

AI Has Sped Up Patent Drafting. So Why Are Your Filing Bills the Same?

By Marcia Chang, VP AI Legal & Customer Success, Tradespace

The last two years have brought real operational gains to tech transfer. Disclosure triage has gotten faster. Prior art searches have improved. Drafts have gotten better. And then the outside counsel invoice arrived, looking more or less identical to the one from three years ago.

That gap points to something the IP industry hasn't fully addressed: the constraint was never drafting speed.

The bottleneck was never the draft

The cost of a utility application at a traditional firm, typically \$15,000 to \$25,000, isn't primarily a reflection of the legal judgment involved. It reflects everything surrounding that judgment: multi-hour inventor interviews to extract information a structured disclosure form could capture in minutes; specification drafting that is 80% information organization and 20% legal analysis; formatting, cross-referencing, and document preparation that consumes attorney time at attorney rates.

AI tools have made the drafting step faster. For TTOs with in-house counsel who could act on those drafts directly, that was a genuine gain. But for most technology transfer offices, the workflow still ended the same way: send the output to outside counsel, wait, receive the invoice. The AI accelerated one step inside a process that remained otherwise intact.

The delivery model is the constraint

This is the distinction the IP industry is only beginning to reckon with, but that other professional services domains have already worked through.

In contract management, financial compliance, and clinical research, AI adoption has followed a similar arc. Tools arrived, productivity improved, and then a new realization set in: if AI handles the manual, time-intensive work surrounding professional judgment, the pricing shouldn't still be built around billing for that manual work.

That realization is now arriving in patent prosecution.

The overhead that inflates filing costs — disclosure structuring, prior art research, specification drafting, document preparation — is exactly the kind of work AI handles well. When AI compresses that work at the front end, the attorney reviewing the output is doing something different from the attorney who had to generate it from scratch. They're applying legal judgment to a prepared draft rather than constructing it themselves. That shift is what makes a different cost structure possible — not less attorney involvement, but attorney time concentrated on the work that actually requires it.

The solution: managed patent filing

Tradespace's new managed patent filing service delivers attorney-reviewed, USPTO-filed patent applications at a fixed fee, in days rather than weeks.

Here's how it works in practice: AI structures the disclosure, conducts prior art research, and produces a technology-assisted draft, compressing days of manual work into hours. A licensed patent attorney at an independent partner law firm then reviews that draft, works through the claim strategy, and files the application.

For TTOs, this isn't a drafting tool. It's a different delivery model — one where the per-unit cost of a filed patent drops materially without trading away the attorney oversight that makes the application defensible.

Greater filing volume, greater portfolio impact

Most TTOs operate with a filing budget that covers a fraction of their invention pipeline. The triage that follows — protect the disclosures with licensing activity, abandon the rest — is a rational response to a cost structure that forces impossible choices.

A lower cost per filing changes what's possible. Offices that previously filed on a fraction of their pipeline can realistically consider protecting two to three times as many inventions on the same budget. The research being abandoned wasn't necessarily low-value. It was unaffordable relative to pricing that has now changed.

This matters most for institutions whose mission is demonstrating impact, not just activity. Licensing revenue, spinout formation, Bayh-Dole diligence: all of it starts with a filed patent. Filing decisions sit upstream of every meaningful commercialization outcome a TTO is measured on.

Attorney oversight still matters...more than ever

Lower cost is only valuable if the applications produced can withstand prosecution, licensing negotiations, Bayh-Dole scrutiny, and the diligence that surrounds spinouts and corporate partnerships.

Every application in a managed filing model still needs to be reviewed, refined, and filed by a licensed patent attorney who takes professional responsibility for the outcome. The AI compresses the workflow. The attorney determines whether the application is defensible. For TTOs facing increasing federal oversight, that distinction is not incidental — it's the whole point.

How forward-looking offices are thinking about outside counsel now

The TTOs getting ahead of this aren't abandoning outside counsel. They're tiering how they use it. Complex prosecution, high-stakes continuations, international strategy — these belong with experienced outside counsel. Routine filings, first applications on early-stage disclosures, provisionals to secure priority dates — these are candidates for a delivery model that doesn't carry the full traditional cost structure.

Most portfolios include both. The mistake is applying the same pricing uniformly across all of it.

The moment we're in

Federal funding uncertainty, evolving Bayh-Dole enforcement, rising outside counsel rates, and flat headcount are all landing at the same time. The pressure to demonstrate impact — not just activity, but commercialization outcomes, licensing revenue, portfolio growth — is as high as it has been in years.

The economics of patent filing have changed in ways that weren't true two years ago. The offices that update their approach now will come out of this period with portfolios that reflect all they can protect, not just what they could afford to.

Ready to learn more? Visit go.tradespace.io/managed-filings-demo-request.html to schedule a demo of Tradespace's managed patent filing service.

***About the author:** Marcia Chang is VP of AI Legal & Customer Success at Tradespace, the AI and on-demand attorney-backed IP platform trusted by 75% of the top U.S. research institutions. An electrical engineer and patent attorney by training, she spent 20 years leading IP operations at companies including Applied Materials and HP before joining Tradespace in 2023.*