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Fee Increase at U.S. Patent and Trademark Office

Patent portfolio managers will see immediate financial effects from the newly passed America Invents Act, and face short-term difficulties managing their portfolios due to increased uncertainty over the next several months. Filing, prosecuting and maintaining patents will become more expensive as the U.S. Patent and Trademark Office (USPTO) levies a 15% surcharge on most fees. As the USPTO evaluates its financial needs over the next several months, cost fluctuations are likely. There is some good news for some small inventors, however, as overall costs may decrease.

One of the first effects of the recently passed America Invents Act will hit Inventors squarely in the pocketbook. On September 26, 2011, ten days after the President's signature, a 15% surcharge will apply to nearly all fees charged by the USPTO. The 15% surcharge remains in effect until the USPTO exercises its newly created fee-setting authority to set or adjust that particular fee.

Almost all USPTO fees will increase 15%

All new and existing patent Applicants, Inventors and Patentees will pay more. New patent Applicants and Inventors will see increased filing, searching and examination fees (including excess claims fees). Existing Applicants will pay more for Extensions of Time, Requests for Examination and Appeals. Patent Holders will pay higher maintenance fees. Fees not subject to the new 15% surcharge include fees for recording assignment documents, photocopies, and copies of patents.

Fee uncertainty for the next several months

Patent Applicants, Inventors, and Patentees can expect uncertainty over the next several months. In addition to adding a 15% surcharge to almost all existing USPTO fees, the America Invents Act granted the USPTO authority to set its own fees. The 15% surcharge will thus remain in effect on a fee-by-fee basis until the USPTO acts to set or adjust individual fees. As the USPTO exercises its new authority, some fees may be set by the USPTO, while other fees are still subject to a 15% surcharge. Unless the USPTO sets all its fees at once, Applicants can expect periodic changes in USPTO fees.

Good news for U.S. Universities and Extra-Small Inventors

The America Invents Act creates a new class of patent Applicant – a micro entity – entitled to a 75% reduction in certain fees. The micro-entity provision technically takes effect immediately after the President's signature, but will depend on action by the USPTO. Only existing small entities may qualify as micro entities. Qualifying Applicants and Institutions of Higher Education receive a 75% reduction in fees, rather than the existing 50% reduction for small entities.

Institutions of higher education and employees of institutions of higher education qualify as micro entities if:

1. the Applicant's employer is an institution of higher education as defined by the Higher Education Act of 1965 (excludes non-U.S. institutions, which still qualify for small-entity status); or
2. the Applicant has assigned, or is obligated to assign, ownership to such an institution of higher education.

Otherwise, a micro entity is an applicant who certifies that he/she:

1. qualifies as a small entity;
2. has not been named on more than four previously filed patent applications, other than foreign patent applications, provisional patent applications, or PCT applications that have not entered U.S. National Stage;
3. did not have gross income exceeding three times the median household income for the preceding calendar year; and
4. has not assigned or licensed the application to an entity that had a gross income exceeding three times the median household income.

Going forward

Venable will monitor changes to USPTO fees and practices, and provide up-to-date information on all aspects of the patenting process. Please contact a member of [Venable's Intellectual Property Group](#) with any questions.

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