



**COVID-19 CRISIS STRATEGY TIPS FOR INTELLECTUAL PROPERTY:
TRIAGING CASH FLOW**

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The strategy tips provided in this white paper are an outgrowth of two webinars presented by Fishman Stewart subject matter experts on Tuesday, 07 April and Thursday, 09 April.^{1 2} If you have any questions or we can provide assistance, we can be reached care of ipinsights@fishstwp.com or at +1-248-594-0600.

1. How can I immediately defer my patent costs?
 - a. US patent applications that have become abandoned, cancelled, or expired due to COVID-19 may be revived for no fee.³ Under some circumstances a filing may be required within two (2) months of notice.
 - b. If your business operations have been impacted due to COVID-19, then if a due date falls between 27 March 2020, and 30 April 2020, a no fee 30-day extension of time is available for many responsive patent based filings before the United States patent and Trademark Office (USPTO).⁴ The no fee relief includes the following:
 - i. Reply to an Office notice or action issued during examination or patent prosecution processing
 - ii. Issue fee
 - iii. Various appeal related filings such as notice of appeals, appeal brief, reply brief, appeal forwarding fee, request for oral hearing, response to a substitute answer's answer, and amendment when reopening prosecution in response to a Patent Trial Appeal Board ("PTAB") decision
 - iv. Additional relief to small entities and micro entities include replying to an Office notice issued during pre-examination processing and making a maintenance fee payment
 - c. A six month grace period is already available to all applicants to pay a maintenance fee with an additional surcharge.

¹ The webinars and accompanying strategy tips provide information of a general interest. Each fact situation is unique. Consult with a qualified expert to determine how to best to proceed in accordance with your situation. The information provided does not create an attorney/client relationship. Nor does Fishman Stewart guarantee the accuracy of the tips provided. Instead, they are guideposts for your more detailed consideration.

² Links to recordings of these webinars may be found at <https://fishstewip.com/fishman-stewart-offers-live-webinar-on-crisis-strategy-tips-for-intellectual-property/>.

³ https://www.uspto.gov/sites/default/files/documents/coronavirus_relief_ognotice_03162020.pdf

⁴ (1) <https://www.uspto.gov/about-us/news-updates/uspto-announces-extension-certain-patent-and-trademark-related-timing>

(2) <https://www.uspto.gov/sites/default/files/documents/Patents%20CARES%20Act.pdf>

(3) <https://www.uspto.gov/patent/laws-and-regulations/cares-act-faqs>



- d. Application filing dates are not covered by the USPTO relief, but utility non-provisional applications filed with the USPTO on or after December 18, 2013, already have the benefit of a two (2) month grace period beyond the twelve (12) month statutory deadline for claiming priority to a foreign application or provisional application if the delay was unintentional. Similar relief is available to late filed design applications claiming a foreign priority date.
 - e. If a new provisional or non-provisional application is filed that is not a national stage application, then no USPTO fees are required at the time of initial filing. The applicant will receive a Notice to File Missing Parts, which will provide a deadline for paying the required fees plus any surcharges. Thus, payment may be deferred for up to several months.
 - f. A provisional application, having a lower USPTO filing fee than a utility application and often requiring less attorney time to prepare, may make sense if you have a potential statutory bar (such as a public disclosure). A one (1) year grace period is given between the provisional application filing date and a corresponding utility application filing date (which is the application examined by the USPTO) while maintaining the priority date of the provisional application. It is critical, however, that the key inventive concepts of importance are still covered in the provisional application. Provisional applications are never published or examined, which are other possible advantages.
 - g. While the United States is now a first-to-file patent system like most of the rest of the world, there is still a personal grace period available in the USA that is not available in most other jurisdictions. This personal grace-period says that the inventor's own disclosures, or the disclosures of others who have derived from the inventor, may not be used as prior art so long as they occurred within twelve (12) months of the filing date of a patent application relating to the invention. This grace period, however, may preclude filing for foreign patent protection. It also does not toll the inventive efforts of third parties. Nevertheless, this grace period may be worth considering under appropriate circumstances.
 - h. If you are a small-entity or a micro-entity, many lower fees are available from the USPTO, but one must make the appropriate submission to obtain this benefit.
 - i. Many foreign patent offices are also offering cost relief and may in general have options for no-fee extensions. You will want to check with counsel or the patent office in the jurisdiction of interest.
2. How can I immediately defer my trademark costs?
- a. U.S. Trademark applications that have become abandoned or registrations that have become and registrations that have become abandoned, cancelled, or expired due to COVID-19 may be revived or reinstated for no fee.⁵ An appropriate filing must generally be made within two (2) months of notice.

⁵ https://www.uspto.gov/sites/default/files/documents/coronavirus_relief_ognotice_03162020.pdf



- b. If an eligible document or fee was or is due between 27 March 2020, and 30 April 2020, then the filing will be considered timely if made within thirty (30) days of the original due date, provided that the filing is accompanied by a statement that the delay in filing or payment was due to the COVID-19 outbreak.⁶ The no fee relief includes the following:
 - i. Responses to office actions, statements of use or requests for extension of time, priority filing bases under various statutory provisions, affidavits of use or excusable nonuse under various statutory provisions, and renewal applications.
 - ii. Trademark Trial and Appeal (“TTAB”) extensions cover a notice of appeal from a final refusal and a notice of opposition or a request for extension of time to file a notice of opposition. The TTAB has expressed willingness to consider select other requests or motions as appropriate.
- c. Grace periods to maintain, e.g., renew, a registration of six months with a surcharge are already available. The post registration grace periods may be in addition to a no-fee one (1) year window to make the necessary maintenance filing.
- d. Extensions of time are already available to challenge an application that has been published for opposition. If someone is attempting to register a brand that is similar to yours, file an extension of time to file a Notice of Opposition with the USPTO instead of immediately challenging the application via a formal proceeding. This will delay the expense of drafting pleadings (by up to 180 days in some circumstances) and gives the parties an opportunity to resolve the dispute amicably.
- e. If you wish to maintain a federal trademark registration, government fees must be paid for each class of goods/services recited in the registration. To reduce fees, you may wish to only maintain the registration for those classes reciting core goods and services (and deleting tangential classes).
- f. Submitting take down notices against a web site hosting infringing material rather than filing a proceeding before the USPTO or a lawsuit may be more cost effective as an initial step.
- g. If you are planning to launch a new brand, protecting your brand globally is ordinarily very expensive. The good news is you can protect your brand, potentially on a global scale, without a significant immediate spend. You can do this via an international treaty that allows you to delay filing trademark applications in certain foreign jurisdictions by six (6) months, once an initial application is filed in your home country.
- h. Many foreign trademark offices are also offering cost relief. You will want to check with counsel or the trademark office in the jurisdiction of interest.

⁶ <https://www.uspto.gov/trademark/laws-regulations/cares-act-faqs>



3. Smart Business Practices and Workforce Adjustments

- a. What are cost-effective intellectual property (“IP”) practices for addressing employment, non-compete and ownership issues arising from workforce adjustments?
 - i. Confirm and if necessary, establish policies for properly handling sensitive information using signed employment agreements, employee policy documents such as handbooks, and compliance checklists.
 - ii. Make sure all organization specific IP has been assigned to the organization. An obligation to assign creativity developed by employees in the course of their work is typically defined in employment agreements. As work product is created using organization resources, the associated IP rights are formed. These IP rights may then be transferred to the organization by way of a written IP assignment. Further, severance agreements can assign existing IP rights and create obligations to assign related IP. Establishing practices that proactively assign IP to the organization will minimize risks due to IP ownership disputes during and after employment.
 - iii. When appropriate, institute reasonable and enforceable non-compete protocols. Permissible non-compete provisions balance the employer’s responsible competitive business interests while being reasonable in duration, geographical area and the type of employment or line of business. These can be defined in employment and severance agreements and emphasized during workforce adjustments.
 - iv. Confirm procedures and protocols during onboarding, periodic employee reviews, furloughing and offboarding.
- b. How can an internal trade secret policy increase business value and reduce risk?
 - i. To qualify as a trade secret, the information must be secret, subject to reasonable measures to maintain the secrecy, and have independent economic value in its secrecy. These measures may control the chain of custody, storage, transmission, and access to trade secret information.
 - ii. A trade secret policy provides a framework for identifying key information that drives business value and reduces risks of misappropriation by employees and third parties. The policy may define more general practices for handling confidential information along with heightened standards for a short list of business-critical, trade secret information. Confidentiality and trade secret protection can be defined in agreements with employees and third parties, but trade secret misappropriation is additionally protected by state and federal laws.
 - iii. While “confidential information” can be more broadly marked on a wide range of commercially sensitive information, a separate “trade secret” marking has additional value and should be reserved for the short-list of information for which its business-critical value justifies heightened secrecy measures.



- c. How can low-cost invention disclosure and copyright policies help secure innovation and other work product?
 - i. Invention disclosure and copyright policies provide low-cost mechanisms for securing organization based creativity.
 - ii. For inventions, companies may wish to establish an invention disclosure policy for documenting, inventorying and maintain invention disclosures, which can be maintained as a trade secret, serve as proof of creation, or preserved until its appropriate to prepare a substantive patent application.
 - iii. Registering copyrights is low cost and subject to examination by the Copyright Office only under very rare situations. They may be desirable for securing creativity that is authored or intended to be publicly distributed such as webpages, written materials, images, videos, and certain non-functional items.