Your Ultimate Guide to Applying for a Patent

by Dawn Reiss @DawnReiss AUGUST 18, 2016, 1:30 PM EDT

The U.S. Patent and Trademark Office (USPTO) seal is displayed outside the headquarters in Alexandria, Virginia, U.S.
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Getting your invention patented is important but navigating the process can be tricky.

BC Krishna recently flew to Phoenix for a conference on payment solutions. He wasn't just attending the event — as the founder of MineralTree, an accounts payable company that processes over $1 billion annually, he was scheduled to give a talk on how his startup securely initiates electronic payments without requiring the transfer of sensitive bank account information from either party.

Before he shared this proprietary information with the crowd, however, he had to do one thing: file for a provisional patent. Thankfully, he's not new to the patent game. A serial entrepreneur, Krishna estimates he's filed for a patent six or seven times — two of those attempts resulted in actual patents, two are in the works and a third he recently abandoned after spending nearly $20,000 over a three year period. By now he's familiar with the procedure, which he characterizes as "complicated, slow and painful" to navigate. It's not just his experience, either. The process — which typically includes lawyer, application and, if the patent is approved, maintenance fees — doesn't come cheap. And results are far from guaranteed: the vast majority of patent applications are denied on their first approval.

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"It's just like talking to VCs," says Krishna. "They always tell you 'I can't promise you a quick yes, but I can promise you a quick no.' Same is true with patents."

Except, Krishna says, the patent version of "quick" may take years. Before you start the process, here are 10 questions you should ask.

1. Is it worth it? A lot of people will invent something and then immediately try and get it patented, finds Gene Quinn, a patent attorney who blogs at IPWatchdog.com. "That might be a bit early because you have no idea how [your invention] is going to be used," he says. "Most markets are far smaller than inventors think they are."

Start by narrowing your focus. Zero in on what actually differentiates your invention from pre-existing products and services, says Judith Szepesi, the founding partner of HIPLegal, an IP-focused law firm. Next, research census data, says Quinn. The potential market for your invention may not be as big as you think it is. In many cases, the cost of applying for a patent isn't worth the potential payoff.

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2. Does my invention qualify for a patent? To do so, it needs to fit the following criteria:

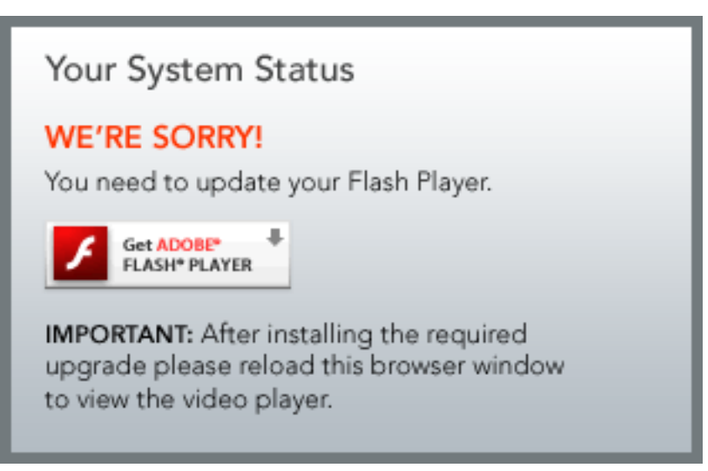
It's new. Or, in "patent speak," it's a novelty. That means the invention isn't publicly known and hasn't been previously disclosed in a public format, which includes pending patent applications, books, articles and YouTube videos, among other sources. Bottom line: if your invention already exists, you can't patent it.
It's useful. Your invention must serve a purpose or solve a problem.
It's not obvious. Your invention must be sufficiently different from what has been used or described before, says Mindy Bickel, the associate commissioner for innovation development at the United States Patent and Trademark Office (USPTO). "This is the hardest determination a patent examiner has to make," she says. For example, changing the color of a chair from brown to red isn't patentable because it's a change anyone could make based on knowledge that already exists. To qualify, an invention needs to contain knowledge not obvious to the general public.

3. Was my patent already granted to someone else? To figure this out, start by searching through existing and pending patent applications. Since keywords in patent terminology can change over time, the USPTO recommends doing an advanced search to find similar items using its Cooperative Patent Classification, which operates much like the Dewey Decimal system except it's for patents instead of books.

The USPTO maintains a database for published and pending patents in the U.S., along with a step-by-step video guide on how to conduct searches. For international patents, try the World Intellectual Property Organizations' IPC Catchword Index. If you need additional support, consider hiring a professional patent searcher (yes, that's a real profession). "One of the biggest mistakes inventors make is they don't do their due diligence before they file their application," says Andrea Hence Evans, a patent attorney.

4. What kind of patent am I filing for? Nearly 92% of patents issued by the USPTO in 2015 were utility patents, a classification that includes the functionality of how something works, how an invention improves an existing idea, or a radically new product. The category is broad, encompassing everything from houseware items, to cosmetics, to software, to biotechnology. These type of patents are good for 20 years from the first filing date of an application.

Design patents cover the actual look and feel of a product, such as the specific shape of a Coke bottle, and are good for 14 years. The "smartphone war" design patent infringement court case between Samsung and Apple highlights an example of this type of patent.



And lastly there are plant patents, which are the most unusual (they comprised less than 1% of all patents granted in 2015). These patents are valid for 20 years and are used for the discovery and invention of new plants including hybridization (the crossbreeding of roses falls under this distinction).

5. When should I file? "It used to be if you had a good inventor's notebook, you could wait until you went to market to file a patent," says Szepesi while continuing to develop your invention. "You really can't do that anymore."

That's thanks to the Patent Reform Act of 2011, which brought the U.S. in sync with the rest of the world. Instead of giving a patent to the person who is first to invent a product or service, it's now given to the person who is first to file a patent application. This explains why many entrepreneurs, like Krishna, will file a provisional patent before publicly disclosing important details.

Most patent attorneys now recommend inventors file for a patent before talking to any potential investors, even if they've signed a non-disclosure agreement.

Regardless, you've got to be prepared to file fast. "IBM has hundreds of lawyers, and if you're a startup and you're not fast enough, you're going to lose to your competition," says Bao Tran, a patent attorney.

Remember: A patent is only as good as its ability to protect against illegal copies so make sure you also have a strategy to detect and stop patent infringement, or it's not worth getting one in the first place, says Quinn.

6. How detailed should I be in the initial application? A provisional filing provides an invention with a temporary, one-year protection. This allows inventors to secure the earliest patent date possible, which is important in the first-to-file format. "The real advantage is being able to protect yourself while you explore the commercial possibility of an invention," says Tran, the founder, chairman and CEO of PowerPatent, a company that sells software to help inventors search and file patents.

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Many inventors will submit a barebones application in order to tout their invention as "patent pending." It's a strategy that often backfires, cautions Evans. After a year, the non-provisional patent application must be filed based on the information stated in the provisional application. Providing too few initial details on how to make or use an invention could cause an USPTO examiner to reject an application, meaning the inventor can't claim that early provisional filing date. Instead, describe your invention in as much detail as possible when filing for a provisional patent.

"It needs to be more than a concept," Evans says. "Explain how it works, what's novel about it and include drawings. Literally disclose as much information as you can."

Once the more permanent non-provisional patent is filed, it's important to remember no additional information can be added at a later date, even if your invention is being modified while you're going through the application process. Your pending patent—which may take three or more years to be approved—can only be clarified by removing details from the original application.

Either way it's best to seek advisement from a lawyer in your industry, who can review your technology before you officially file, Szepesi says. Inventors or small businesses with limited resources may also be eligible for USPTO's patent pro bono program.

7. How broad should my application be? A patent application should describe an invention's purpose, process, and function. Whenever possible, use drawings, flowcharts, keywords and/or technical terms to describe how it all works. This description must be able to teach someone how to make and use your invention. To avoid having another inventor or company file a similar patent, consider how someone could make a slight change to your invention and "design around you," Tran says.

Keep in mind, there is a fine line between creating a patent that is too broad and creating one that is too narrow in scope. "Getting a patent isn't that tricky, but getting a useful patent is," Quinn says. If a patent is too specific — say it only covers the invention of a robot who does backflips on a blue moon when the day ends on an odd number — it's essentially useless.If a patent is too general, it won't be approved. Experts say the key is to create something broad enough to cover a specific component that can be used in a variety of ways, but narrow enough in scope that your application won't be repeatedly rejected.

Before having an attorney file a claim, make sure you review it for accuracy. It's important to get even small details, such as the exact spelling of someone's name right the first time, Bickel says.

8. What happens if my application is rejected? When you receive your official filing information, experts say to triple check all the information again for accuracy so it doesn't become a problem later on. And then the waiting game begins. Typically within 18 months, you should receive word from the USPTO's office action explaining why it has accepted or rejected your application, Evans says. The timing can vary so check the USPTO dashboard, which currently shows a more than 16 month wait time . Depending on the volume of filings in particular area — especially in the video game, medical device and telecommunications industries — it may take longer says Elizabeth Dougherty, USPTO director of inventor education, outreach, and recognition.

“Only 12% [of patents] are allowed in on first action,” says Bickel, which means 88% of applications fail on their first attempt.

There are many reasons for rejection. The most common include citing more than one invention, trying to patent an obvious product, service or idea (meaning that anyone could have come up with something similar), trying to patent an invention that has already been patented, or not providing enough information.

Inventors typically are given a three-month period to respond to the examiner. Many inventors ignore the correspondence, Bickel says, in the misguided belief they’ll receive an extension. “You have to respond in the time frame you’re given, to each and every issue,” she says.

During the first office action (or your first application), you can talk to an examiner about it was rejected. You can also argue your case by submitting more evidence, editing your application, and amending your claims.

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“It becomes a kind of a dance,” says Cathie Kirik, inventors assistance program manager at the USPTO’s Office of Innovation Development, who retired in June.“You have to work with the examiner and the examiner has to work with you. At the end of the day all we want is to have a strong valid patent that you can ultimately defend in a court of law.”

If your application is rejected twice, the patent application will likely call final action on it, which an inventor can appeal. After receiving an initial rejection, there is an alternative route many inventors take. Rather than appealing you can file a Request for Continued Examination, which provides an inventor with another two attempts to convince the examiner that patentable claims are present in the application, Quinn says. But if you can’t get the examiner to agree that at least some of the claims are allowable, you will need to appeal.

9. What about international applications? One of the most pervasive rumors Evans hears from inventors is that if they fail to get a patent in the U.S., they can easily secure an international patent.

It’s not that easy. Instead, you have a 12-month period, starting from when you file your initial patent application in the U.S., to decide whether you want to file for a foreign patent in another country. If you miss this one-year window, your own patent can be used against you as “prior art”—legalese for evidence that your invention is already publicly known.

Because it’s cost prohibited to file everywhere — experts say an application typically costs $15,000 to $20,000 per country — many inventors chose to file for a Patent Cooperation Treaty, i.e. a PCT which covers patents for 149 countries at once.

10. Is my employer involved? If you work for a company, make sure to check its policy on intellectual or invention clauses, particularly if you’re an engineer. “The general rule is: if you invent something relevant to the job you’re doing while employed, your employer will own that,” Quinn says. Some employment contracts include a clause that essentially says, anything you invent regardless of what industry it’s in, we own.

Some companies will require you to disclose your invention, and you’ll need to get your company’s permission to pursue it on your own time, even if it’s not related to your day-to-day job.

If this sounds like a long, arduous process, that’s because it is. “Nothing that is worth something comes easily,” says Evans. “It’s an investment.”

That said, if your invention is truly original, the process can be worth it. Yes, there are many hoops, and yes, “the laws are evolving,” says Evans, “but that doesn’t mean it’s impossible.”

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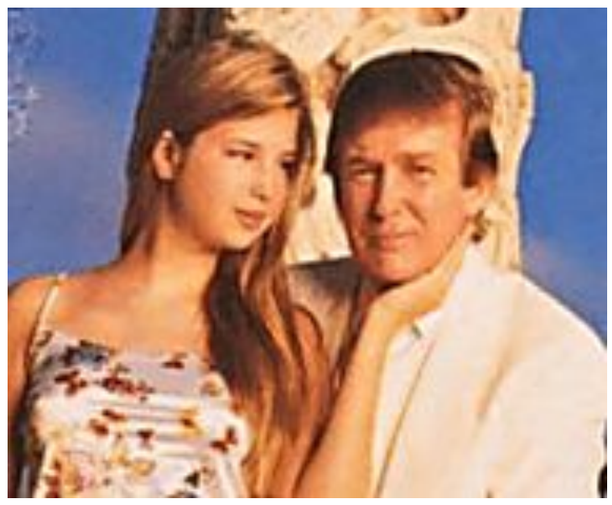

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