# Provisional Patent Applications: Advantages and Limitations

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## ABSTRACT

In the United States, provisional patent applications can provide an additional year of patent protection, for a total of 21 years from the initial filing date. With such an extension, a provisional application provides parity with foreign applicants who, pursuant to the Paris Convention, may file for a U.S. patent within 12 months of the foreign filing. Provisional applications have both advantages and disadvantages, so proper management is essential. The advantages include the preservation of a priority date immediately after an invention is conceived, a one-year delay for further developing the invention, an extra year of patent protection, and constructive reduction to practice of the invention. In addition, provisional applications provide an inexpensive way to avoid possible statutory bars and preserve absolute novelty for foreign filing purposes. They also enable the use of the phrase "Patent Pending" to mark products embodying the invention. The disadvantages include a possible increased overall cost of obtaining a patent, potential loss of trade secrets, and a false sense of security. An inventor must also file a nonprovisional application within one year, and the subject matter of a nonprovisional application is limited to subject matter in the provisional application.

## 1. INTRODUCTION

Beginning in 1995, inventors were able to file provisional patent applications in the United States. This informal type of patent application establishes a priority filing date and provides inventors one additional year to prepare and file a formal utility patent application.

Provisional patent applications were established in the United States to place domestic inventors on an equal footing with foreign inventors. Before the advent of U.S. provisional applications, foreign (Paris Convention signatory) applicants could claim the benefit of a foreign priority date, yet have their U.S. patent term measured from a later U.S. filing date. Foreign inventors were thus granted a term of patent protection that could last for 21 years. U.S. applicants, on the other hand, were disadvantaged: their patent term was measured from their initial U.S. filing date and limited to 20 years. Effective June 8, 1995, domestic applicants were given the opportunity to file provisional applications, thereby establishing U.S. priority dates that would *not* count against any resulting U.S. patent term. Allowing for U.S. patent protection that lasts 21 years from an initial filing date, this change in policy established parity between U.S. and foreign inventors.

As an informal application, a provisional patent application does not require all the formal elements of a utility patent application. For example, provisional applications *are not* required to include formal claims, a declaration of inventorship, or drawings, all of which are required for utility applications. Instead, all that is required is a written description of an invention and a coversheet that, among other things, identifies the document as a provisional patent application.

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Unlike utility patent applications, provisional patent applications are not substantively examined by a U.S. Patent and Trademark Office (PTO) examiner. Instead, they are reviewed by the application division of the PTO to ensure that the minimum filing requirements have been met. As a result, the legal cost of *preparing* provisional applications is relatively low compared to utility applications. Similarly, since the PTO does not have to perform a prior art search or analyze provisional patent applications, the cost of *filing* these applications is also quite inexpensive when compared to utility applications.

Aside from costs, several other factors should be considered when determining whether or not to file a provisional patent application. A few of their advantages and limitations associated with provisional applications are outlined below.

## 2. ADVANTAGES OF A PROVISIONAL APPLICATION

### 2.1 *Preserve a priority date*

Because they have fewer formal requirements, provisional applications are simpler and generally less expensive to prepare and file. A provisional application may therefore be used to quickly and inexpensively obtain an official filing date for an invention immediately after the invention has been conceived. An official filing date provides unequivocal proof that an invention was conceived at least as early as its filing date.

### 2.2 *A useful one year delay*

Once a provisional application is filed, an inventor has up to one full year to file a formal utility application. This one-year delay enables an inventor to further develop his or her invention, assess the invention's commercial potential, and seek financial support for further developing and/or patenting the invention. In addition, the one-year delay enables an inventor defer the bulk of the costs associated with preparing and filing a utility patent application until he or she is confident that the invention is commercially viable, and/or until he or she is able to secure financial support for the invention. If the inventor determines during this period that the invention is not commercially feasible, he or she can avoid the substantially higher costs of pursuing a utility application.

### 2.3 *An extra year of patent protection*

An issued patent gives an inventor the right to exclude others from using, selling, and/or offering to sell the patented invention for twenty years. This twenty-year patent term is calculated from the filing date of the inventor's *utility* patent application. The one-year delay between the filing of a provisional application and the filing of a utility application does *not* count against the twenty-year patent term. As such, filing a provisional application provides up to an extra year of patent protection, effectively extending the patent term to 21 years.

### 2.4 *Constructively reduce an invention to practice*

An invention is said to be *reduced to practice* when an inventor converts the inventive idea into something that is operable and capable of being reproduced by others. Filing a provisional application has the effect of *constructively* reducing an invention to practice, insofaras the invention is adequately described so as to enable a person skilled in the art to reproduce it. By filing a provisional application, a legal presumption is created that the invention was reduced to practice, albeit constructively, *at least as early as* the filing date of the provisional application. This presumption may be very advantageous to an inventor, particularly if another inventor claims to have invented the same invention first.

In the United States, an inventor is entitled to a patent if he or she is the *first to invent* a particular invention. If a dispute arises over who actually invented the invention first, establishing a reduction to practice date may be paramount to determining which inventor is entitled to the patent. In such disputes, the inventor who establishes the earlier reduction to practice date (for example, by filing the earlier provisional application) will be presumed to be the first to invent. The challenging inventor, i.e., the inventor not deemed the first to invent, may only overcome this presumption by forwarding evidence that establishes that

he or she (the challenging inventor) is entitled to an earlier reduction to practice date. Thus, filing a provisional application not only establishes an early reduction to practice date, but it also shifts the burden to any challenging inventor to prove that she or he invented the invention first.

### 2.5 *Preserve a non-U.S. priority date*

Most countries outside of the U.S. award patents on a first to file basis. That is, an inventor will be entitled to a patent if he or she is the *first to file* an application for a particular invention, regardless of whether another inventor was the first to actually reduce the invention to practice. As a result, many foreign inventors (and U.S. inventors seeking international patent protection) seek to file patent applications in non-U.S. countries as soon as possible in order to preserve their foreign priority date. It should be noted that under U.S. law, establishing a foreign priority date does *not* necessarily guarantee a specified period of time for filing in the United States. Still, as members of the Paris Convention, patent applicants in Convention member-nations have up to 12 months to apply for patent protection in the United States in order to preserve an international priority date.

### 2.6 *Avoid statutory bars*

Pursuant to 35 U.S.C. § 102(b), if an invention is published anywhere in the world more than one year before a U.S. patent application for that invention is filed, the publication will act as a statutory bar to obtaining a U.S. patent. This statutory bar is not limited to publications provided by an invention's first inventor. If, for example, a second inventor independently conceives and publishes the invention more than one year before the first inventor files in the United States, the second inventor's publication will bar the first inventor from ever obtaining a U.S. patent on that invention.

To illustrate, suppose inventor X, a German inventor, invents a novel widget on January 1, 2005, and accordingly files a German patent application describing the widget in April 2005. Independently, a French inventor, inventor Y, conceives of the same widget and publishes it on March 1, 2005 in a French publication. Under U.S. law, the German inventor may rely on his or her earlier invention date to predate the French publication date. However, if the German inventor waits until after March 1, 2006 to file a U.S. application, the French publication will be deemed prior art under 35 U.S.C. § 102(b) and will bar the German inventor from obtaining a U.S. patent.

To avoid this 102(b) U.S. statutory bar, the German inventor could file a U.S. utility patent application concurrently with, or even after, filing his or her German application. Pursuant to the Paris Convention, the German inventor would still have a period of one year after filing the German patent application to file a U.S. patent application. However, the utility patent application option could be quite costly, particularly since the German application would have to be translated into English and include U.S.-style claims, drawings, and other formalities.

As an alternative, if the German inventor was not prepared to incur such an expense, or if he or she preferred to further develop the widget before committing to the high costs of filing in the United States, he or she could simply file a U.S. provisional application. Since provisional applications are not required to be written in English or to include claims, drawings, or other formalities, the German inventor could simply file a copy of his or her German application *in German* as a U.S. provisional application. In this manner, the German inventor could preserve a U.S. filing date and avoid a § 102(b) statutory bar, all at a very reasonable cost.

### 2.7 *Preserve absolute novelty for foreign filings*

Most countries outside of the U.S. require *absolute novelty*, which means that, as a prerequisite to receiving patent protection, a patent application must be filed before *any* public disclosure of that invention. In these *absolute novelty* countries, *any* public disclosure of an invention prior to filing an application for patent acts as a bar to patentability. As such, it is imperative for inventors seeking foreign patent protection to preserve absolute novelty worldwide. Provisional applications may provide an easy, cost effective way to preserve absolute novelty; however, this must be approached with caution, as adequate disclosure is required. There is still a general lack of consensus about

how courts in various foreign jurisdictions will regard a U.S. provisional application as a basis for priority. Even so, if an inventor wished to publicly disclose an invention as part of a presentation, the inventor could preserve absolute novelty by filing a copy of all of the presentation and handout materials as a provisional application. In this manner, the inventor could both preserve a U.S. filing date and preserve absolute novelty in Paris Convention nations, or in nations that have acceded to the WTO (as the TRIPS Agreement [Trade-Related Aspects of Intellectual Property Rights]) incorporates the Paris Convention). This includes the majority of the world's nations.

### 2.8 *Patent pending*

Once a provisional application is filed, an inventor is permitted to apply the phrase "Patent Pending" to products embodying the invention. Use of this phrase indicates to the public that the marked product or products is or are believed to be inventive and that any and all available patent rights in the invention are being pursued. Application of the phrase also enables the immediate commercial promotion of an invention with less risk of having the invention copied and/or stolen. In addition, a "Patent Pending" notice gives official notice to competitors and potential infringers, which may be particularly useful in establishing a patent infringement claim once the invention is formally patented. It should be noted that the phrase "Patent Pending" does *not* give rise to enforceable patent rights. It is only after a patent is issued that enforceable patent rights attach.

## 3. LIMITATIONS OF A PROVISIONAL APPLICATION

Aside from the many advantages described above, there are several limitations and disadvantages associated with filing provisional applications.

### 3.1 *Increased overall cost*

Although provisional applications are typically less expensive to prepare and file than utility patent applications, there are costs associated with the same. Filing a provisional application first, and then filing a corresponding utility application will *always* increase the overall cost of obtaining a patent. This is especially true when multiple provisional applications are filed to cover various aspects of an invention.

### 3.2 *Disclosure of invention*

Although provisional applications do not have all of the formal requirements of utility patent applications, provisional applications must nonetheless meet the disclosure and enablement requirements of utility patent applications. That is, provisional applications must include a complete, adequate disclosure of an invention, a disclosure of the best mode of the invention, and any drawings necessary for understanding and/or recreating the described invention. If a provisional application cannot adequately support the entirety of a corresponding utility application, then only those aspects that are adequately supported in the provisional application will be entitled to the provisional application's priority date. All other aspects of the utility application will have a priority date corresponding to the filing date of the utility application. In this regard, preparing a provisional application to fully support a later filed utility application may be as time consuming and as costly as preparing a utility application.

### 3.3 *Potential loss of trade secrets*

Another concern relating to provisional applications is the potential lose of trade secrets. As explained above, although provisional applications do not have all of the formal requirements of utility patent applications, they must nonetheless adequately disclose and enable inventions. In attempting to satisfy these requirements, inventors may disclose too much information, including information they might later wish to retain as a trade secret. Once a provisional application is filed, *all* information disclosed will be incorporated into a later filed corresponding utility application. When the utility application becomes a patent, the entire provisional application will become public, and any potential trade secrets it contains may be lost.

### 3.4 *One-year filing deadline*

Once a provisional application is filed, an inventor *must* file a utility application claiming

priority to the provisional application within one year. Failure to file a utility application within the one-year period will result in the provisional application automatically being abandoned, which may prevent the inventor from ever patenting the invention.

### 3.5 *False sense of security*

Filing a provisional application may give an inventor a false sense of security. Although filing a patent application does provide some protections, it does *not* provide any enforceable patent rights. Furthermore, provisional applications *never* mature into patents. If an inventor falsely believes he or she is adequately protected by a provisional application, he or she may delay filing a utility application. And if an inventor fails to file a utility application during the one-year period, the provisional application will automatically be abandoned thereby preventing the inventor from ever patenting the invention.

### 3.6 *Other potential limitations*

There are other limitations to filing provisional patent applications. For example, since filing a provisional application delays the filing of a utility patent application, any patent that may ultimately issue may also be delayed. Depending on the inventor's (or patent owner's) patent strategy, such a delay may not be desirable.

It is important to note that both provisional and utility patent applications trigger the time line for filing applications under the Patent Cooperation Treaty (PCT) and the Paris Convention. Since international patent applications *must* be filed within one year of a U.S. filing, the high costs of international filing will be incurred within one year of filing a provisional application.

Provisional applications may *not* be amended. If certain aspects of an invention are developed or changed after a provisional application has been filed, an inventor will be required to file another application to reflect these developments or changes.

Similarly, if an inventor accidentally discloses secret information in a provisional application, the inventor will be precluded from going back and amending the provisional application to remove the secret information. In this scenario, the inventor would have the option of abandoning the provisional application and possibly having the option of filing another provisional application that excludes the secret materials. This would, however, reset the priority date.

## 4. CONCLUSION

Provisional applications provide numerous advantages for both domestic and foreign inventors, which is why they are widely used and are often integral to successful patent strategies. There are also, however, certain risks and limitations associated with provisional applications, so filing provisional applications may not always be desirable or appropriate. Accordingly, before deciding whether to file a provisional application, care must be taken to properly assess:

- the nature of the invention(s)
- the particular needs of the inventor (or company)
- the inventor's (or company's) overall patent strategy ■

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