

The Limited Monopoly

PATENT PENDING: A Warning to Would-Be Competitors

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The meaning of two little words

Take a walk through any hardware store and look for the words “Patent Pending” on the various items being sold. Or, on a more high tech note, look for the words “Patent Pending” on web sites that describe a company’s products and services. Chances are you will find these words marked on many products. You will also find patent numbers marked on many products. What’s the difference between the two, and why are these words important?

The words patent pending mean just that: a patent application has been filed, but a patent has not yet been issued. Unless the application has been published, that’s about all you can accurately determine from the markings. You don’t know for certain if the patent application that is “pending” is a utility patent application, a provisional patent application, or a design patent application. And to the applicant, there is a certain beauty and mystery to these two little words that is beyond description. After all, the applicant does not yet have any enforceable patent rights, but is telling the world “watch out, beware, stay away, I have something on file with the Patent Office, I’m not telling you what it is, but if it ever grows up to be a patent, watch out, I’m gonna be looking for you if you copy my product.”

Who could ask for more – a big “No Trespassing” sign without an explanation of where the property lines are. You’ve set your fence posts, but until the application is published, they can’t be seen. These two little words command power and fear in the marketplace. It is therefore important to mark your product as Patent Pending if you have applied for a patent on the product. And of course if you indicate something is patent pending or patented, and it’s not, there are repercussions as well.

Use the Mark, but not the Number

Most inventors anxiously await the day that their patent application is filed because it is only after the filing in the United States Patent and Trademark Office that the words “Patent Pending” can be used. If you have filed a patent application, you may use the words “Patent Pending” until such time as a patent issues or the application is rejected and later abandoned. Marking your products and other references to your product with the words “Patent Pending” helps to warn or advise others that you may have enforceable patent rights at some point in the future.

An important point that cannot be overemphasized: DO NOT print or in any

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way disclose your application serial number or in any way use it like it is a patent number. Your application serial number should be treated as highly confidential information, especially if your patent application has not yet been published. Knowledge of your serial number by others can create unintended and unexpected problems for you. For example, a Protest may be filed by a third party with the United States Patent and Trademark Office only if the patent application can be referenced by its serial number and the patent application has not yet published. If you are



in a highly competitive market, a Protest is a way for a third party to present prior art patents, publications or other information to the examiner of your patent application – an act that could delay or compromise the prosecution of your patent application. Even if the examiner later considers the information in the Protest without merit, the examiner still must consider the Protest submission, which adds a time delay to your application.

“False Marking”

Given the perceived power of these two little words, it may be tempting to use them on products that are not in fact the subject of a pending patent application. Don’t do it. The law, 35 U.S.C. 292, “False Marking,” imposes a fine on those who use the term falsely to deceive the public. The fine itself is not more than \$500 for each offense, but the law further states that, “Any person may sue for the penalty, in which event one-half shall go to the person suing and the other to the use of the United States.” So if your competitor finds improper markings on your products, this could spell trouble. Of course one should also be careful that when the

status of a pending application changes from pending to issued, or pending to abandoned, the “Patent Pending” markings on tooling, web sites, literature and packaging are also updated appropriately.

What are two little words worth?

If used properly, the words “Patent Pending” on products, packaging, literature, web sites, business plans, and other forms of communication can be powerful. They serve as a warning to your competitors, without conveying what you may have on file with the Patent Office. A provisional patent application on file is entitled to use the words patent pending in the same way as a pending utility patent application or a pending design patent application. If these two little words deter others from entering your market space or outright copying of your product, by all means they have value. They can also demonstrate to potential investors that you are serious about protecting intellectual property and building your company’s assets.

When your competitors see the words “Patent Pending” at a trade show, on your new product, on your web site, or in your sales literature, they will naturally wonder about the scope of your patent application. But if that application has not been published¹, its contents are confidential, as long as you maintain them so. Your patent application will not be discoverable for at least eighteen months or more, and even then, prosecution could impact what ultimately may issue. So your competitor’s fear of the unknown may provide you a temporary but substantial advantage in the marketplace. Use it well.

1. Provisional and design patent applications are not published. A utility patent application is published eighteen months after its effective filing date unless the applicant requests non-publication. 37 C.F.R. §1.211. □

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