

## Surge Of Interest Expected For PTAB Fast-Track Program

By Ryan Davis

*Law360 (July 7, 2020, 6:36 PM EDT)* -- A new Patent Trial and Appeal Board pilot program to resolve some appeals of rejected patent applications within six months will likely draw fervent interest from applicants and could be a "game changer" for companies aiming to secure patents quickly, attorneys say.

The U.S. Patent and Trademark Office announced the Fast-Track Appeals Pilot Program last week, saying the PTAB will expedite decisions in 125 cases per quarter for applicants who pay a \$400 fee. Appeals of rejected patent applications currently take about 15 months on average, the office said.

The possibility of receiving a patent as many as nine months faster will be extremely attractive for companies interested in obtaining patent protection as soon as they can, and the 125 initially available slots should be snapped up in short order, attorneys say.

"My immediate reaction was thinking that I must have read it wrong, because for me personally, it's a pretty big deal," said Erik Hawes of Morgan Lewis & Bockius LLP.

Once he confirmed the details of the program, Hawes said he immediately contacted several clients who he thought would be interested in filing an expedited appeal.

He said he primarily works in the oil and gas industry, where technology moves fast and there is a premium on quickly obtaining patents. Before the new program, PTAB appeals were "really not even a viable option to discuss for years now because they take so long," he said.

"The difference between six months and 15 months to resolve an appeal is potentially a game changer, and I think it's probably something that I'll end up taking advantage of with my clients on a pretty regular basis," Hawes said.

The low \$400 fee and the chance to more quickly know the scope of claims and start asserting a patent will be appealing for many companies with valuable inventions, said Deborah Yellin of Crowell & Moring LLP.

"By increasing the speed of the appeal, the patent applicant gets greater business certainty, so I imagine that if the invention is very important, the applicant is going to want to take advantage of this," she said.

The USPTO said the new program was designed as an extension of its Track One program to expedite decisions on patent applications by examiners.

Participants in that program, which has a \$4,000 fee, get a decision in an average of eight months, as opposed to 24 months for a normal petition. It has "proven to be very popular with our nation's innovators," USPTO Director Andrei Iancu said in a statement, adding that the office wanted to provide a way to expedite appeals of those decisions when patent applications are rejected.

"For the first time in USPTO history, applicants will be able to speed up both patent examination and ex parte appeals, thus obtaining decisions on their most important inventions in about half the time of a typical application," he said.

PTAB Chief Judge Scott Boalick added that he is "thrilled that the PTAB will now be able to offer an even faster track for applicants who need it, allowing inventors and businesses to commercialize their patentable inventions sooner."

Appeals to the PTAB are often viewed by applicants as a last resort, since they can take so long and not infrequently lead to rejections being upheld, and there are other USPTO programs that offer ways to keep working with an examiner to try to get an application allowed.

The possibility of a speedy PTAB appeal may change that calculus, Hawes said. Over the last five or six years, he said he has filed one because "they've just been so slow that it just doesn't make sense from a strategic perspective." The fast-track program makes it "significantly more likely" that applicants will appeal instead of trying to keep working with the examiner, he said.

And the new program may have the potential to be even more appealing for applicants than Track One since the fee is so much lower, said Andrew Dommer of Fish & Richardson PC. However, he noted "there's only about 500 slots a year for this program, versus the 12,000 that are available for Track One, so I can see these slots getting consumed very quickly."

Since a surge of petitions will likely be filed for the new program, time is of the essence.

"I would recommend that if there's a patent applicant that wants to take advantage of this program that they get on it quickly," Yellin said.

Even if the initial 125 slots for the first quarter are filled up, additional petitions will be held in abeyance until next quarter, when they'll be at the front of the line, Dommer noted. The chance of getting a patent in nine months in those circumstances may still be worth it for some applicants.

Applicants should also be aware that the program only offers a decision within six months from when a case is transferred to the PTAB, he noted. It doesn't accelerate the back-and-forth filings by the applicant and the examiner after the applicant appeals a rejection, which can take a few months.

As a result, applicants won't know whether they can get one of the 125 available slots when they file an appeal, Dommer said. But apart from those caveats, there appears to be few downsides to the new program, he added.

"There's a lot of pent-up demand right now from appeals that are already in the pipeline that are likely to consume the first quarter or two of slots," he said.

The program may be particularly appealing for startups and smaller companies hoping to use issued patents to attract investors, Hawes said. Waiting up to two years for the PTAB to decide an appeal of a rejected application is "kind of a death sentence for a company that is really struggling to attract interest and be taken seriously," he said.

"I think that this six-month window could really come in handy for somebody where speed is important not just because the technology is changing quickly, but because you really need that credibility that comes with having issued patents to cover your technology," he said.

The pilot program is set to run for one year, and the USPTO said that it will then evaluate whether it should become permanent. It may be discontinued if it makes other appeals take longer or is not sufficiently used, the office said.

Yet some attorneys say use won't be a problem, and they can see the program becoming a fixture at the office.

"I wouldn't be surprised if the PTAB decided to extend this program past July 2021," Yellin said.

--Editing by Philip Shea and Kelly Duncan.