

Coordinating Large Patent Portfolios – Single Family (Part I)

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A lack of coordination in a patent portfolio can lead to massive cost blow-outs, inconsistency between patents, invalidity concerns and fragmented protection. The converse however not only avoids the above problems, but also can lead to a tight package that can be readily worked, licensed or sold.

As an IP owner, you need to ensure that your investment in large portfolios is focussed appropriately. It may be helpful for you to compare your IP attorney practices against these commonsense guidelines.

In the beginning...

At the start of any project requiring IP protection, your attorney should be discussing filing strategies with you and learning such information as where

- a) you intend to sell your product
- b) you are likely to manufacture, plus
- c) your competitors are based.

Final decisions do not need to be made at this stage, but this information is useful to determine whether it is likely you could be filing in a non-PCT country.

The PCT international filing process is wonderful in that it gives you around 2½ years from filing your original provisional patent application to file patent applications in a large number of “PCT” countries.

However, in most cases patent applications need to be filed in non-PCT countries within 12 months of your original filing date. Often these countries require translations and greater legalisation procedures than most. This can take time and money – both of which need to be budgeted for. Thus, the earlier the decision can be made with regard to non-PCT countries, the better.

Further, as part of the filing strategy discussion, your attorney should be asking you the reasons why you want IP protection.

For example, you may merely want a patent as a pure deterrent while you establish yourself on the market.

Conversely, you may be concerned that your competitors are aggressive and will wish to challenge your rights. In this case you may like a more tightly (but narrowly) drafted patent specification.

These considerations can not only affect the investment in drafting a patent specification, but also how tightly you align your subsequent portfolio.

PCT/ NZ Application Stage

The prosecution of your New Zealand and PCT applications should ideally be run in parallel and letters from your attorney should be referring to tactics that cover both.

For example, quite often the prior art cited by the PCT examiner and a New Zealand examiner is different to each other. Generally any response should take care to distinguish your invention over all prior art cited.

In addition, the New Zealand patent examiner at this stage is only concerned with novelty of the invention. Therefore taking on board the PCT examiner comments on inventiveness can be useful in deciding whether to also amend the New Zealand patent claims to be equally robust. The standard practice within our organisation to align our diary bring up's on both the PCT and New Zealand files to coordinate the portfolios .

Conversely if your aim is merely to obtain a patent for deterrent purposes then you may decide not to narrow your broad New Zealand claims to take into account the PCT examiners comments. As with all strategies, this has risks, the main one being that you may not be able to amend your patent later on to ensure its validity.

National Phase Applications - Prosecution

The issues identified with co-ordinating PCT and New Zealand applications are magnified when multiple applications are filed across many countries. However, if a favourable PCT examiner's report has issued, then the issues are lessened (see my article on "Getting Value through the PCT process").

It should be appreciated that the examiners in each country can raise different objections, conduct further searching, and operate unrelated timelines.

Therefore, it is important to have a single attorney managing a whole patent family portfolio. That way, the attorney is familiar across the portfolio with issues that have been raised by one patent office and whether it could be relevant in the prosecution of patent applications in other patent offices.

Coordinating prosecution of these multiple applications can include something as simple as reviewing an entire portfolio to provide prior art for a US information disclosure statement (IDS), to juggling the timing of critical actions depending on feedback from certain jurisdictions.

For example, when an Examination Request is due to be paid by a particular date, a decision to proceed with this can depend upon whether a favourable report is received from another jurisdiction. Various techniques can be used in this instance including requesting expedited examination in some jurisdictions, and extension of times in others.

One simple technique is to submit claims with an Examination Request that have already been approved in other jurisdictions thereby saving adverse Examination Reports coming back in the first instance. The "Modified Examination" process in Australia takes this concept further.

Communication

Receiving letters in a piecemeal fashion from your attorney in relation to a portfolio can be confusing.

A tool to assist the process can include provision of tables which include actions, costs and dates for each country. Regular meetings to discuss coordination of the portfolio also work well and are important as the business strategy in a particular market may have changed.

Validity, Scope and Litigation

When we are investigating the strength of a patent in a particular jurisdiction, we often look at the scope of the claims granted in other countries to give us a guideline as to validity.

For example, a New Zealand patent claim may be broader than that granted in countries where examiners have inventiveness as a consideration. This can be a clue as to validity of the New Zealand patent (or an indicator that amendment is required). However, if the patentee was aware that claims elsewhere had to be narrowed as a consequence of relevant prior art, then the option to amend a New Zealand Patent may not be available to them and a patent could be invalidated.

Conversely, you may wish to litigate in a number of countries. If your patent portfolio has claims covering different subject matter in each country, then the coordination of a litigation process can be difficult. For example, the competitor may infringe in some countries but not others, although performing the same "infringing acts".

These are good reasons for having a coordinated patent portfolio.

Assignments.

Ideally all assignments for a particular portfolio should be finalised at or before the PCT stage. This way, individual assignments do not have to be recorded in each country thereby multiplying costs unnecessarily.

If the need for an assignment occurs after National Phase filings, then work with your attorney to address the most cost effective time for recording that assignment. For example, it may be worthwhile to record an assignment once you know that an application is about to proceed to grant.

Annuities/Renewals.

One of the scary things about a large patent portfolio is that annuities and renewals for a number of countries often have to be paid on the same day.

Again, these need to be budgeted for, plus you need to determine whether it is worthwhile continuing with patent protection in each particular country.

Your attorney should have knowledge of what extensions of time are available for paying renewals, likely costs for doing so and any implications of late payment. Further, for European applications you can decide in which countries to pay renewals -

or not. Therefore you should never choose to blanket renew a European patent or application, but to review it on a country by country basis.

Conclusion

These are just a handful of techniques to be used in coordinating a large patent portfolio. Hopefully these are evident in your interactions with your IP attorney as a way to ensure that your investment is cost effective.

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