

Review of Patent Applications by Outside Parties: The “Peer to Patent” Pilot Program

By: John J. Cunniff, Esq.

Patent applications are kept confidential in the Patent Office until they are published 18 months from the earliest priority date. After publication, the application file is open for public review; generally speaking, however, communications regarding the patentability of the claims are exclusively between the Patent Examiner and the applicant or the applicant’s attorney. Outside parties may not comment on the patentability of a claimed invention.

Third parties may submit prior art only within two months of publication of the application or mailing of the notice of allowance, whichever is earlier (but comments on that prior art are not permitted). Such a submission (a “Rule 1.99 submission”), also requires payment of a fee and notice of the submission to the patent applicant.

Perhaps the biggest disincentive for the use of Rule 1.99 submissions is that such a submission can actually backfire on a third party submitter in future litigation, particularly where the full importance of a prior art reference might not be easily appreciated. The issuance of a patent despite an Examiner’s knowledge of a prior art reference provides a presumption of validity of the patent over that prior art reference in subsequent litigation involving the validity of the patent. If, however, an Examiner does not fully appreciate the importance of a particular reference, the Rule 1.99 submitter’s action in providing the reference to the Examiner could provide an unwarranted presumption of validity, where a more thorough understanding should have called the patentability of the invention into question. Although Rule 1.99 may have been intended to provide a mechanism for limited public input into the patent application process, its actual use has been a rarity.

The USPTO had previously run a pilot program, the Peer to Patent program, that allowed registered third parties to review patent applications and provide prior art and comments on patent applications in view of that prior art. The program ran from June 2007 to June 2009 and was the first time that public participation in the patent application process had been permitted over and above Rule 1.99. Under the first Peer to Patent pilot program, inventors in the software and business methods areas could volunteer to allow their patent applications to be reviewed by outside parties. The application was then published on the Peer to Patent website for four months, during which time reviewers could search for and upload references that they considered to be relevant to the Peer to Patent website. Reviewers ranked the relative value of all the prior art found, and the references generally considered to be the 10 most relevant were forwarded to the Patent Office.

The Peer to Patent review did not take the place of a normal examination, but supplemented it. The additional search was considered particularly important in the original Peer to Patent subject areas – software and business methods – as these were areas where the existing patent prior art was considered to be particularly weak, giving rise to concerns about the quality of a patent search that an Examiner could provide and ultimately about the validity of the patents being issued in these areas. Following submission of the Peer to Patent references, examination of the application would proceed as normal, but with two exceptions. The first exception was the obvious presence of the Peer to Patent references, which the Examiner could rely on directly or use to supplement a normal search with additional terms or concepts. The second exception was that the application was considered “out of turn,” bypassing normal delays in waiting for an Examiner to search and examine the application.

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According to the U.S. Patent and Trademark Office:

In the first Peer To Patent pilot, more than 600 items of prior art were submitted for 189 applications and more than 2,700 registered peer reviewers from over 140 countries participated. In a survey of USPTO patent examiners with a Peer To Patent application, 73 percent of those who responded said they thought the program would be helpful if implemented into regular office practice. During the two years the Peer To Patent was running as a pilot, examiners used art found by peer reviewers in approximately 20 percent of the applications reviewed.

A second Peer to Patent pilot program was recently initiated by the U.S. Patent and Trademark Office, “to further test the value of peer review to patent examination.” The current pilot program expands eligibility to the areas of biotechnology, bioinformatics, telecommunications and speech recognition. Other modifications include a participation cap of 1,000 patent applications, a shortened review period to 3 months, and a reduction in the number of prior art references forwarded to the Patent Office from 10 to 6. The advancement of participating applications “out of turn” will continue.

The current Peer to Patent pilot program began on October 25, 2010 and will run until September 30, 2011. To participate, applicants must submit a consent form to include their application in the Peer to Patent program before the application is published or no later than four weeks after publication, and the application must be published by the USPTO between September 23, 2010 and September 30, 2011. Additionally, an applicant or assignee (such as an employer) is limited to 25 applications in the Peer to Patent Pilot program. There is no separate fee assessed to participate in the program.

Reports on the first pilot program indicate that previous concerns about reviewers resorting to personal attacks have largely not been experienced in practice, nor has the system generally been “gamed” with the submission of large numbers of prior art references. It should be pointed out, however, that only a small number of applications (189) participated in the first Peer to Patent pilot program. While some applicants may be uneasy with the peer review concept, those who desire as complete a search as possible and/or advancement out of turn without the payment of fees may find it to be an economical tool during patent prosecution. Participation in the program may provide patent applicants and owners with additional surety of validity by providing search results from sources outside of those normally available to an Examiner. In the event of a legal challenge to the validity of a patent, this additional search may also provide a patent owner with another tool to reinforce the normal presumption of validity of an issued patent.

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John J. Cunniff is an associate in the Akron office of Hahn Loeser & Parks LLP. He focuses his practice in intellectual property and technology; and patent, trademark, and copyright law. John is admitted to practice law in Ohio, before the U.S. District Court for the Northern District of Ohio and District Court of Colorado; the Sixth Circuit Court of Appeals; and the U.S. Patent and Trademark Office.