The Risks of Provisional Patent Applications for Inventors and Startups

IN 1995, THE U.S. PATENT AND TRADEMARK OFFICE began offering inventors the option of filing a provisional application as a lower-cost alternative to filing a nonprovisional application for a patent. A provisional application allows the applicant up to 12 months to file a nonprovisional application that may be examined for patentability. A provisional application offers some benefits:

- Priority date upon filing.
- A prima facie prior art reference against subsequently filed applications for the same concept by a different inventor.
- No start to the 20-year patent term for the subsequently filed domestic nonprovisional application claiming priority to the provisional application.

For startup companies and solo inventors, as well as companies developing cutting-edge technologies in a competitive environment, a provisional application can be advantageous. Filing a provisional application also allows the commercialization of a product or method (i.e., public sale) that falls within the scope of the provisional application, which may be especially important for a startup company or solo inventor.

After the Patent and Trademark Office began offering provisional applications, legal document preparation companies began offering help with filing these applications. These companies may attract startups or solo inventors with little capital by offering low prices that are possible because provisional applications are not examined by the Patent and Trademark Office for patentability. Even though a provisional application is a legal document, it never undergoes scrutiny for legal sufficiency unless it is challenged later—for example, in a patent dispute or during due diligence. These document preparation companies generally do not employ patent attorneys, who are the only attorneys legally authorized to practice before the Patent and Trademark Office in patent cases.

As set forth in 35 USC Section 112, at least one claim— which describes the new part of an invention—is required in a nonprovisional patent application. In contrast, a provisional application does not require a claim (although practitioners often include claims in provisional applications, for purposes such as preparation for foreign filings in foreign jurisdictions, which may require at least one claim in the first-filed application). However, even though a claim is not required in a provisional application, the written description and any drawings (i.e., the specification, which is everything but the claim) must adequately support the later-filed nonprovisional application if the later-filed nonprovisional application is to benefit from the provisional application filing date. It is the drafter’s duty to ensure that the provisional application adequately provides a written description of the full scope of the subject matter regarded as the invention and desired to be claimed in the later-filed nonprovisional application.

Although there is no requirement that the specification filed in the provisional application be identical to the later-filed nonprovisional application, the nonprovisional application is only entitled to the benefit of the provisional application’s filing date for the subject matter that the two applications have in common. Additionally, the specification must disclose the manner and process of making and using the invention—in such full, clear, concise, and exact terms as to enable any person skilled in the art to which the invention pertains to make and use the invention. Additionally, it must set forth the best mode contemplated for carrying out the invention.

This demanding but reasonable requirement casts doubt on the ability of legal document preparation companies to file a provisional application that will withstand later scrutiny. An inventor or startup that uses a legal document preparation service for filing a provisional application may wrongly assume that the provisional application is legally sufficient to support the subsequent nonprovisional application.

In New Railhead Manufacturing, LLC v. Vermeer Manufacturing Company, a representative case in which the legal sufficiency of the underlying provisional application was challenged, the Federal Circuit affirmed the district court’s finding of invalidity of the patent-in-suit based on the inadequacy of the first-filed provisional application. There was no dispute that the product falling within the scope of the patent-in-suit was the subject of a commercial offer for sale more than a year before the filing of the nonprovisional application that matured into the patent-in-suit, although the offer for sale took place less than a year before the filing of the provisional application (a public sale more than one year before the filing date of an application is a statutory bar to patent protection). However, the court found that the plaintiff could not rely on the provisional application for priority because of the inadequacy of its written disclosure. In view of the offer for sale, the patent-in-suit was deemed invalid.1

Attorneys with startups or solo inventors as clients should convey to them that a provisional application must meet legal standards. It would be devastating for a startup to file an inadequate provisional application that becomes the platform for a business, only to have the issued patent based on the provisional application invalidated due to a poorly prepared provisional application.

The plaintiff could not rely on the provisional application for priority because of the inadequacy of its written disclosure.

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