



Strategic Considerations in
Accelerating U.S. and
Foreign Patent Prosecution



John K. McDonald
Kathryn H. Wade

IP Innovations
October 2, 2008



Contact Information

- John McDonald, Ph.D., J.D.
 - Partner, Kilpatrick Stockton LLP
 - JMcDonald@kilpatrickstockton.com 404.745.2470
- Kathryn Wade, Ph.D., J.D.
 - Associate, Kilpatrick Stockton LLP
 - KWade@kilpatrickstockton.com 404.541.6662

Acknowledgement

- Hazim Ansari, J.D.
 - Founder, Metrix Services, Inc.
 - Of Counsel, Hennigan, Bennett & Dorman

- New developments for accelerating U.S. & foreign patent prosecution
 - Patent Prosecution Highway
 - U.S. accelerated examination
 - Accelerated examination outside the U.S.
- Impact on Global Patent Strategy



Patent Prosecution Highway (PPH)

- The PPH - What is it?
 - A relatively new trial program with major implications for accelerating patent grants
- Goal:
 - To improve efficiency of the Patent Offices



PPH in a nutshell...

If the office of first filing (OFF) rules that at least one claim in an application is patentable, an applicant may request that the office of second filing (OSF) “fast track” the examination of corresponding claims in a corresponding application.



Which countries or regions
participate in the PPH?

- Cooperation between the United States and...
 - Japan
 - United Kingdom
 - Korea
 - Canada
 - Australia
 - European Patent Office (different rules apply)



Which countries or regions participate in the PPH?

Cooperation between foreign countries:

- Between Australia and:
 - US only
- Between Canada and:
 - US only
- Between EPO and:
 - US only
 - (different rules apply)
- Between Japan and:
 - Denmark, Germany, Korea, UK, and US
- Between United Kingdom and:
 - JP and US
- Between Korea and:
 - JP and US



Patent Prosecution Highway (PPH)

- Requirements (using US and JP applications as an example):
 - US application claims priority to a PCT application with no priority claim.
 - JP application has at least one claim that is allowable/patentable.
 - Examination of US application has not begun.
 - All claims in the US application are amended to sufficiently correspond to the allowable claim(s).

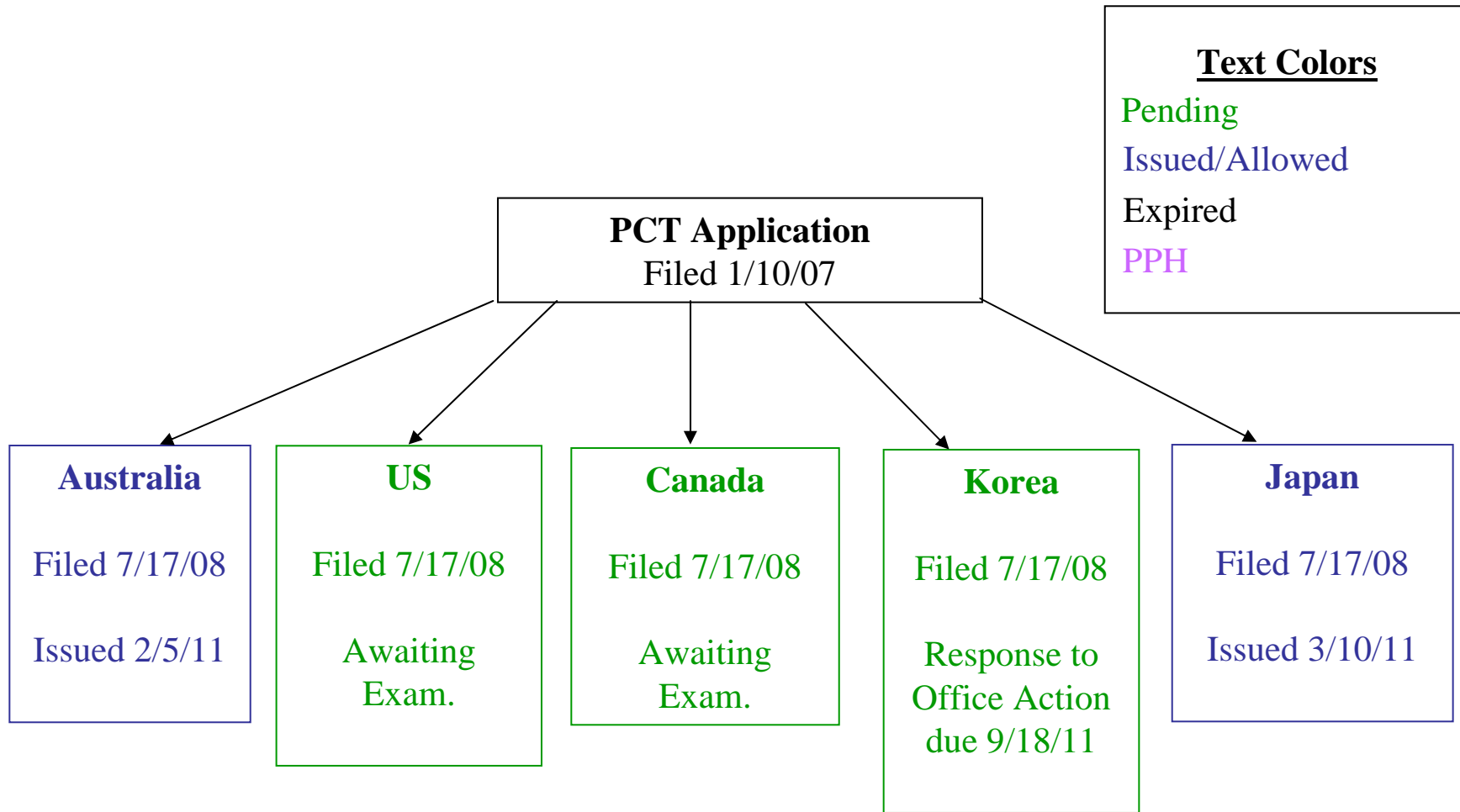
- Requirements continued:
 - Applicant files a request and petition to make special.
 - Applicant submits a copy of the JP Office Actions.
 - Applicant submits IDS listing the documents cited by JP Examiner and any other material prior art.
 - Applicant submits a claims correspondence table.



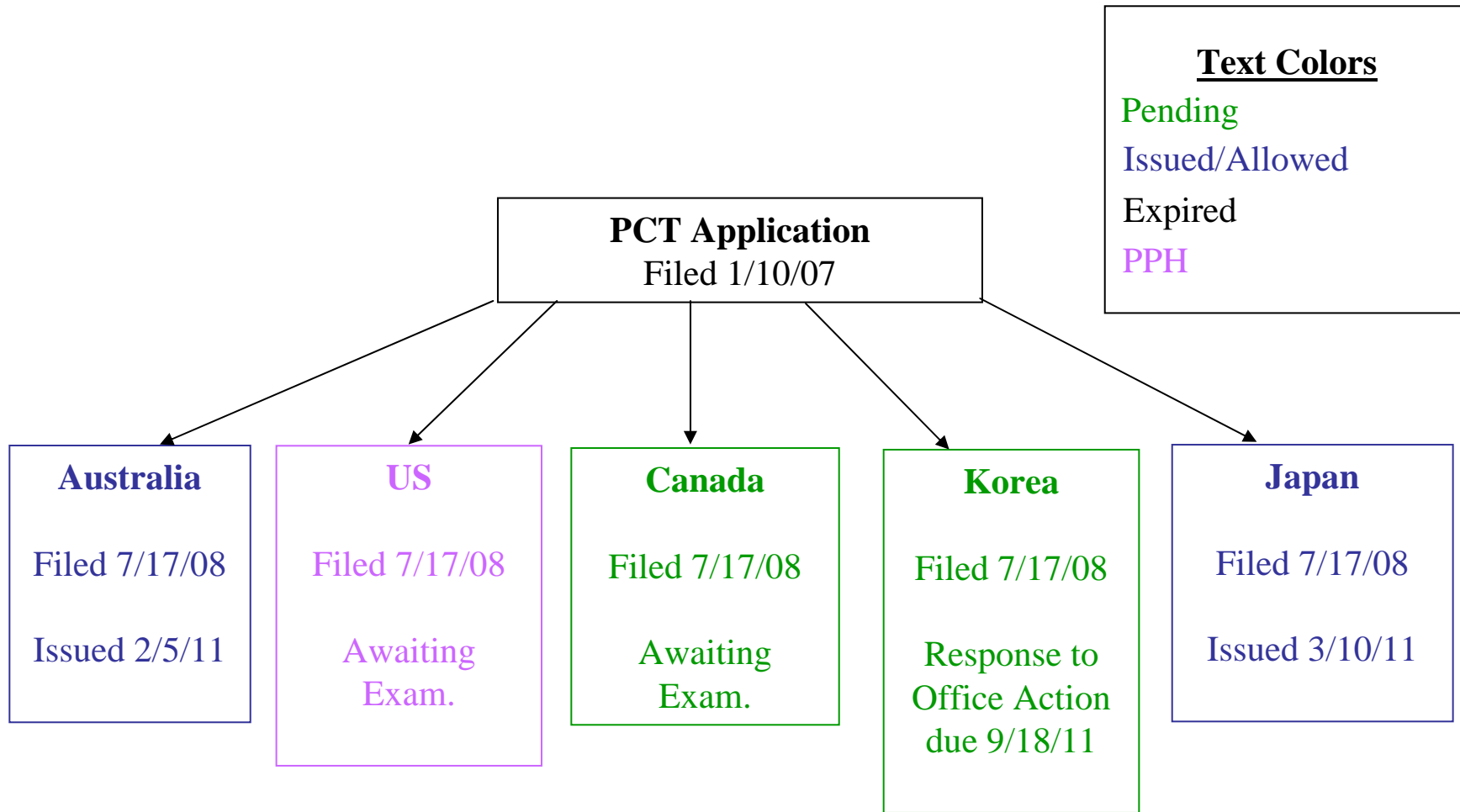
Patent Prosecution Highway (PPH)

- Implications for US and other PPH countries:
 - Application in US or other PPH country may then be “fast-tracked.”
 - Time to issuance of patent in the US or other PPH country significantly reduced.
 - Possible reduction in cost of prosecution of the US or other PPH country.

Coordination of Global Patent Strategy – PPH Example 1



Coordination of Global Patent Strategy – PPH Example 1





IP Strategy and your Business Objectives:
Should your company travel the PPH?

- Pros of traveling the PPH:
 - Accelerated timing to first action by Patent Office
 - Speed to obtaining the first patent
 - Enhance ability to eliminate or reduce competition
 - Increase licensing value
 - Choice of jurisdiction(s)
 - Other points

- Cons of traveling the PPH:
 - Costs upfront are larger
 - Limited to claim scope of allowed claims in OFF
 - If accelerating examination in the US, a search and an analysis of the search results must be conducted before filing the request for accelerated examination in the US.
 - Other points

- Reasons not to travel the PPH:
 - Extra time needed for R&D
 - Extra time needed for generating funds for prosecution costs

Additional Client Considerations:

- Is the perception of ***potential*** broad claim coverage more valuable than the reality of narrowed ***actual*** claim coverage?
 - Early stage start-ups in the process of raising financing
 - Newly public, pre-revenue companies

Additional Client Considerations:

- Does your client really understand its business?
 - The dangers of saying too much too early
 - Wasting scarce resources pursuing claims which don't cover the core products and services

Additional Client Considerations:

- How realistic are the client's international plans?
 - Overly optimistic projections may place greater emphasis on foreign jurisdictions than warranted
 - Important to allocate legal resources in line with realistic operational plans

- Allows final decision on patentability of application within 12 months
- Purpose
 - Created for situations where prolonged pendency of an application would destroy the commercial viability of the patent.
 - Provides earlier and better interactions with Examiner by focusing scope of issues in consideration.

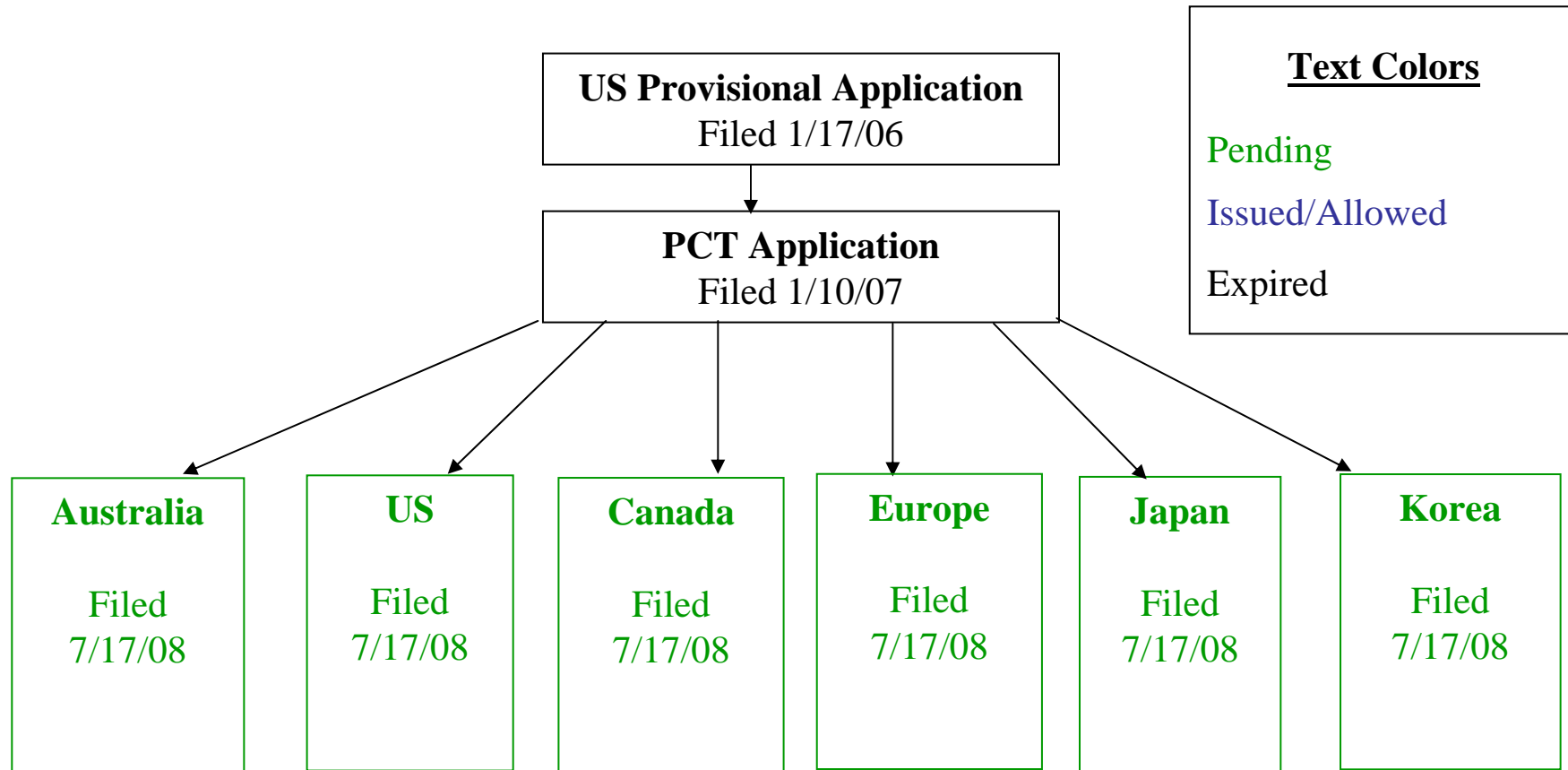
- Requirements:
 - Conduct patentability search
 - Characterize search results in writing
 - Limit scope and number of claims
 - File complete petition to make special with fee using e-file system

- Cost considerations
- Scope and number of claims
- Speed
- Co-pending patent applications of different scope

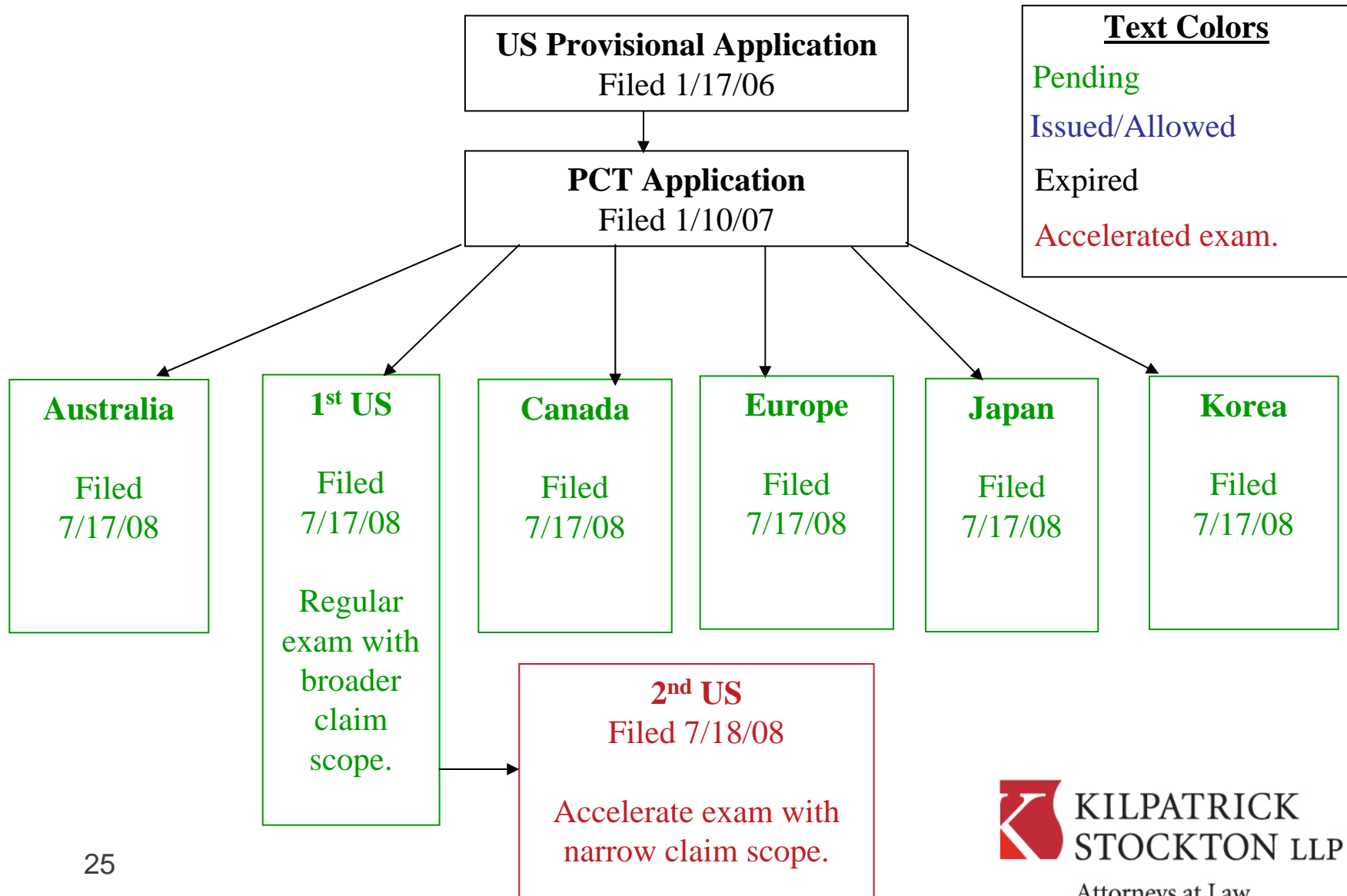
- Purpose:
 - Created to decrease application pendency
- PACE Procedure:
 - Complete one page form requesting PACE
- Considerations:
 - First examination by EPO within 3 months
 - Rapid reply to Office Actions required

- Is it important to accelerate and coordinate a global strategy?
- Consider importance of invention and claim coverage.
- Consider the activity of competitors (e.g., sales, manufacturing, market)
- Consider coordinated strategy to take advantage of accelerated examination in different jurisdictions and the PPH

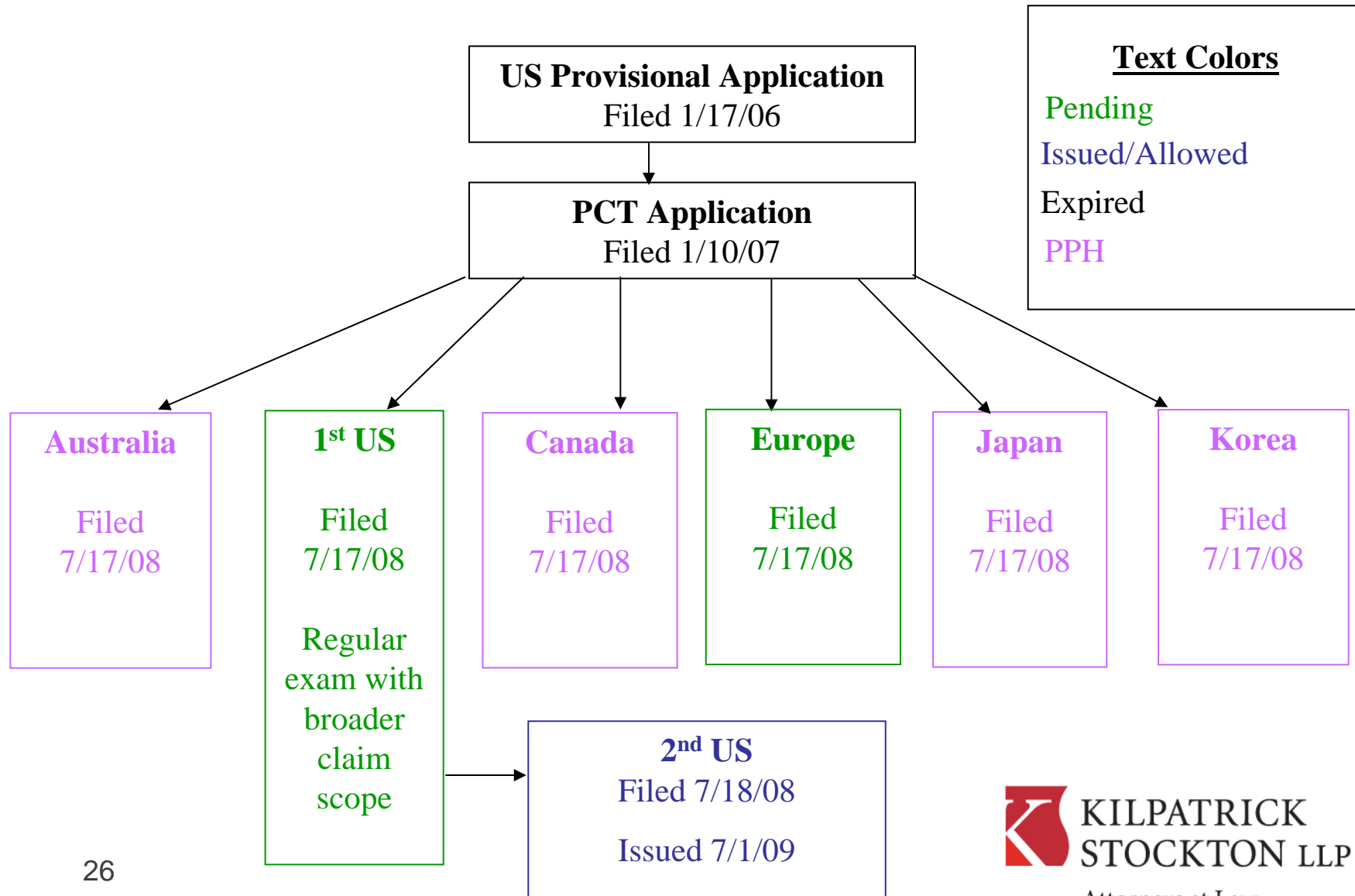
Coordination of Global Patent Strategy – Example 2



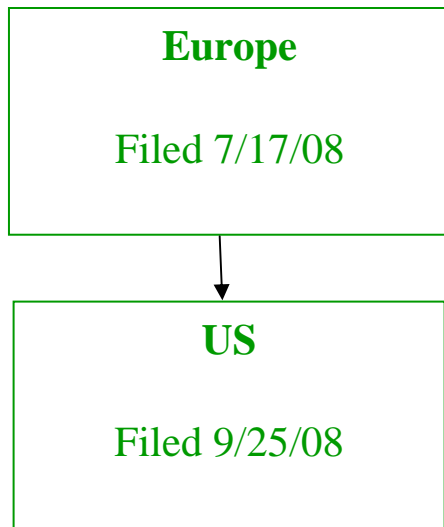
Coordination of Global Patent Strategy – Example 2



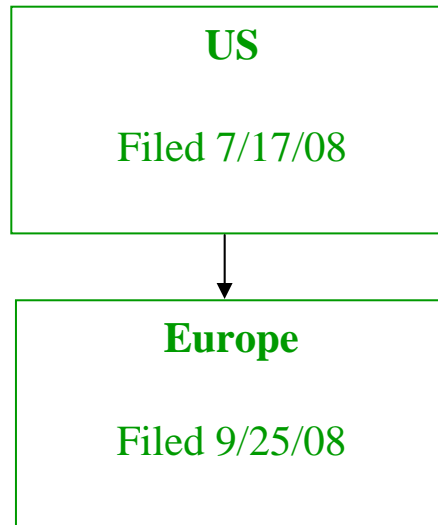
Coordination of Global Patent Strategy – Example 2



Coordination of Global Patent Strategy – Example 3



OR



Text Colors

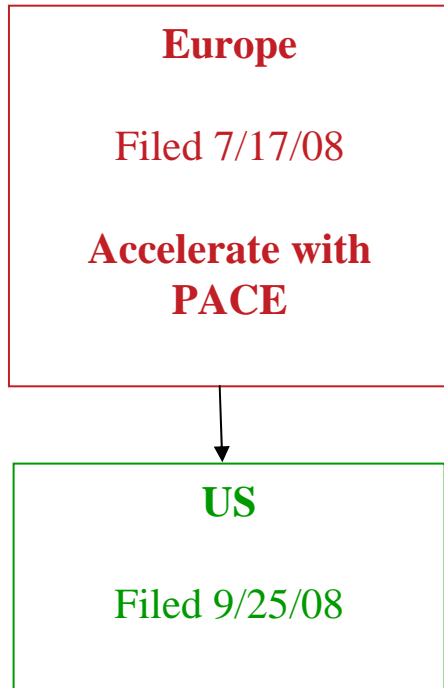
Pending

Issued/Allowed

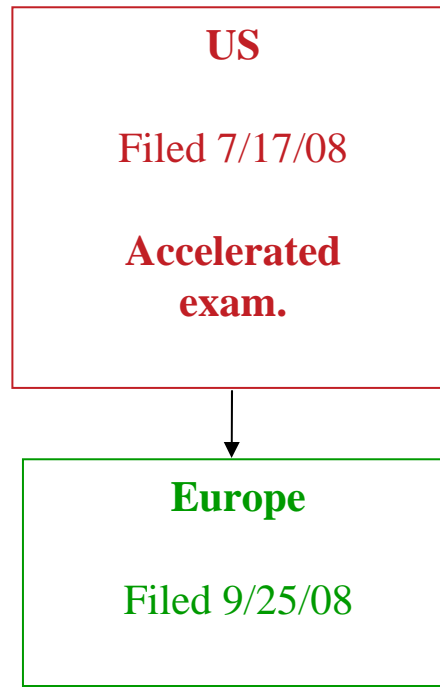
Expired

Accelerated exam.

Coordination of Global Patent Strategy – Example 3

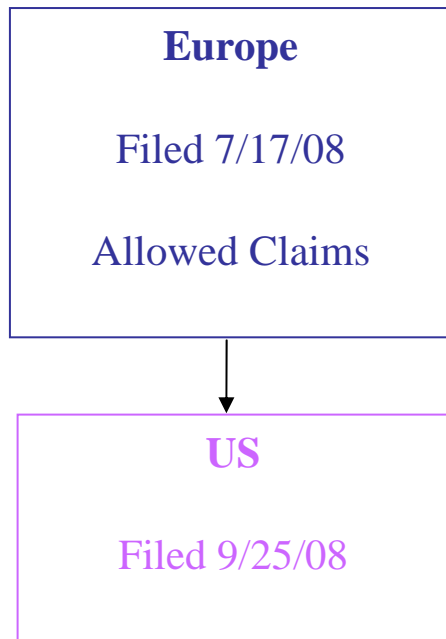


OR

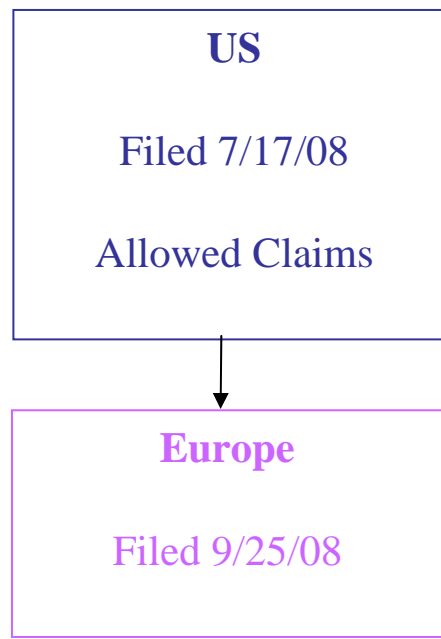


Text Colors
Pending
Issued/Allowed
Expired
PPH
Accelerated exam.

Coordination of Global Patent Strategy – Example 3



OR



Text Colors

Pending

Issued/Allowed

Expired

PPH

Accelerated exam.



Business Impact

- Faster to exclusivity
- Higher premium for goods and services
- Eliminate or reduce competition
- Greater licensing value
- Value add for shareholders
- Claim breadth



Conclusion

- Consider these options for accelerated exam and the PPH for your business
- Will the PPH serve your business needs?



Thank You