Insights: Alerts

5 Key Takeaways: Patent Prosecution Trends

MARCH 8, 2017 Written by Jennifer Giordano-Coltart, Ph.D. and Andrew W. Rinehart

Kilpatrick Townsend attorneys **Dr. Jennifer Giordano-Coltart** and **Andy Rinehart** recently presented their assessment of trends in patent prosecution and litigation at the firm's annual patent CLE in Research Triangle Park. Twenty firm attorneys presented on top patent law issues to over 100 guests representing legal counsel from dozens of companies.*

Top takeaways from the analysis of prosecution trends:

- Both U.S. and PCT application filings trended upwards in 2016, with projected increases of 5.2% and 7% increases over 2015, respectively. The number of issued U.S. patents increased 3.6% in 2016, bringing this level back on par with the number of patents issued in 2014.
- The two most significant factors determining the pendency of a patent application are the amount of time it takes for examination to begin and whether a request for continued examination (RCE) must be filed when agreement with the examiner is not reached. Time to first Office Action has steadily decreased over the last 5 years, from a high of 28 months on average in 2011 to 16.2 months on average in 2016. As a result, pendency of applications has dropped over this time period as well. For applications without an RCE, the average pendency was ~25 months in 2016. However, where at least one RCE is filed, pendency doubled to ~54 months in 2016.
- Two programs effective at driving applications forward more quickly to allowance are the First Action Interview Pilot (FAIP) Program and Track 1 Prioritized Examination. The FAIP Program allows applicants the opportunity to discuss the invention and art with the examiner before a formal first Office Action is issued. Applications using this program have an ~3 fold increased rate of first Office Action allowance (31.1%) compared to new, non-continuation applications (11.9%). Track 1 examination carries hefty fees but results in examination beginning on average at ~4.3 months after filing. Almost half of Track 1 cases have been allowed with an average time of examination of 5.2 months.
- Design patent filings jumped 9.5% in 2016 leading to a 50% increase in unexamined applications. Interest in design patents was likely generated by the large damages award in an ongoing high-profile case. As the amount of the award is under dispute, interest may wane if it is substantially reduced.
- The Director of the U.S. Patent & Trademark Office has significant influence in the function of the Office. It is uncertain whether the current Director, Michelle Lee, will remain under the new administration and whether priorities may shift. The prospect of a new Director raises more substantial uncertainty.

Dr. Jennifer Giordano-Coltart advises businesses on patent matters in the areas of biotechnology, life sciences, pharmaceuticals, and medical devices. She has extensive experience in portfolio management and prosecution inside and outside the United States. In addition, Dr. Jennifer Giordano-Coltart has experience providing legal opinions, handling licensing transactions, and performing due diligence for transactions including licensing, acquisitions, and investments. Her practice also includes administrative challenges and assistance on litigation

matters. **Mr. Rinehart** focuses his practice on patent litigation matters.

*Presentation sources include:
United States Patent and Trademark Office, 2016 Performance and Accountability Report
United States Patent and Trademark Office, PTO Data Visualization Center
World Intellectual Property Organization Statistics on Patents

Related People



Jennifer Giordano-Coltart, Ph.D.
t 919.420.1716
jgiordano-coltart@ktslaw.com



Andrew W. Rinehart
t 336.607.7312
arinehart@ktslaw.com