default policy for situations where there is no decision on whether to file a continuing application by the issue fee due date.

For example, the applicant may instruct outside counsel that in the absence of written instructions, a continuing application should be filed without USPTO fee payment by the issue fee due date, as a safety measure.

This approach allows applicants to file the continuing application without payment of the USPTO fee at the time of filing, and late-pay the government fee — e.g., in response to a notice to file missing parts.

Similarly, where an applicant has decided to file a continuing application but has not yet finalized the claimset, a policy may be established where the continuing application is filed with the issue fee payment, followed by a preliminary amendment with the desired claims.

The preliminary amendment should be filed relatively soon after the filing of the continuing application — or USPTO fee payment in the case of a no-fee continuing application — to avoid a first final office action.

Coordinate with foreign counsel.

In view of the more compressed patent grant schedule, it is important to be able to quickly confirm with local counsel whether there are foreign office actions that create an obligation under the duty of disclosure.[10]

Applicants and practitioners should inform their local foreign counsel of the USPTO notice of allowance, and request a status report, along with any unreported foreign office actions and references prior to the issue fee due date, considering translation of the office action and/or references. An information disclosure statement should be prepared and filed upon receipt of such information from foreign counsel.

Maintain post-issue fee awareness.

If it becomes necessary to file a petition to withdraw from issue — e.g., for a Quick Path IDS submission, or QPIDS — there may be very little time between issue notification and patent grant.[11]

Rather than relying on the issue notification as a trigger to file the petition, applicants should move expeditiously to file such petitions. If a foreign office action issues after issue fee, foreign counsel should understand the importance of moving very quickly to provide a report, so that a QPIDS may be filed with petition to withdraw from issue.

Further, be aware of, and respond quickly to, late-issued USPTO requirements for drawing or specification corrections, such as a notice to file corrected application papers.

Only use issue notification as a last warning.

Do not rely on the issue notification to trigger any checks or due dates as a first resort. The issue notification should only be a last checkpoint, and should not be a primary checkpoint, especially in view of international timelines, national holidays, client unavailability, etc.

While this article focused on continuing applications and the duty of disclosure, there may be other impacts. For example, there may be changes with respect to patent proofing, as well as review of the originally filed drawings against the published drawings for potential differences, distortions or the like, especially for design patents.

Conclusion

Given the short remaining time before April 18, as well as the expected reduction of pendency, applicants and counsel should proactively discuss and plan the steps to address the above issues.

For example, patent professionals may consider updating workflows, checking software on automated tools that access the USPTO databases, revising internal policies, providing training, and testing docketing tools and reminders.

As we approach this historic turning point for the USPTO, which has issued more than 11 million paper patents since 1790, applicants who proactively adapt to these changes will be able to realize the same benefits as before, but in a more cost-friendly, speedy and environmentally friendly manner.

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[1] 88 FR 12560.

[2] 35 USC §153.

[3] 35 USC 120.

[4] Immersion Corp. v. HTC Corp., 826 F.3d 1357 (Fed. Cir. 2016).

[5] 37 CFR 1.136.

[6] 35 USC 251.

[7] North American Container, Inc. v. Plastipak Packaging, Inc., 415 F.3d 1335, 75 USPQ2d 1545 (Fed. Cir. 2005).

[8] 35 USC 251.

[9] 37 CFR 1.312.

[10] 37 CFR 1.56.

[11] 77 Fed. Reg. 27443.