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Initial Observations Regarding the USPTO's Patents 4 Partnerships Pilot Program

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Some months ago, the U.S. Patent and Trademark Office (“USPTO”) announced the Patents 4 Partnerships (“P4P”) platform,¹ a pilot program that aims to connect companies who wish to acquire or license patent assets (including issued patents and pending patent applications) with the owners of those assets.² The P4P program consists of a searchable database³ of patent assets that are voluntarily submitted by their owners,⁴ with that database provided to connect potential buyers and licensees with potential sellers and licensors. Once connected, it is up to the parties to negotiate the terms of a purchase or license.⁵ As such, P4P effectively acts as a repository for which the USPTO assumes no further responsibility or participation beyond information exchange.

Sellers and licensors include a variety of companies, as well as the Federal Laboratory Consortium for Technology Transfer, Association of University

Technology Managers, numerous universities, and a number of federal agencies including:

- The National Institutes of Health;
- The Department of Energy;
- The National Aeronautics and Space Administration;
- The Food and Drug Administration;
- The Centers for Disease Control and Prevention;
- The Department of Defense; and
- The Department of Veterans Affairs.⁶

While the P4P program initially intends to focus on technologies relevant to the COVID-19 public health crisis,⁷ the USPTO does not seem to exercise much control over which patent assets are listed in the P4P database. In fact, a review of the database turns up a variety of available patent assets that appear unrelated to COVID-19. For instance, as of February 1, 2021, a portion of the first 25 patent assets listed on the P4P database include listings that arguably are not related to, or that are questionably related to, COVID-19.

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Furthermore, numerous other patent assets in the database appear to encompass technologies such as new biotechnology tools that may have broad applications outside of COVID-19. Moreover, the USPTO has indicated that it may soon open the P4P database to other technologies, such as those related to cancer treatments or artificial intelligence.⁸ As of February 1, 2021, there were 904 patent assets in the P4P database, a marked increase from the 182 available as of May 12, 2020.⁹ The P4P pilot program was originally slated to run for six months, followed by reassessment of the program to determine whether it should continue and whether it should be expanded to include other technological fields.¹⁰ Although this six-month window has run without further PTO commentary, the database remains active as of February 1, 2021.

Benefits

The P4P program may offer significant benefits to organizations wishing to sell or license their patent assets, as well as to companies wishing to buy or obtain licenses to patent assets. For potential sellers or licensors, the P4P program offers the opportunity to recuperate some of the costs associated with prosecuting patent assets that may no longer form an important part of their current commercial or research activities, which may be especially important to universities and other research organizations that often must make tough decisions regarding whether to prosecute a patent family, or whether to even convert a provisional application to a non-provisional application in the first place (e.g., through a Patent Cooperation Treaty (“PCT”) filing). In fact, some universities and other research organizations seek third-party commitments to the patent asset in question before deciding to invest the dollars to convert the application.

For potential buyers or licensees, the P4P program offers various opportunities, such as the opportunity to bring a potentially important technology to the market, help solidify a patent strategy for future product launches, acquire subject matter that can be strategically prosecuted or enforced against competitors, mitigate patent exposure, mitigate the risks associated with patent litigation, or generally build out a more comprehensive patent portfolio.

Risks

Though it is early days with the P4P program, there may be some risks that come with engaging in the P4P program. For example, the contact information on some of the patent assets leads to home pages of company websites or specific representative law firms. On one hand, the asset owners may be genuinely providing the best means of contacting them for licensing discussions. However, some may be using the P4P system as a free marketing opportunity. Furthermore, it is possible that assets listed with the P4P program may set up a “honey pot” attempt by asset owners to discover new targets for patent infringement lawsuits or contentious out-licensing opportunities.

Since it is impossible to know whether the owner of a patent asset listed on the P4P website is acting in good faith, we strongly advise using best practices for acquisition and licensing when browsing the P4P website. If one encounters a patent asset that one wishes to purchase or license, consider having a third party reach out to the asset owner, with the third party ideally having no obvious ties to the interested party and instructed not to divulge the interested party’s name.

SUMMARY

The P4P program may be useful to organizations wishing to sell or license their patent assets, as well as to companies wishing to buy or license rights to those assets. Although the program is intended to emphasize inventions related to COVID-19, it already lists patent assets directed to broad biotechnology tools and to other fields such as additive manufacturing and may expand to encompass other technologies in the near future. Organizations should consider listing their patent assets with the P4P programs and companies should consider searching its listings occasionally, but companies should also exercise basic precautions when acquiring information about patent assets listed on the P4P database, as bad actors may be using the program for nefarious ends.

Notes

1. <https://www.uspto.gov/sites/default/files/documents/patents4partnerships20200501.pdf>.
2. <https://www.uspto.gov/about-us/news-updates/uspto-launches-platform-facilitate-connections-between-patent-holders-and>.

3. <https://developer.uspto.gov/ipmarketplace/search/patents>.

4. <https://developer.uspto.gov/ipmarketplace/search/terms>.

5. *Id.*

6. *See, supra* note 2.

7. *Id.*

8. *Id.*

9. <https://www.forbes.com/sites/anthonytrippe/2020/05/12/companies-miss-out-on-billions-in-value-new-patent-marketplace-could-change-that/>.

10. *See, supra* note 1.

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