Pitfalls of Provisional Patent Applications

Inventors, entrepreneurs, business persons, business attorneys, and even patent attorneys routinely fail to grasp the potential pitfalls of provisional patent applications.

What are provisional patent applications and what do they do?

Provisional patent applications are informal patent applications that may be filed with the United States Patent and Trademark Office (USPTO) for an invention. No specific format is required for acceptance of the application, and provisional patent applications may range from a scan of a simple sketch on a napkin to a PhD's dissertation. An official fee of $110 or $220 (depending on the size of the applicant) is required to establish an official filing date associated with the provisional patent application.

A provisional patent application can never mature into a patent and is never "enforceable." A provisional patent application simply establishes a "priority date" associated with the content of the application, and is considered pending for exactly 12 months. Within those 12 months, a non-provisional (U.S. and/or foreign) patent application may be filed that "claims priority" to the pending provisional patent application. Regardless of whether or not such a non-provisional patent application is filed, a provisional patent application automatically expires 12 months after it s filed.

Why file a provisional patent application?

The decision to file a provisional patent application may be based on any number of things. For example, if the subject invention is about to be publicly disclosed, a provisional patent application may be filed to establish a priority date that precedes the anticipated public disclosure. In the U.S., an inventor has one year to file a patent application (whether provisional or non-provisional) from the first public disclosure, offer for sale, or sale of an invention, after which time no patent protection is available. Most foreign countries (outside of North America) do not offer this one-year grace period. Moreover, a foreign or international patent application generally can be filed within 12 months of the U.S. filing date, but only if the U.S. patent application was filed prior to the first public disclosure, offer for sale, or sale of the invention.

Another reason to file a patent application may be to gauge the market interest for a "patent-pending" invention and/or to raise capital during the 12 month pendency of a provisional patent application.

Yet another reason to file a patent application may be to beat your competitor to the USPTO, knowing that your industry is fast-paced and that competitors are routinely inventing the same sort of things.

These are all good and legitimate reasons to file a provisional patent application.

So what's the catch?

"$110 for 12 months to decide whether or not to pay for an expensive non-provisional patent application? That's a bargain!" But here is the catch. Only the portion of the subject matter contained in a subsequently filed non-provisional patent application that is also found in the provisional patent application gets the "benefit" of the earlier filing date of the provisional patent application. "Huh? What's that mean? Who cares?" Here is an example:

You invent an invention that consists of A+B. You file a low budget provisional patent application describing the invention to a -T-. Over the course of the next 6 months, you refine your invention, and realize that, actually, A+B+C (i.e., a slight variation to your original invention) works better than your initial prototype, and the element C provides a significant competitive advantage.

At about 8 months into the 12 month pendency of the provisional patent application, you launch your website describing your refined invention (A+B+C) and offering it for sale to the public. Around 10 months into the 12 month pendency, you request that your patent attorney prepare and file a detailed non-provisional patent application for your invention.

Guess what? You are now barred from seeking foreign patent protection in most countries on your preferred version, and instead, in any foreign (outside of North America) patent application you may file, you are limited to only going after protection to what was expressly included in the provisional patent application.

Guess what else? A competitor may have filed its own patent application directed to A+B+C during the pendency of your provisional patent application, and therefore its patent application is now considered to be "prior art" to yours (i.e., your patent application may be rejected based on your competitor's patent application).

Another issue associated with quick and low-budget provisional patent applications includes the potential that a provisional patent application may fail to include a (legally) sufficient description of the invention to actually establish a priority date for a subsequently filed non-provisional patent application. That is, if the provisional patent application does not adequately describe the invention to meet the requirements of the patent laws, such as to fully 'enable' the invention, then the provisional patent application may not serve its intended purpose. Accordingly, prior art that pops-up during the pendency of your provisional patent application may be citable against your non-provisional patent application. That is, a competitor's patent application filed during the pendency of your provisional patent application may have priority over your subsequently filed non-provisional patent application.

So what's the solution?

Provisional patent applications definitely serve a purpose in certain circumstances, but if an inventor is choosing to file a provisional patent application in the first place, it is necessarily going to be less than complete, or otherwise a non-provisional patent application simply should be filed (or at least a provisional patent application with the substance of a non-provisional patent application). The solution is to find an appropriate middle ground—rather than spending less than $1,000 on a provisional patent application that may have no value in the long run, and rather than spending $8,000 – $12,000 on a thorough non-provisional patent application, discuss with your patent attorney the option of filing a fairly detailed provisional patent application for maybe $3,000 – $5,000. This will buy 12 months to decide whether the greater investment is worth going forward and will establish a reasonable framework, including alternative embodiments, meaningful descriptive terms, etc. that will support a fairly comprehensive non-provisional patent application, should you choose to have one prepared and filed.

Why do you care?

As an entrepreneur, you are developing the very initial technology of your start-up. This technology is what makes your start-up unique and gives your company value. The first patent application directed to this new technology needs to be very thorough. It needs to include not only your preferred way of implementing your invention, but also other ways of implementing it, ways that competitors may implement it, ways that you may have even considered but chose not to proceed with in view of an alternate and slightly better version. Everything you can do at this initial stage to get the broadest scope of patent protection will keep your niche a niche for as long as possible, enabling you to keep others from encroaching on your space, enabling you to build value that investors (or buyers) can look to and understand, etc. At the end of the day, a patent is really the only mechanism that will give you exclusive rights to your invention.

Provisional patent applications are inherently informal, but they need to be legally sound. Cutting corners on patent applications is not worth it, as there may be no way to remedy a deficient patent application when you need, or want, to do so in the future.

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