

The USPTO's Transition to Electronic Patent Grants

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In its ongoing efforts to modernize patent examination practices, the United States Patent and Trademark Office (USPTO) has announced it will transition to electronic patent grants (eGrants) and discontinue mailing traditional paper copies of a letters patent.

The transition is estimated to save nearly \$2 million in annual printing and mailing costs for the agency. For customers, the transition is expected to reduce patent pendency and provide recipients with the official patent on the day of issuance.

While a reduction in patent pendency is welcome, there are notable impacts of the transition that need to be appreciated by practitioners and the patentees they represent to avoid jeopardizing patent rights.

The eGrants Transition

The USPTO will begin issuing eGrants effective April 18, 2023. All patent types (utility, design, plant and reissue) will be subject to eGrants. An eGrant will serve as the official statutory patent under 35 USC §153, bearing the USPTO seal and the Director's signature in digital form.

The eGrants will be accessible for download on the day of issuance via the USPTO's Patent Center. During the transition period, the USPTO will also provide a bound ceremonial paper copy of the electronically issued patents at no charge. Thereafter, ceremonial paper copies will be available for a nominal fee.

Changes to the Post-Allowance Practice

Under standard practice, the USPTO mails a notice of allowance when a patent application is deemed in a condition for grant. The notice of allowance sets a statutory deadline for attending to an issue fee, along with any other outstanding formalities, to allow the application to proceed to grant. Shortly after the issue fee is paid, the USPTO mails an issue notification projecting the issue date of the patent to be granted.

The preceding practice often dictates the timing of filing post-allowance continuing applications (continuation, divisional and continuation-in-part) that benefit from a claim of priority to the application deemed in condition for grant. More specifically, while it is not considered a best practice by practitioners, patentees will often delay pursuing a continuing application until after payment of the issue fee or after receipt of the issue notification. This will no longer be a viable approach. After the USPTO transitions to eGrants, the timing of filing post-allowance continuing applications will need to change to avoid jeopardizing the co-pendency requirement for continuing applications.

With the transition to eGrants, the USPTO has advised that the period between the mailing date of an issue notification and the actual date of issuance will be shortened from a few weeks to a few business days. Additionally, there is an expectation that the period between payment of the issue fee and mailing of an issue notification will also be shortened. Therefore, patentees need to be aware that there will be little time after payment of the issue fee to file a continuing application.

Accordingly, practitioners will need to ensure patentees are advised of continuation recommendations shortly after receiving a notice of allowance from the USPTO. Similarly, clients will need to consider continuation recommendations and provide instructions in connection with the same well before the issue fee deadline.

Lowenstein Sandler is committed to assisting clients in navigating changes implemented at the USPTO. Clients with questions regarding these changes or related issues should contact the authors of this alert or their Lowenstein contact.

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