PATENTQUARTERS™

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Patents at the Speed of Light?

It is extremely frustrating, especially for independent inventors and small companies that heavily rely on single patents, to wait years for patent applications to be examined. This is a serious problem in the U.S.; see page 2 for proposed USPTO changes to speed up the process of obtaining a patent. Turn to page 3 for some ways that Albert Einstein believed in the patent system. Below, we answer frequently asked questions on patents. Hopefully these FAQs address some of your concerns. If not, we would like to hear from you via e-mail at PatentQuarters@mchsi.com. Please also note that we have a new, toll-free fax number (full contact information is on page 4). ***PQ***

FAQs on Patents

How long does it take to get a patent?
From the time you file a patent application in the U.S., it can take a number of years until your patent issues. The length of time strongly depends on the technology, with biotechnology and computer-related inventions taking up to 5 years or more to even be examined on the merits. The USPTO does strive to issue patents 2–3 years from filing, if not sooner (see page 2).

Is a provisional patent application a "real" patent application?
A provisional application does not issue directly into a patent. However, utility applications filed within a year can claim the priority date of a provisional, while the 20-year patent term starts from the utility filing date. Advantages to first filing provisionals include lower up-front costs and an extra year to assess the economic potential of the invention. It is dangerous, however, to file "quick and dirty" provisionals because it can be difficult to rely on them for a valid priority date.

How can I assign a monetary value to a patent?
Patent valuation is extremely difficult due to the large number of unknowns. Generally, patents can be valued just as any other piece of property would be valued, by analyzing comparables and estimating what the market is willing to pay. Accurate valuation relates to the net-present value (NPV) that could be derived from the patent—through a blocking position, licensing revenue, or other means of generating net cash flow. Software exists to calculate NPV for specific patents.

How do I know in which countries to foreign-file?
This is a complex question. There are a variety of strategic and tactical issues that you must consider, and the answer will likely depend at least on your reasons for patenting, your international business plans, where your invention will be produced and sold, and your IP budget. You also need to consider the likelihood of successful patent prosecution in each country of interest. We can e-mail you a 54-page reference report dedicated to this issue. Just give us a call!

If I could never afford expensive litigation, should I bother with patents?
If you are ever involved in a patent-infringement case, your litigation costs can greatly exceed what you paid for patent prosecution. However, there are several ways that this legal expense can be avoided: litigation insurance; business partnering, where your partner agrees to pay to defend your patent; and hiring a lawyer on contingency, where the attorney's fees depend on the outcome of the trial. Also keep in mind that very few patents ever end up in the courts. ***PQ***

USPTO to Expedite the Patent Process

The U.S. Patent and Trademark Office (USPTO) continues to propose new initiatives to make its operations more efficient, to ensure that the patent application process promotes innovation, and to improve the quality of issued patents. This information is compiled from www.uspto.gov.

USPTO to Give Patent Filers Accelerated Review Option

Proposal would guarantee final decision in 12 months

The USPTO is publishing procedures setting forth requirements for patent applicants who want, within 12 months, a final decision by the examiner on whether their application for a patent will be granted or denied. To be eligible for "accelerated examination," applicants who file under this procedure will be required to provide specific information so that review of the application can be completed rapidly and accurately. Jon Dudas, under secretary of commerce for IP, explained the proposal by noting that "accelerated examination can provide innovators with the early certainty they may need to attract investors or protect their inventions against infringers."

Any invention that is new, useful, non-obvious, and which is accompanied by a written description disclosing how to make and use it can be patented. Applicants' submissions enjoy a presumption of patentability. Applicants have a duty to disclose to the USPTO relevant prior art of which they are aware. However, applicants are not required to search for prior art. Under the USPTO's accelerated examination procedure, applicants will be required to conduct a search of the prior art, to submit all prior art that is closest to their invention, and explain what the prior art teaches and how their invention is different. The proposal also limits the number of claims allowed in each application and shortens the time periods for responding to most USPTO communications.

The accelerated examination procedure is designed to give applicants quality patents in less time. In exchange for quick examination, patent examiners will receive more focused and detailed information about the invention and the closest prior art from the applicants. This increased initial disclosure by applicants will hopefully help examiners more quickly (within 12 months) make the correct decision about whether a claimed invention deserves a patent. ***PQ***

U.S. and Japan to Pilot Patent Prosecution Highway

Trial program will improve quality and efficiency at both offices

The USPTO and the Japan Patent Office (JPO) recently launched a new trial cooperation initiative called the "Patent Prosecution Highway." The Patent Prosecution Highway will leverage fast-track patent-examination procedures available in both offices to allow applicants in both countries to obtain corresponding patents faster and more efficiently. It also will permit each office to benefit from work previously done by the other office, in turn reducing examination workload and improving patent quality.

"The Patent Prosecution Highway is an important element in the Ministry of Economy, Trade and Industry/U.S. Department of Commerce Initiative, which was issued on March 30, 2006 by the U.S. Secretary of Commerce Carlos M. Gutierrez and Japanese Minister of Economy, Trade and Industry Toshihiro Nikai," said Makoto Nakajima, commissioner of the JPO.

Under the Patent Prosecution Highway, an applicant receiving a ruling from either the JPO or the USPTO that at least one claim in an application is patentable may request that the other office fast-track the examination of claims in corresponding applications. Requirements for participation in the trial program can be found at www.uspto.gov/web/offices/pac/dapp/opla/preognotice/pph_pp.pdf, or by contacting us. The purpose of the trial program is to gauge interest of applicants and determine if the program improves quality and efficiency at each agency. ***PQ***

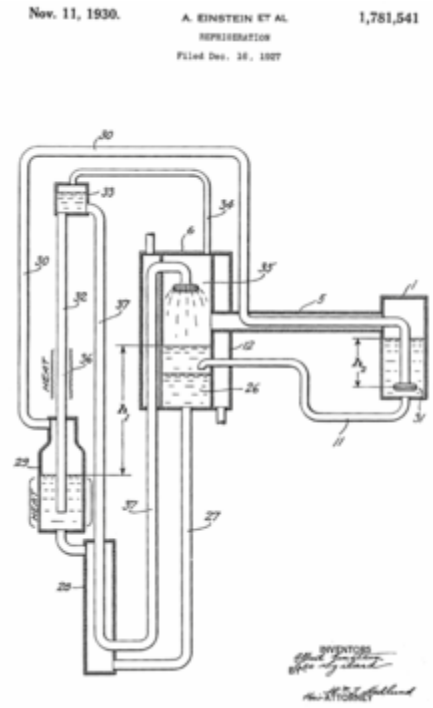
Moonlighting in the Patent Office

Albert Einstein was arguably the smartest person who has ever lived. Why write about Einstein in *PatentQuarters*? He believed in the patent system. Einstein not only was a brilliant thinker but he also was a patent examiner, and later an inventor on several U.S. and international patents. Amazingly, Einstein's "miracle year" (1905) in which he wrote several revolutionary scientific papers occurred while he was an examiner in the Swiss Patent Office.

Einstein could not find a teaching post upon graduation, mostly because his brashness as a young man had apparently irritated most of his professors. The father of a classmate helped him obtain employment as a technical assistant examiner at the Swiss Patent Office in 1902. There, Einstein judged the worth of inventors' patent applications for devices that required knowledge of physics. In particular, he was chiefly charged to evaluate patents relating to electromagnetic devices. He also learned how to discern the essence of patent applications despite poor written descriptions. (Source: en.wikipedia.org.) Consider trying to rebut a claim rejection authored by Einstein!

In 1903, Einstein's position at the Swiss Patent Office had been made permanent. He obtained his doctorate after submitting his thesis "A new determination of molecular dimensions" ("Eine neue Bestimmung der Moleküldimensionen") in 1905. That same year, *in his spare time*, Einstein wrote four articles that participated in the foundation of modern physics. Most physicists agree that three of those papers (on Brownian motion, the photoelectric effect, and special relativity) deserved Nobel Prizes; Einstein was awarded the Nobel Prize in 1921. Records confirm that Einstein still managed to work 40-hour weeks as an examiner during 1905. Now *that* is moonlighting!

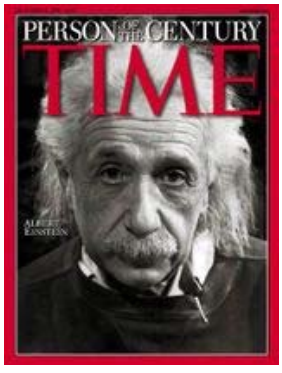
Einstein co-invented a unique type of refrigerator (called the "Einstein refrigerator") in 1926. In 1930, U.S. Patent 1,781,541 was awarded to Albert Einstein and Leó Szilárd. The patent covered a thermodynamic refrigeration cycle providing cooling, at constant pressure, with only heat as an input. The Einstein refrigerator is portable, constructed of inexpensive and non-moving parts, operates silently, and is very reliable (see diagram, inset).


Nov. 11, 1930. A. EINSTEIN ET AL. 1,781,541
REFRIGERATION
Filed Dec. 16, 1927

Einstein's famous comment that "imagination is more important than knowledge" applies just as much to patents as it does to science and mathematics! Using your imagination can really improve your inventions and your resulting patents.

Einstein certainly was using his gifted imagination when he postulated that light can be described not only as a wave, but also as particles of energy, called photons. Or when he wrote $E = mc^2$. Or when he explained spacetime in 4 dimensions, with curvature to account for relativity. Or when… ***PQ***

> *"Concern for man himself and his fate must always form the chief interest of all technical endeavor. Never forget this in the midst of your diagrams and equations."*
>
> —Albert Einstein (1879–1955)



Free Consultation!

O'Connor & Company is happy to provide new clients a free 30-minute initial consultation to discuss your IP-strategy and/or patent-prosecution needs. If we cannot serve your interests, we will gladly refer you to other IP professionals within our network.

To request a free consultation, simply contact our office using the information boxed below.

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