The Limited Monopoly™

Secrecy Orders - Protecting National Security

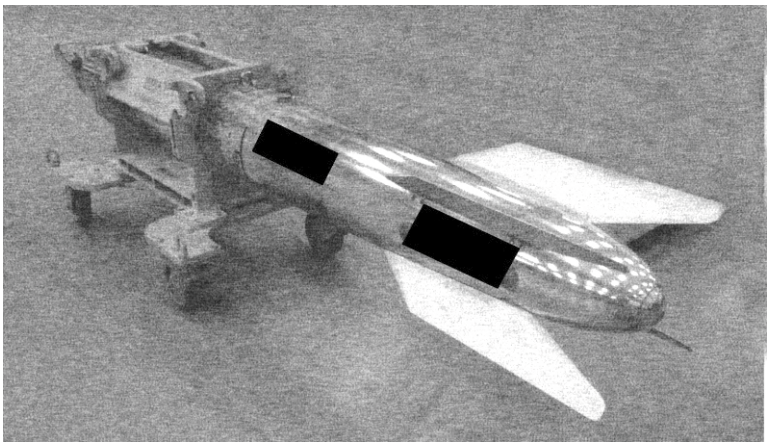
by Robert Gunderman, PE and John Hammond, PE

Patent Publication: Usually in the Public Interest…

In the United States, issued patents and pending patent applications are published[1] so that all may understand the inventions that they teach. This provision of the patent statutes is clearly in the public interest.[2] It is part of the "deal" in receiving a patent: in exchange for a limited monopoly granted by the patent, the inventor must provide a written description of the invention sufficient to enable any person skilled in the art to make and use the invention. After the patent expires, anyone may then practice the invention without compensating the inventor, with the written description providing the "recipe."

…Except When It's Not.

Normally, a patent application is published in the United States eighteen months from the earliest effective filing date unless the Applicant requests non-publication. U.S. law[3], however, prohibits the publication of a patent application if the publication or disclosure of the invention would be detrimental to national security. Determining if your patent application could be detrimental to national security starts with procedures established by the Director of the United States Patent and Trademark Office. In this age of heightened awareness of matters related to national security, you can bet that these procedures are thorough and comprehensive. All provisional and non-provisional applications, and international applications filed under the PCT in the U.S. Patent and Trademark Office are reviewed for the purposes of issuance of a foreign filing license[4], and are screened upon receipt in the USPTO for subject matter that might impact national security. Examples of technologies that may be subject to inspection are those pertaining to weaponry, air and sea stealth travel, surveillance, encrypted communications, and aircraft, watercraft, and missile detection.



How Secrecy Orders Are Issued

Authority for screening patent applications for possible secrecy orders is found in 35 U.S.C. 181. Basically, if the United States Patent and Trademark Office determines that publication of a patent application or granting of a patent might be detrimental to national security, the Director of the U.S. Patent and Trademark Office will make the subject patent application available for inspection by the successor[5] to Atomic Energy Commission, the Secretary of Defense, and the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States. If an agency then concludes that disclosure of the invention would be detrimental to national security, a secrecy order is recommended to the Commissioner for Patents. The Commissioner then issues a Secrecy Order and withholds publication of the application and grant of any patent for a period that satisfies national interests. While the initial screening is performed only by designated personnel in the U.S. Patent and Trademark Office, all Patent Office Examiners have a responsibility to be alert for sensitive subject matter either in the original patent application or in material subsequently introduced, for example by amendment.

"The Secrecy Order provisions in our patent statutes prevent the teaching of certain inventions and technologies to those who represent a threat to the United States."

Handling of an Application Under Secrecy Order

A patent application under secrecy order is not made public. In addition, electronic filing systems cannot be used, and only paper copies are maintained. Any filings made by the Applicant or a practitioner that are related to a patent application under secrecy order must be done in paper (non-electronically). A patent application under secrecy order will proceed through prosecution, but will not publish or issue. All applications under a secrecy order are examined in Technology Center (TC) working groups 3640 and 3660. Information related to or contained in a patent application under Secrecy Order must be kept in confidence and safeguarded. If an Applicant wishes to change the Power of Attorney in an application under Secrecy Order, the Applicant must also provide a written statement that the new practitioner

(agent or attorney licensed in the USPTO) has been apprised of the Secrecy Order.

Prosecution of an Application Under Secrecy Order

Action on a patent application under a Secrecy Order will proceed up to a certain point. The application will be examined for patentability but will not pass to issue nor will an interference be declared where one or more of the conflicting cases is classified under a Secrecy Order. An application may receive a non-final rejection to which the Applicant is free to respond. Should an application receive a final rejection, the final rejection must also be responded to in order to avoid abandonment. Should an Appeal be filed in response to a final rejection, the Appeal will ordinarily not be set for hearing by the Board of Patent Appeals and Interferences until the Secrecy Order is removed.

If the patent application under Secrecy Order is placed in condition for allowance, a notice of allowability will be sent to both the Applicant and the agency which caused the Secrecy Order to be issued, and prosecution will be closed. Any further amendments will not be entered or responded to until the Secrecy Order is lifted. The application will now be in a condition of suspension until the Secrecy Order is removed. When the Secrecy Order is removed, the U.S. Patent and Trademark Office will only then issue a Notice of Allowance and take other actions that may be warranted.

Treatment of a PCT Application Under Secrecy Order

International applications under a Secrecy Order will not be mailed, delivered, or otherwise transmitted to international authorities or the Applicant. International applications under a Secrecy Order will be processed up to the point where record and search copies would ordinarily be transmitted to the international authorities or the Applicant. For a PCT application, this means that the application will not be forwarded to the International Bureau as long as the Secrecy Order remains in effect. If the Secrecy Order is still in effect at the end of the time limit to which the Record Copy of the international application must be received by the International Bureau, the international application will be considered withdrawn (abandoned). If the United States has been designated, however, it is possible to at least save the U.S. filing date by filing a national stage application under 35 U.S.C. 371(c) prior to withdrawal.

What a Secrecy Order means to an Applicant

Delaying issue of a patent is normally not a good thing. If the invention was made with government funding, the delay may be more tolerable. After all, the government has certain rights in the invention anyway. If the invention was made privately and without government funding, a Secrecy Order delay may not be as agreeable. The Manual of Patent Examining Procedure[6] makes clear that "A Secrecy Order should not be construed in any way to mean that the Government has adopted or contemplates adoption of the alleged invention disclosed in an application; nor is it any indication of the value of such invention." Notwithstanding, the Patent Rules[7] go on to state that "any request for compensation as provided in 35 U.S.C. 183 must not be made to the Patent and Trademark Office, but directly to the department or agency which caused the secrecy order to be issued." The real value of a Secrecy Order is in the interest of national security, and may transcend any value received by the Applicant.

Changes and Expiration of Secrecy Orders

At some point, lifting of the Secrecy Order may be desired by the Applicant. The Applicant may formally petition the Commissioner for Patents for rescission or modification of the Secrecy Order. Rescission of the Secrecy Order may also be affected in some situations by expunging the sensitive subject matter from the disclosure, provided that the sensitive subject matter is not necessary to provide an enabling disclosure[8]. The defense agency identified as sponsoring the Secrecy Order must be contacted to help identify the sensitive information, and whether it would agree to rescind the Secrecy Order upon expunging the identified subject matter. If an Applicant is not satisfied with a decision related to rescission of a Secrecy Order, an appeal may be taken to the Secretary of Commerce. A Secrecy Order remains in effect for a period of one year from its date of issuance. Secrecy Orders may also be renewed in one year periods by a notice from a government agency that the national interest requires such renewal.

In summary, the Secrecy Order provisions in our patent statutes prevent the teaching of certain inventions and technologies to those who represent a threat to the United States. An inventor under a Secrecy Order can either contest the Secrecy Order or apply for compensation from the government. Applying for compensation may be as simple as applying for a settlement agreement, or as complex as bringing suit against the United States.

---

1. 35 U.S.C. 10.
2. See also **"The Limited Monopoly™" August 2009.**
3. 35 U.S.C. 122 (d).
4. 35 U.S.C. 184.
5. Functions transferred by title 42, The Public Health & Welfare Sections 5814 and 5841
6. MPEP § 120, I.
7. 37 CFR 5.2 (b).
8. 35 U.S.C. 112, first paragraph.

Authors Robert D. Gunderman P.E. (Patent Technologies, LLC www.patentechnologies.com) and John M. Hammond P.E. (Patent Innovations, LLC www.patent-innovations.com are both registered patent agents and licensed professional engineers. They offer several courses that qualify for PDH credits. More information can be found at www.patenteducation.com. *Copyright 2011 Robert Gunderman, Jr. and John Hammond*

Note: This short article is intended only to provide cursory background information, and is not intended to be legal advice. No client relationship with the authors is in any way established by this article.

Photo Credit: Robert D. Gunderman, Jr. Air to surface nuclear missile as seen at the Pima Air and Space Museum, Tucson, Arizona in 2011.