

March 8, 2011

## USPTO Announces "Track One" Prioritized Examination

On February 4, 2011, the United States Patent and Trademark Office ("USPTO") published in the Federal Register a notice of proposed rules for implementing the prioritized examination track (Track 1) of the Office's new examination timing control procedures. Under Track 1, Applicants will have the opportunity to pursue accelerated examination (Track 1) of a patent application within 12 months of its filing date for an additional fee of \$4,000 (i.e., on top of the normal \$1,090 fee for filing, search and examination). The multi-year backlog of applications yet to be examined is the driving force for the program. The USPTO is planning to cap the number of prioritized examinations at 10,000 applications for the first year in order to ensure that a final disposition will be provided within 12 months. Furthermore, the Office has indicated that applications currently pending will not be delayed by this initiative.

### What are "Tracks"?

Applicants have three examination timing options, or tracks:

- **Track 1 (*accelerated examination*)** Applicants who submit a request and pay an additional fee can enter Track 1 for accelerated examination of a patent.
- **Track 2 (*standard or traditional timing for examination*)** Applicants can follow the standard course involving standard fees. This option will proceed under current examination procedures.
- **Track 3 (*applicant controlled up to 30 months queue prior to docketing for examination*)** Applicants may be able to delay paying certain fees by deferring examination in this track. Non-continuing applications that originate in the United States may have examination delayed for up to 30 months.

### Who qualifies for Track 1?

The USPTO announced that applicants would be qualified to enter the accelerated examination track upon payment of the applicable fee (\$4,000) if their patent application:

- is an original utility or plant patent application;
- is filed electronically; and
- has no more than 4 independent claims and 30 total claims.

Applicants need to make the request for Track 1 prioritization and pay the required fees at the time of filing of the application. Accordingly, applicants having pending applications at the time Track 1 option is officially enacted will not be able to submit a request for those pending applications.

However, the Track 1 option is available for continuation applications as long as the application is filed on or after the implementation date of the program. Therefore, presently, applicants may proceed with filing applications prior to the implementation of the Track 1 program and then file a new continuation application claiming the benefit of their original filing once the program is implemented. Similarly, if an application is currently pending and the applicant decides to expedite the examination for that

application, after the Track 1 program is implemented, the applicant can file a continuation application and request expedited treatment.

Under Track 1, Applicants cannot request an extension of time to respond to an office action. If they do, the prioritization will be terminated without refund. Unlike the USPTO's preexisting accelerated program that can be requested via filing a petition to make special under 37 C.F.R. §1.107 (entitled "Advancement of examination"), neither is a pre-filing search or analysis required nor the submission of an examination support document along with the application.

Moreover, different from the original Track 1 proposal announced in June 2010, a copy of a search report, first office action from a foreign patent office, and a supplemental search from a participating intellectual property granting office where applicable are not required.

Finally, the rules propose to provide a discount to small businesses.

### **What are the benefits of Track 1?**

Applicants who submit a request and pay an additional fee can enter Track 1 for an accelerated examination of a patent. Under Track 1, the prioritized examination would provide a final disposition within 12 months of prioritized status being granted. The final disposition may include: mailing of a notice of allowance, mailing of a final Office action, filing of a notice of appeal, declaration of an interference by the Board of Patent Appeals and Interferences, filing of a request for continued examination, or abandonment of the application, within 12 months from the date prioritized status has been granted.

The new Track 1 procedure is worthwhile considering for many applicants as it has certain advantages over the preexisting accelerated examination process. The Track 1 procedure guarantees a final disposition within 12 months from the date prioritized status has been granted. Moreover, as long as all other requirements are fulfilled, it will allow any application to receive expedited examination regardless of the application's subject matter. Unlike the USPTO's preexisting accelerated program, Track 1 does not require that the applicant file an examination support document to qualify for the program. Elimination of the requirement for examination support documents helps the applicants save time and money as it is expensive and time consuming to conduct special searches and characterize references. The required characterization of references in examination support documents under the preexisting process also introduces added estoppel and other file history-related risks for applicants, which they can avoid under Track 1.

Also, unlike the preexisting accelerated treatment, which limits the application to 3 independent and 20 total claims, the new Track 1 procedure allows 4 independent and 30 total claims. Moreover, different from the preexisting accelerated program, which requires that the petition includes a statement agreeing to have an Examiner's interview, the new Track 1 program does not have such a requirement.

However, it should be noted that given the cost and the added pressure that the Track 1 process places on applications, it is certainly only suitable for certain priority cases. It is likely best used if the invention is directed to key product or feature, and time to market with both covered technology and issued patents is strategically critical for the applicant. Furthermore, since the applicant waives the prioritized examination of the application if a petition for an extension of time to extend the time period for filing a reply is filed, the Track 1 option should not be used for applications where the applicant can anticipate the possibilities of delays in competently responding to office actions.

Before officially implementing Track 1, the USPTO will accept written comments from the public until March 7, 2011.

\* \* \*

**Our client alerts are for general informational purposes and should not be regarded as legal advice. If you would like additional information or have any questions covering this client alert, please contact:**

[Duane Valz](#)

+1 (213) 892-2059

[dvalz@chadbourne.com](mailto:dvalz@chadbourne.com)

[Stephen J. Manetta](#)

+1 (212) 408-5461

[smanetta@chadbourne.com](mailto:smanetta@chadbourne.com)

[John Kheit](#)

+1 (212) 408-5596

[jkheit@chadbourne.com](mailto:jkheit@chadbourne.com)

#### **About Chadbourne & Parke LLP**

Chadbourne & Parke LLP, an international law firm headquartered in New York City, provides a full range of legal services, including mergers and acquisitions, securities, project finance, private funds, corporate finance, venture capital and emerging companies, energy/renewable energy, communications and technology, commercial and products liability litigation, arbitration/IDR, securities litigation and regulatory enforcement, special investigations and litigation, intellectual property, antitrust, domestic and international tax, insurance and reinsurance, environmental, real estate, bankruptcy and financial restructuring, employment law and ERISA, trusts and estates and government contract matters. Major geographical areas of concentration include Russia, Central and Eastern Europe, the Middle East and Latin America. The Firm has offices in New York, Washington, DC, Los Angeles, Mexico City, São Paulo, London, Moscow, Warsaw, Kyiv, Almaty, Dubai and Beijing. For additional information, visit: <http://www.chadbourne.com/>

[www.chadbourne.com](http://www.chadbourne.com)

New York Washington Los Angeles

Mexico City São Paulo London Moscow

Warsaw Kyiv Almaty Dubai Beijing

CHADBOURNE  
& PARKE LLP