Kluwer Patent Blog

An Update On U.S. Patent Reform

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In two months, the U.S. patent system will begin its transition from the current "first to invent" system to a new "first-inventor-to-file" system. Inventors and applicants should be considering whether patent applications that may be ready for filing should be filed before or after the March 16, 2013 effective date of the U.S. first-to-file laws. This article provides a non-comprehensive, big picture review of the changes that take effect on March 16, 2013, and discusses other changes to the America Invents Act recently passed by Congress.

Which patent applications will be governed by the first-to-file laws?

- Applications that present even a single claim that has an effective filing date of March 16, 2013 or later will be governed by the first-to-file laws. Once such a patent claim is presented, the first-to-file laws will apply, even if that claim is canceled.
- Applications that claim priority to a patent application that is governed by the first-to-file laws also will be governed by the first-to-file laws. Once such a priority claim is presented, the first-to-file laws will apply, even if that priority claim is deleted.

What are some key effects of the first-to-file laws?

- Applications governed by the first-to-file laws will not be able to use evidence of an earlier date of invention to "swear behind" or "antedate" a third-party disclosure.
- Public uses, sales, offers for sale, etc., that take place anywhere in the world may constitute prior art.
- Published U.S. patent applications and PCT applications that designate the U.S. will be citable against applications governed by the first-to-file laws as of the earliest priority date associated with the disclosure at issue, rather than only as of the earliest effective U.S. filing date.
- Applications governed by the first-to-file laws will be subject to the new post-grant review proceedings that third parties can use to challenge validity once the patent is granted.

How will this impact patent application filing strategies?

- For inventions that may be ready for patenting before March 16, 2013, applicants may want to consider filing patent applications by March 15, 2013 to avoid the first-to-file laws.
- For inventions for which provisional applications have been filed since March 15, 2012, applicants may want to consider filing non-provisional applications by March 15, 2013 to avoid the first-to-file laws.
- For non-provisional applications to be filed on or after March 16, 2013 that have a priority date

of March 15, 2013 or earlier (including continuation-in-part applications) that may have any new material beyond that disclosed in the priority application, applicants may want to consider filing parallel applications to segregate patent claims with an earlier effective filing date from those directed to the new material, to avoid the first-to-file laws for the earlier subject matter.

Will it really matter if an application is filed before or after March 16, 2013?

- Applications with an effective filing date on or after March 16, 2013 will be subject to post-grant review. For applicants concerned about post-grant challenges, filing before March 16, 2013 would avoid the possibility of post-grant review, although the patent still would be subject to inter partes review.
- For examination purposes, whether an application was filed before or after March 16, 2013 will be most relevant if there is relevant prior art that was published within one year before the effective filing date.

    If an application is filed on March 15, but an independent third party published the same invention on March 14, the applicant may be able to "swear behind" the publication by establishing an earlier date of invention. If the same application is not filed until March 16, the applicant may not be able to obtain a patent unless one of the limited exceptions under the AIA version of 35 USC § 102(b) can be established. (Please see **this article** for a review of the "grace period shielding disclsoure" exception, for example).

Could it be advantageous to wait to file an application until March 16, 2013?

There are some circumstances under which an application may benefit from examination under the first-to-file laws.

- If the inventor disclosed the invention within one year of the filing date of a foreign priority application, but more than one year before the U.S. filing date, the inventor's disclosure would be a bar to patentability under current 35 USC § 102(b), but could be disqualified as prior art under AIA 35 USC § 102(b)(1). (Please see **this article** for more detailed discussion of this scenario.) However, for 35 USC § 102(b)(1) to apply, the effective filing date of the claims at issue must be on or after March 16, 2013. Because "effective filing date" under the AIA includes a valid foreign priority date, if the foreign priority application already has been filed, the U.S. application will be subject to current 35 USC § 102(b).
- If there is a commonly owned, earlier-filed, unpublished application that discloses the same invention, an application filed on or after March 16, 2013 could disqualify the earlier application under 35 USC § 102(c). Applications filed before March 16 might be able to achieve the same result by submitting an "attribution" type declaration under 37 CFR § 132.
- If the inventor was not first to invent but is first to file, and files the application on or after March 16, 2013, the first-inventor-to-file may be able to obtain a patent, as long as the first inventor did not publicly disclose the invention before the application was filed.

Deciding On A Case-By-Case Basis

The decision to file an application before or after March 16, 2013 can be a complicated one, and should be made on a case-by-case basis with the advice of U.S. patent counsel. The USPTO also has the following AIA resources:

email: HELPAIA@uspto.gov

phone: 1 855 HELP AIA

Technical Amendments To The AIA

Both houses of Congress have passed a bill (HR 6621) with "technical amendments" to the AIA, which is awaiting signature by President Obama. The AIA changes are summarized below.

Inter Partes Review

One of the most significant changes in HR 6621 closes the Inter Partes Review (IPR) "dead zone." The original IPR statute provides that IPR cannot be requested within the first 9 months of a patent's grant date. This time period will complement the time period for Post Grant Review (PGR), once PGR is available because PGR only can be requested within 9 months of a patent's grant date. But, PGR only is available against certain business method patents and patents examined under the first-to-file version of 35 USC § 102, which does not take effect until March 16, 2013. Thus, under the original IPR statute, patents granted now cannot be challenged in an *inter partes* USPTO proceeding until they have been in force for 9 months.

HR 6621 eliminates this "dead zone" by providing that the 9-months-from-grant requirement does not apply to patents that are not examined under the first-to-file version of 35 USC § 102. *(Congress does not shy away from double negatives!)*

HR 6621 also eliminates a similar "dead zone" for reissue patents, by providing that the 9-months-from-grant requirement does not apply to reissue patents.

Inventor's Oath/Declaration

HR 6621 changes the time period for filing an executed inventor's oath/declaration (or substitute statement) from "by allowance" to "no later than the date on which the issue fee .. . paid." This will greatly simply allowance procedures, and will permit the USPTO to issue a Notice of Allowance even when an executed inventor's oath/declaration has not yet been filed.

Advice Of Counsel

HR 6621 provides that the section of the AIA deeming that evidence of any failure to obtain "advice of counsel" cannot be used to establish willfulness or intent to induce infringement apply to "any civil action commenced on or after the date of enactment" of HR 6621.

Derivation Proceedings

HR 6621 clarifies the deadline for bringing a derivation proceeding, and provides that such a proceeding must be brought within one year of the publication or grant of a relevant claim in the earlier-filed application. This is consistent with how the USPTO had interpreted the original language of the derivation statute.

HR 6621 also defines "earlier application" and re-writes much of the derivation statute in terms of the "earlier application."

Interferences

HR 6621 clarifies that the USPTO Patent Trial and Appeal Board (PTAB) and Federal Circuit can

hear appeals of interferences commenced after the effective date of the AIA's amendments to § 135(a).

Other Changes

HR 6621 includes changes to the Patent Term Adjustment statute that are discussed in **this article,** including some changes that may be problematic.

Effective Date Of The Technical Amendments

The default effective date of HR 6621 is its date of enactment, and it will apply "to proceedings commenced on or after" that date, except where it states otherwise. However, if Preseident Obama does not sign this bill into law this week, it will have to be reintroduced and passaed again by both houses of Congress before it could become law.

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