Leahy-Smith AMERICA INVENTS ACT

Prepared by:

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For DC Bar Conference

November 9, 2011

Presentation Topics

- First Inventor to File
- Prior Art
- Derivation Proceedings

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First Inventor to File

Towards Global Harmony?

First-to-Invent
(US)

Global Harmony

First-to-File
(Rest of the World)

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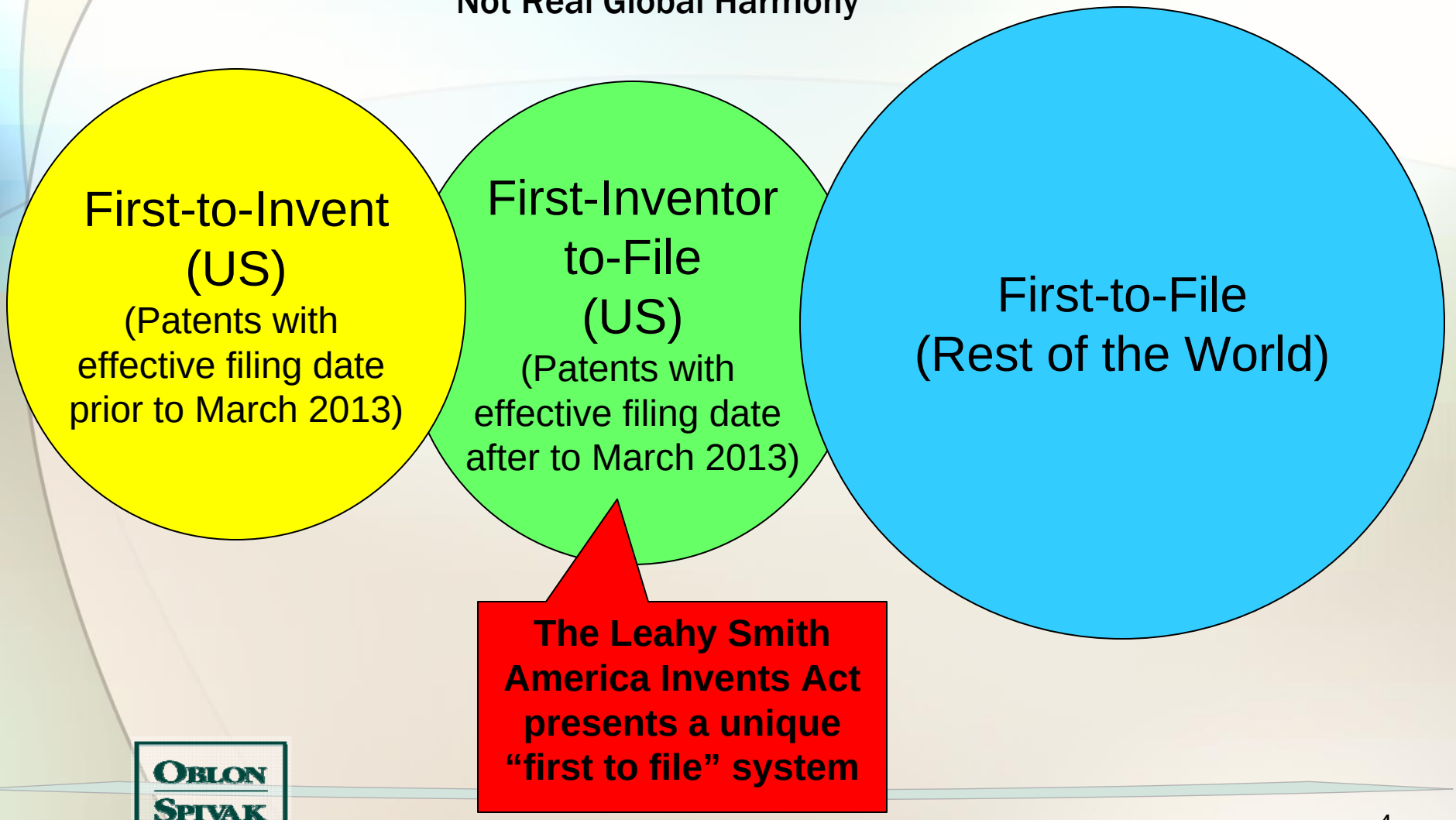
First Inventor to File

Not Real Global Harmony



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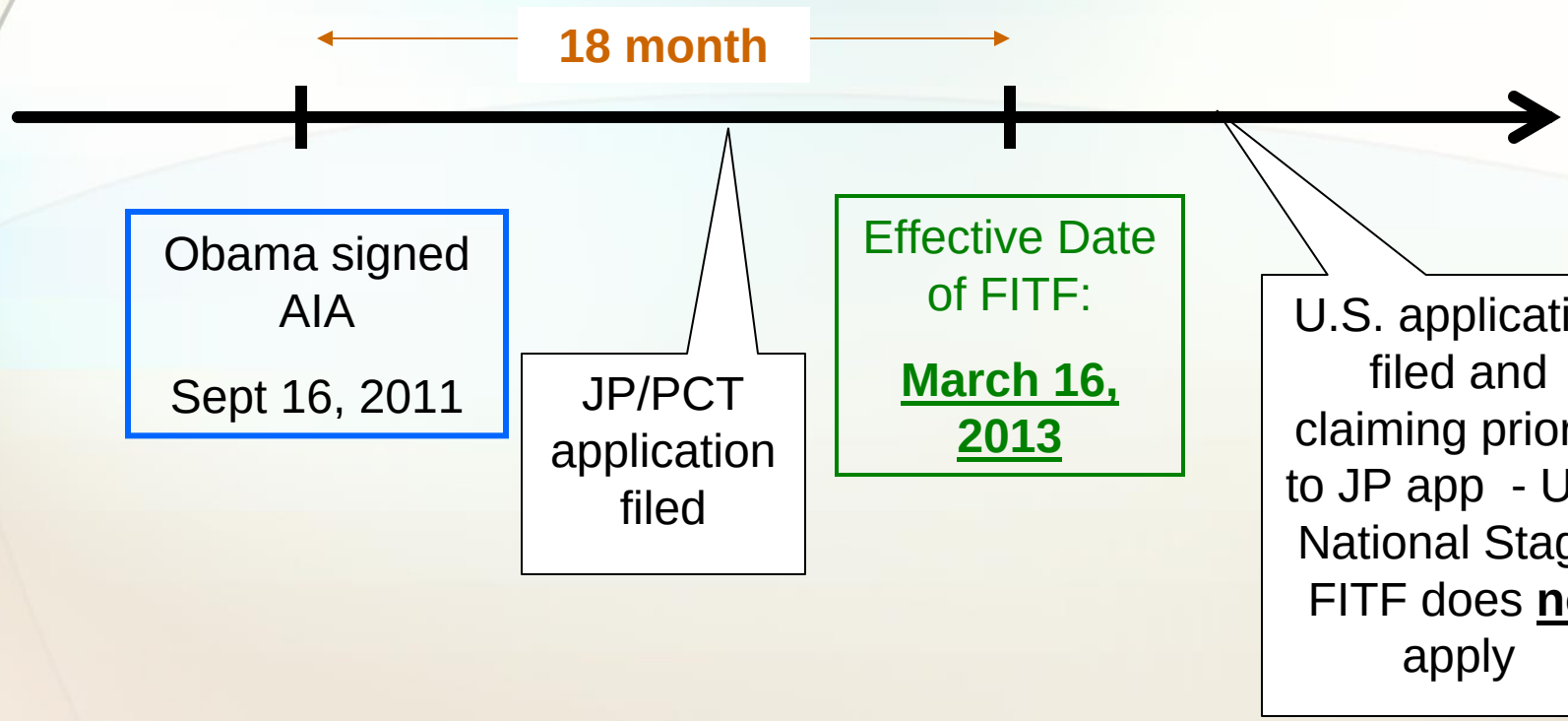
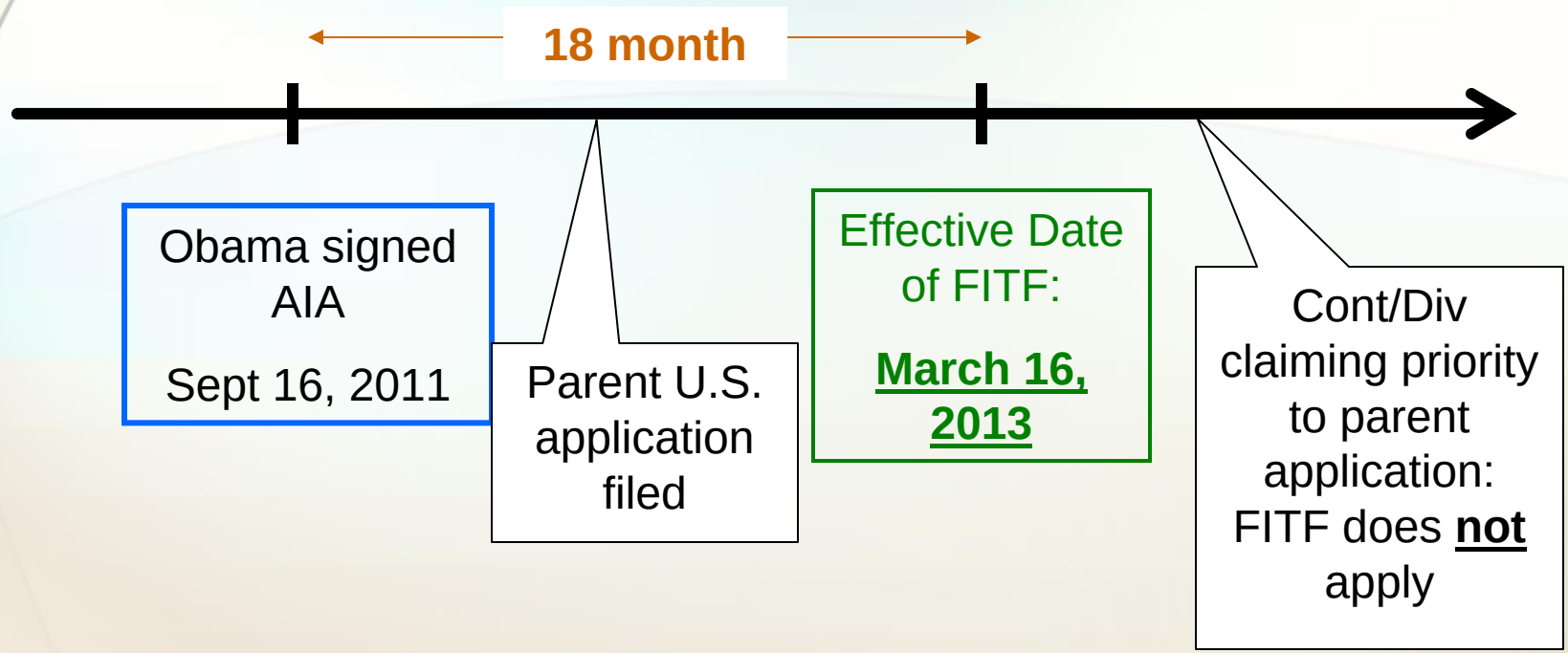
First Inventor To File: Effective Date



First Inventor To File: Effective Date



First Inventor To File: Effective Date

Obama signed AIA

Sept 16, 2011

PCT or parent U.S. application filed

Effective Date of FITF:

March 16, 2013

CIP or **by-pass**: **FITF applies** if application includes a claim that covers the new matter added in CIP or by-pass

Practice Note:
USPTO expected to apply a strict rule: FITF applies to all CIP applications filed after March 16, 2013

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Prior Art

§ 102. Conditions for patentability; novelty

(a) NOVELTY; PRIOR ART.—A person shall be entitled to a patent unless—

(1) the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public <u>before the effective filing date</u> of the claimed invention; or

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Prior Art

§ 102. Conditions for p

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(1) the claimed inve **d in a printed publi tion, or in public use, on sale, or otherwise available to the public <u>before the effective filing date</u> of the claimed invention; or**

Practice Notes:

Includes foreign priority date and provisional application filing date. May require English translation of priority document.

131 Declarations to show an earlier date of invention will no longer be available

Prior Art

§ 102. Cond[illegible]novelty

(a) NOVELTY[illegible]shall be entitled to a pater[illegible]

(1) the claim[illegible]invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention; or

Practice Note:
The publication does not need to be actually "printed". The publication can be published on any medium, such as electronic

Practice Notes:
1) Anywhere in the World!
2) By anyone (not limited to "others")

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Open questions:

1) Does "public use" include a secret commercial use of the claimed invention by the inventor – i.e., is *Metallizing Engineering Co. v. Kenyon Bearing & Auto Parts Co.*, 153 F.2d 516 (2d Cir. 1946) and the jurisprudence relying on that case overruled)?
2) Does "on sale" include non-public offers for sales (private, confidential) by applicant?
3) **Practice note**: It may be safer to assume that the answer is "yes" until CAFC address these issues

§ 102. Cond

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Prior Art

§ 102. Conditions for patentability; novelty

(a) NOVELTY; PRIOR ART.—A person shall be entitled to a patent unless—

(1) the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention; or

Practice Note:
Probably includes **oral presentations** at conferences by anyone

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Prior Art

§ 102. Conditions for patentability; novelty

(a) NOVELTY; PRIOR ART.—A person shall be entitled to a patent unless—

(2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the case may be, names another inventor and was effectively filed before the effective filing date of the claimed invention.

Practice Note:
This provision only applies to **U.S.** patents **U.S.** published applications, and published PCT applications that designate the U.S.

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Prior Art

§ 102. Conditions for patentability; novelty

(a) NOVELTY; PRIOR ART.—A person shall be entitled to a patent unless—

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Practice Notes:

This provision applies to published PCT applications that designate the U.S. (see 35 USC 374).

No more language requirement: can file PCT in language other than English and create prior art under 102(a)(2)

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Prior Art

§ 102. Conditions for patentability; novelty

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Practice Note:

U.S. patents, **U.S.** published applications, and published PCT applications designating the U.S. become prior art as of their earliest filing dates, **including foreign priority** (The *Hilmer* Doctrine is repealed). See new 102(d).

No need to file provisional applications for foreign applicants

Prior Art

§ 102. Conditions for patentability; novelty

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(2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the case may be, names another inventor and was effectively filed before the effective filing date of the claimed invention.

Practice Note:

U.S. patents, **U.S.** published applications, and published PCT applications designating the U.S. become prior art as of their earliest filing dates **for both novelty and non-obviousness**

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Prior Art

§ 102. Conditions for patentability; novelty (cont'd)

(b) EXCEPTIONS.—

(1) DISCLOSURES MADE 1 YEAR OR LESS BEFORE THE EFFECTIVE FILING DATE OF THE CLAIMED INVENTION.—A disclosure made 1 year or less before the effective filing date of a claimed invention shall not be prior art to the claimed invention under subsection (a)(1) if—

(A) the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(B) the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

Prior Art

§ 102. Conditions for patentability; novelty (cont'd)

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(A) the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(B) the subject matter disclosure, been publicly disclosed by the inventor or another who obtained the subject matter disclosure from the inventor or a joint inventor.

Practice Note:
International grace period: one year prior to foreign priority

Prior Art

§ 102. Conditions ... (cont'd)

Practice Note:
"personal grace period"

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Prior Art

§ 102. Conditions for patentability; novelty (cont'd)

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(A) the disclosure was made by the inver… other who obtained the subject matter disclose… e inventor or a joint inventor; or

Practice Note:
"First to disclose" system

(B) the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

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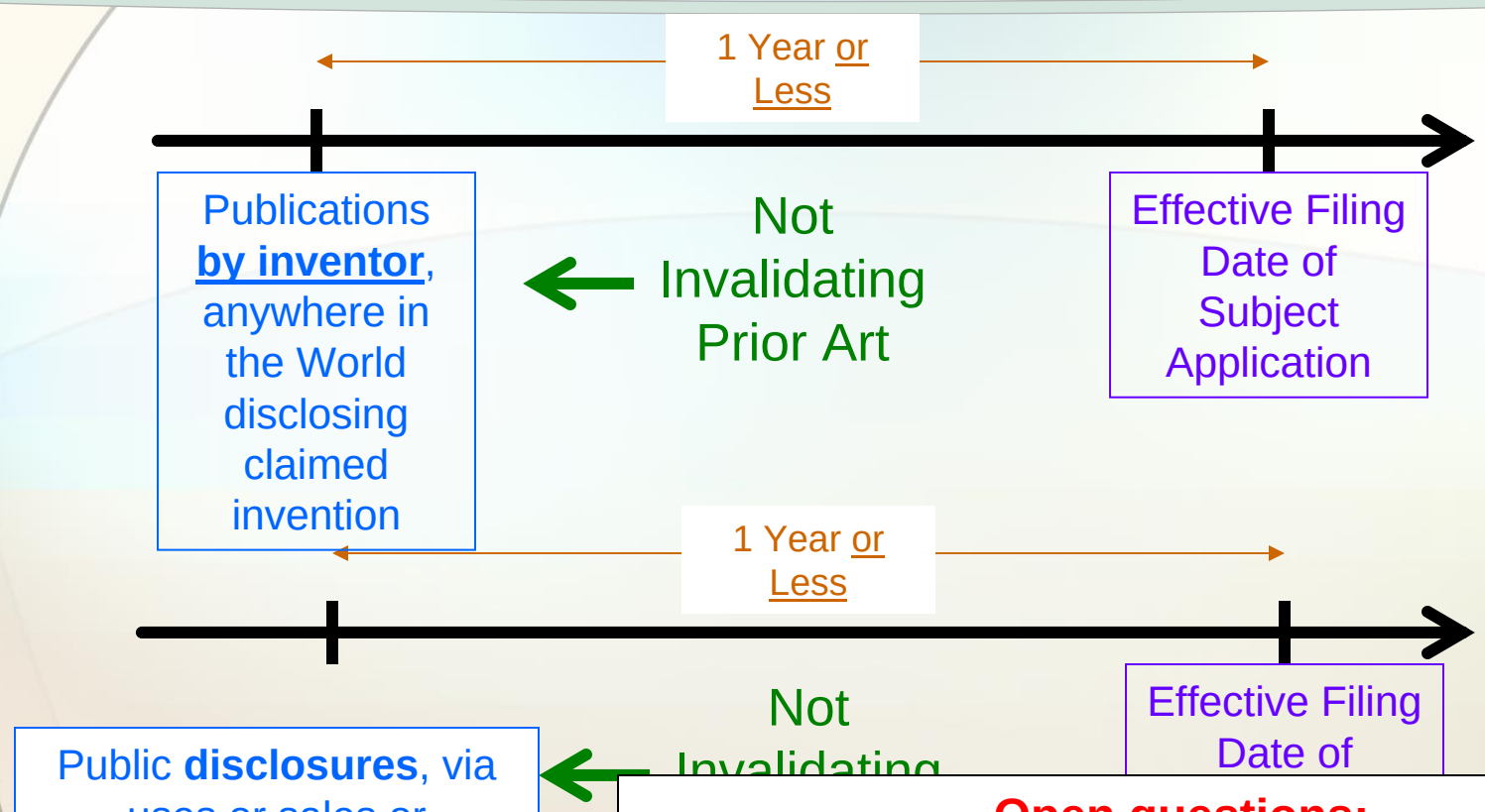
Prior Art

102(b)(1)(A): Personal grace period



Open questions:

Are secret commercial uses and non-public offers for sale by the inventor considered "disclosures" under 102(b)(1)?

Practice Note: It may be safer to assume the answer is "no" until the CAFC addresses these issues

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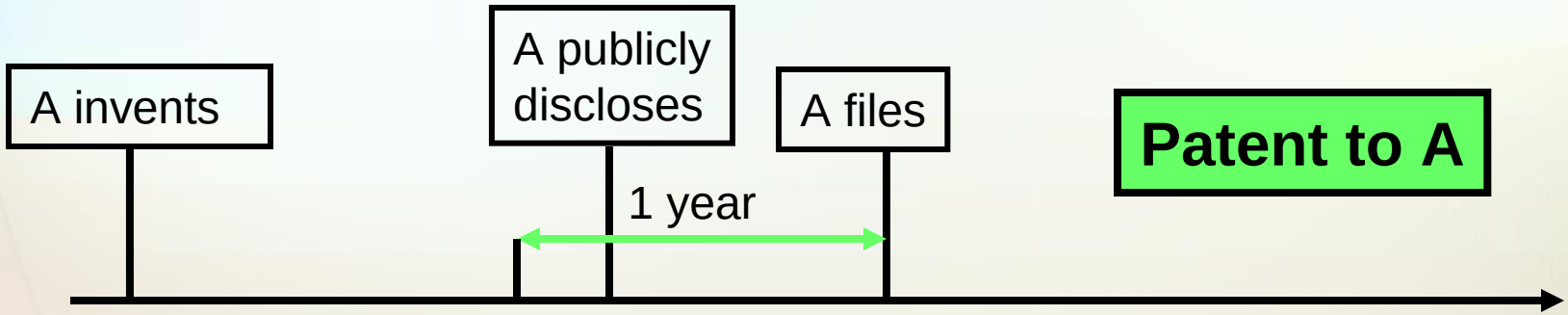
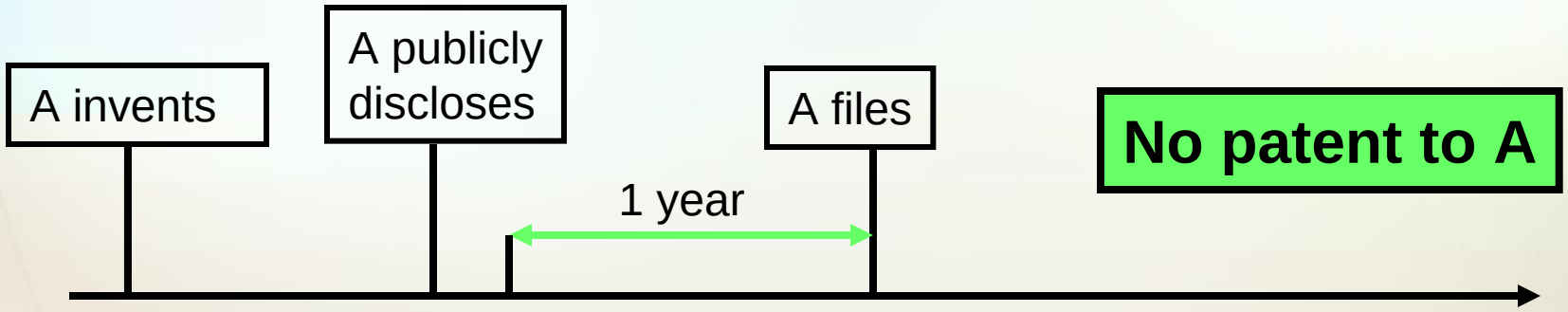
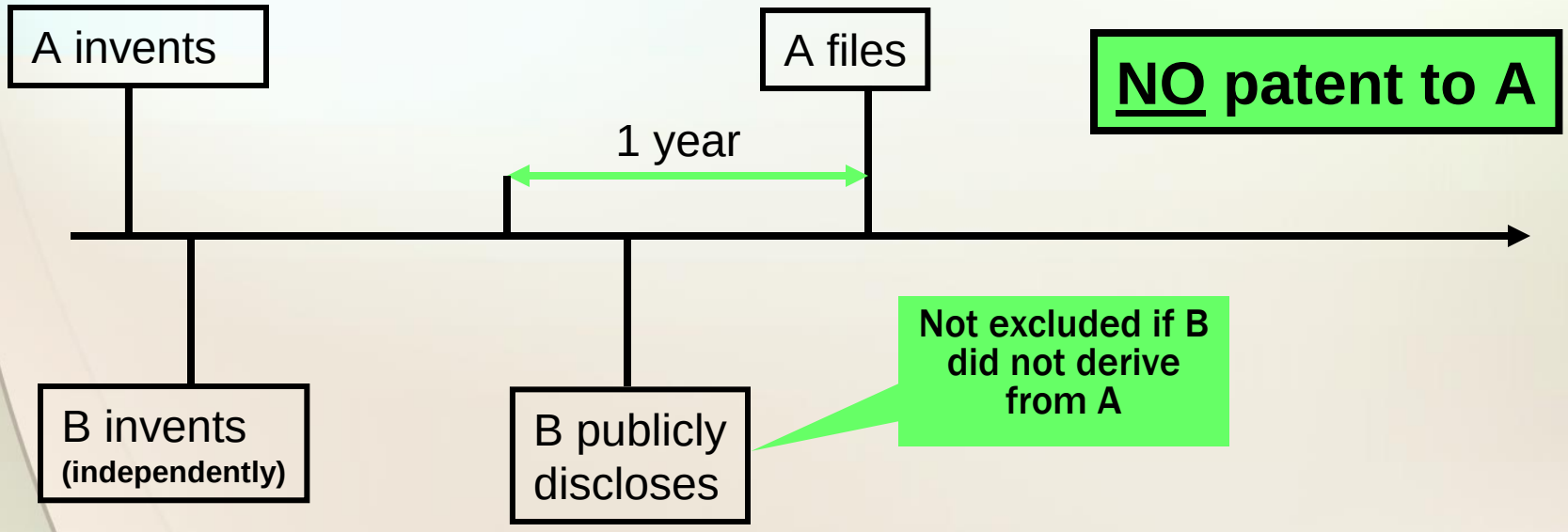
Example 102(b)(1)(A)



Example 102(b)(1)(A)



Example 102(b)(1)(A)



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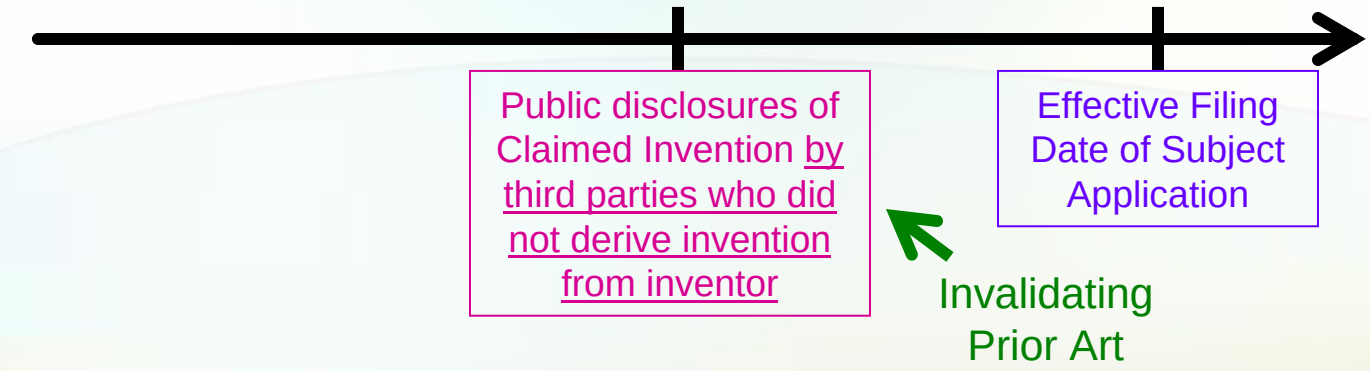
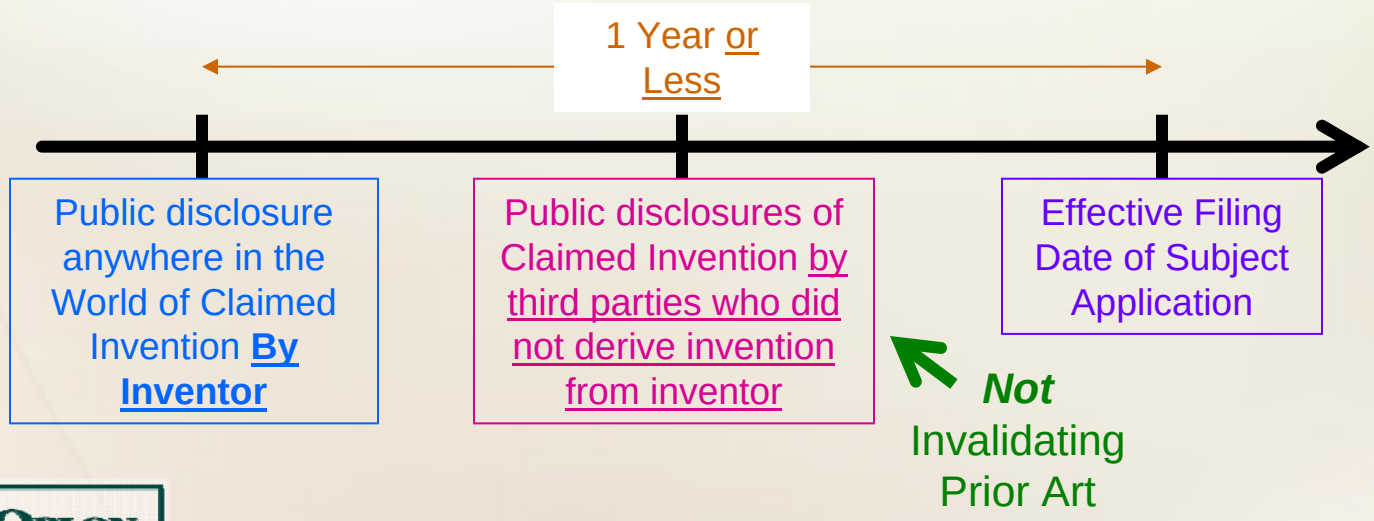
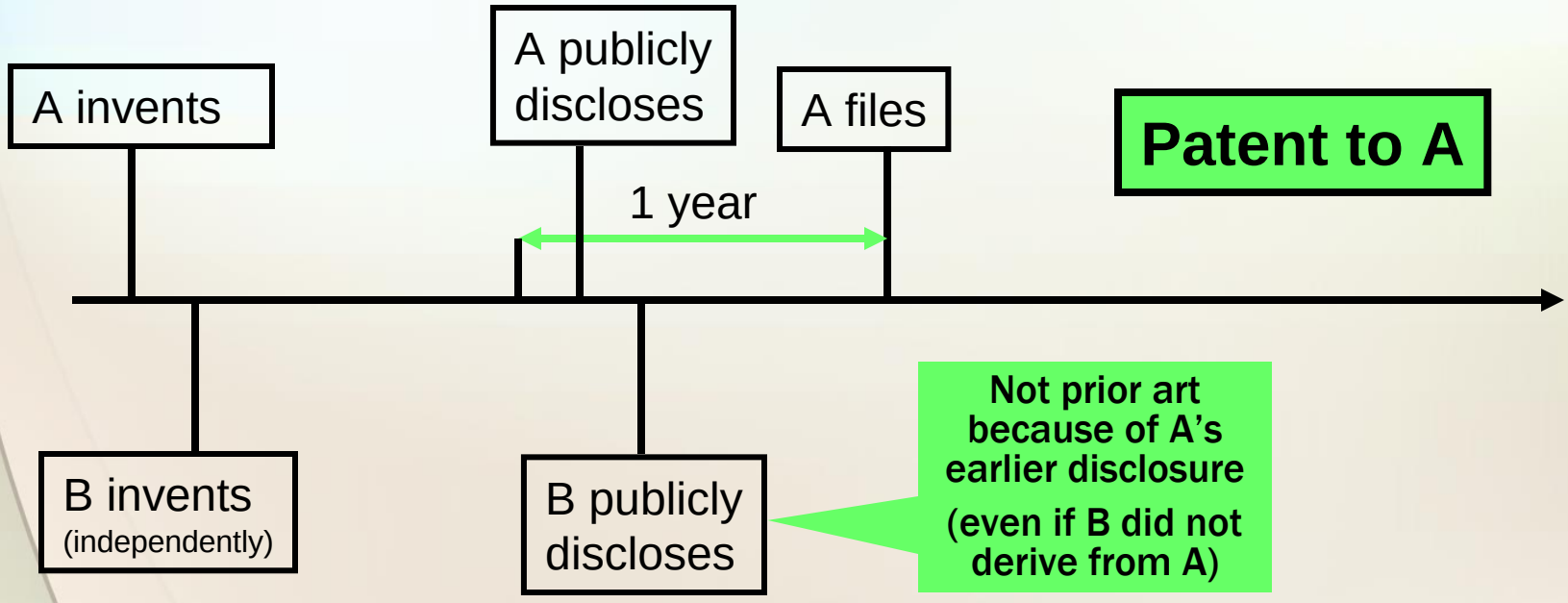
Prior Art
102(b)(1)(B): First-to-Publish system

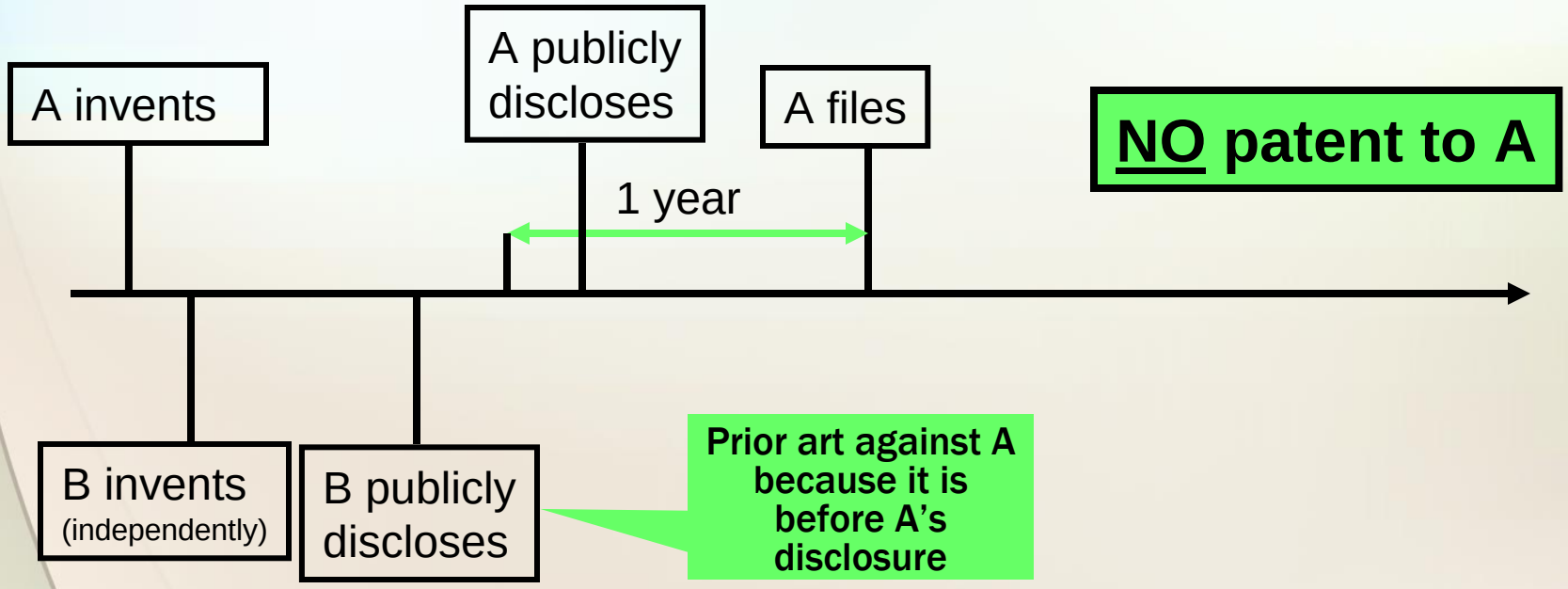




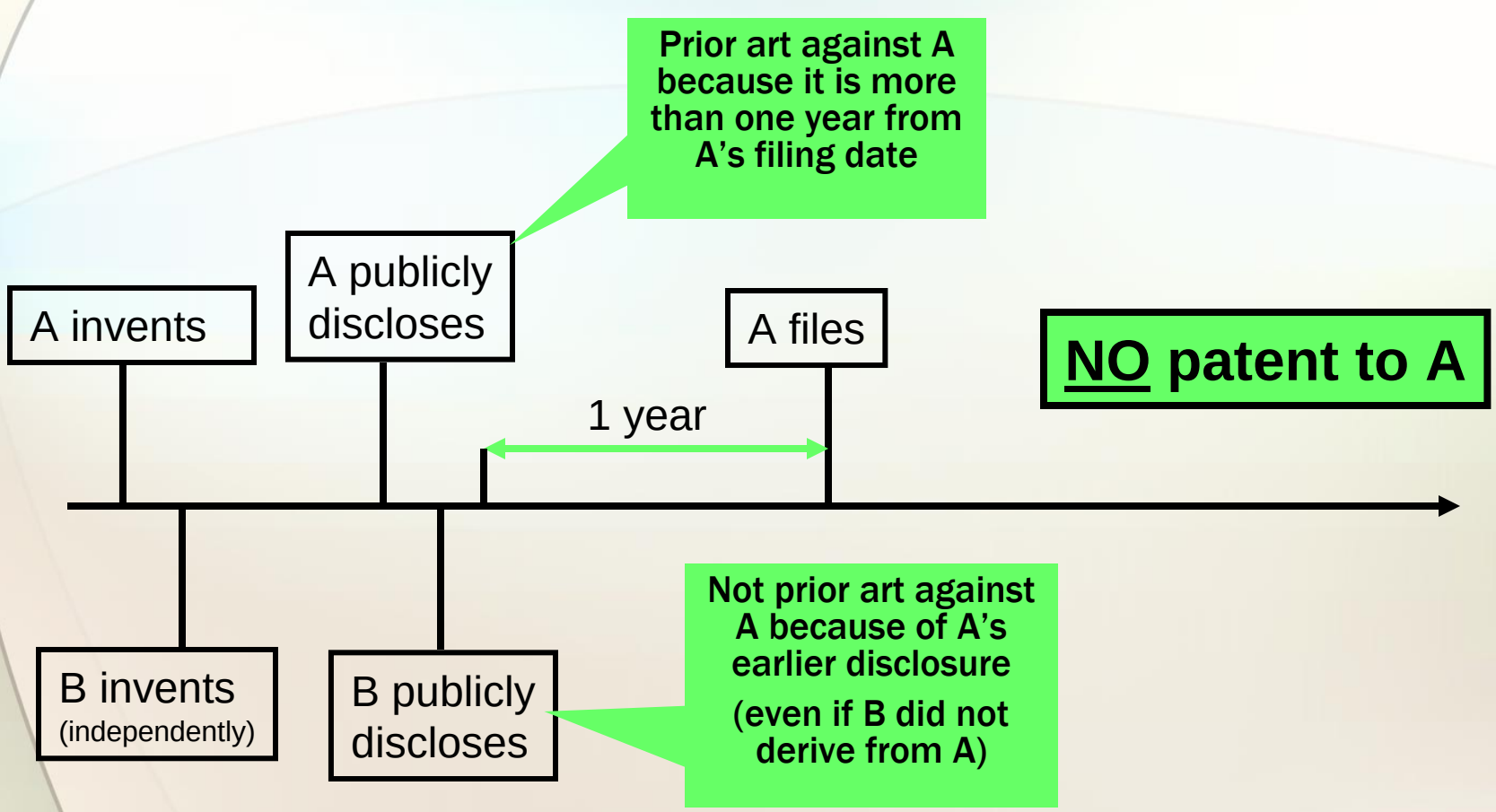
Example 102(b)(1)(B)



Example 102(b)(1)(B)



Example 102(b)(1)(B)



Prior Art

§ 102. Conditions for patentability; novelty (con

(b) EXCEPTIONS (cont'd).—

(2) DISCLOSURES APPEARING IN APPLICATIONS AND PATENTS.—A disclosure **shall not be prior art** to a claimed invention under **subsection (a)(2)** if—

(A) the subject matter disclosed was **obtained** directly or indirectly **from the inventor** or a joint inventor;

(B) the subject matter disclosed had, **before such subject matter was effectively filed** under subsection (a)(2), been **publicly disclosed by the inventor** or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(C) the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, were **owned by the same person** or subject to an obligation of assignment to the same person.

Practice Note:
No one year requirement

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Prior

U.S. patents, **U.S.** published applications, and published PCT applications by others designating the U.S. become prior art as of their earliest filing dates

§ 102. Conditions for patentability; novelty (con

(b) EXCEPTIONS (cont'd).—

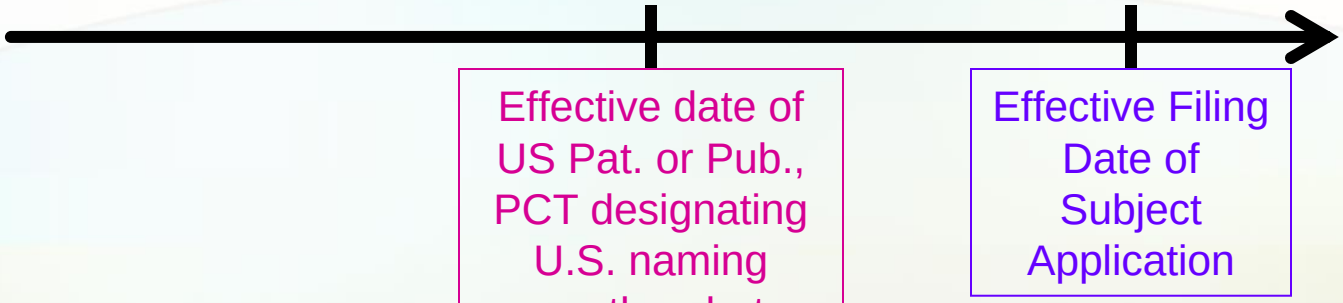
(2) DISCLOSURES APPEARING IN APPLICATIONS AN PATENTS.—A disclosure **shall not be prior art** to a claimed invention under **subsection (a)(2)** if—

(A) the subject matter disclosed was **obtained** directly or indirectly **from the inventor** or a joint inventor;

(B) the subject matter disclosed had, **before such subject matter was effectively filed** under subsection (a)(2), been **publicly disclosed by the inventor** or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(C) the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, were **owned by the same person** or subject to an obligation of assignment to the same person.

Prior Art
102(b)(2)(A)



Not prior art under 102(a)(2) as of effective filing date –

But, prior art as of publication date under 102(a)(1), if published more than a year before filing

Practice Note:
May have to file a declaration to establish derivation

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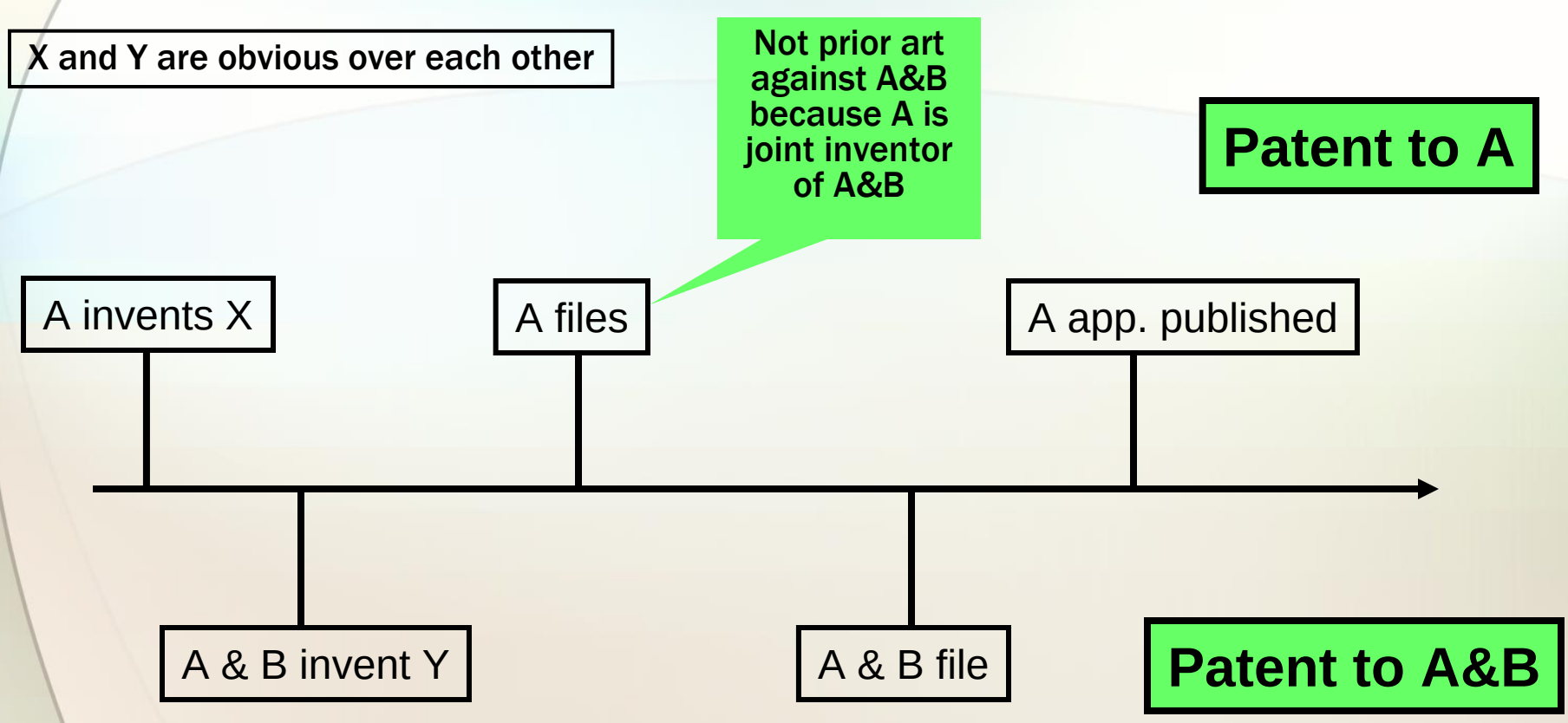
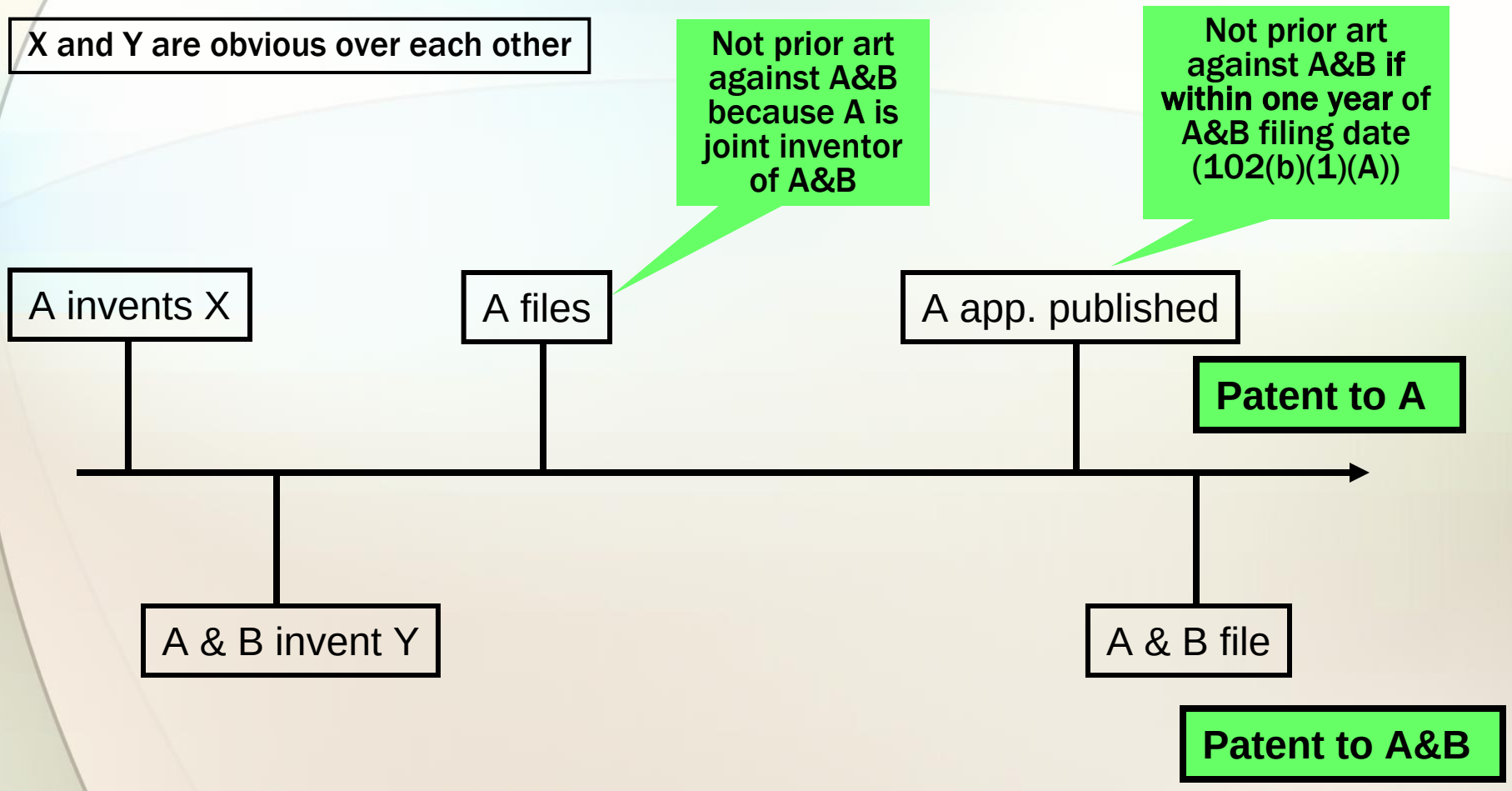
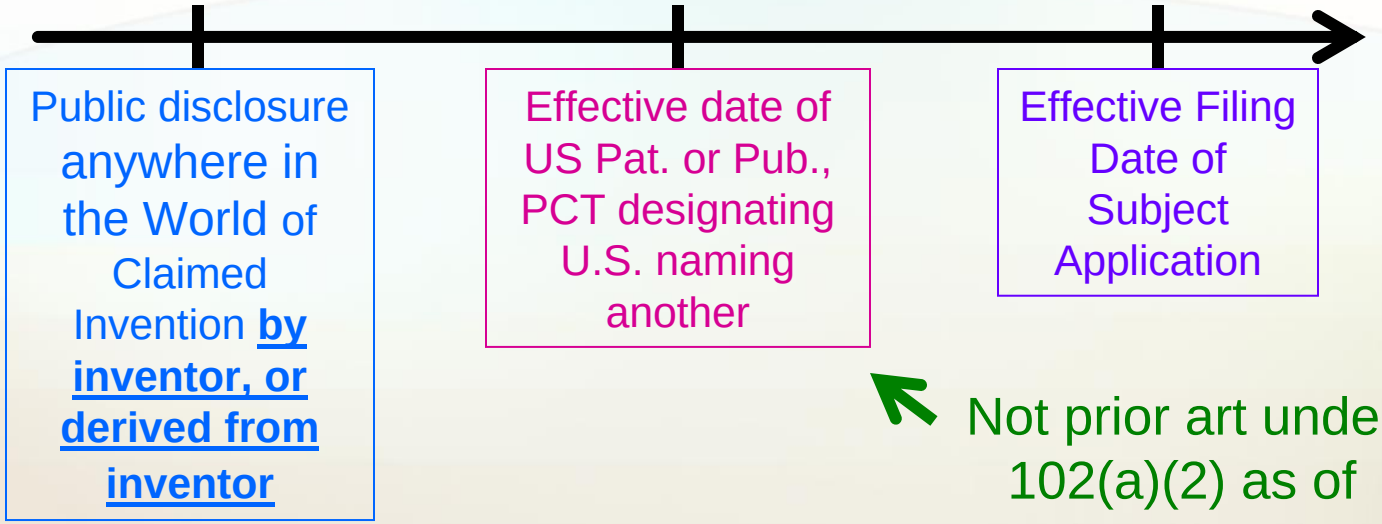
Example 102(b)(2)(A)



Example 102(b)(2)(A)



Prior Art 102(b)(2)(B)



Not prior art under 102(a)(2) as of effective filing date –

But, prior art as of publication date under 102(a)(1), if published more than a year before filing

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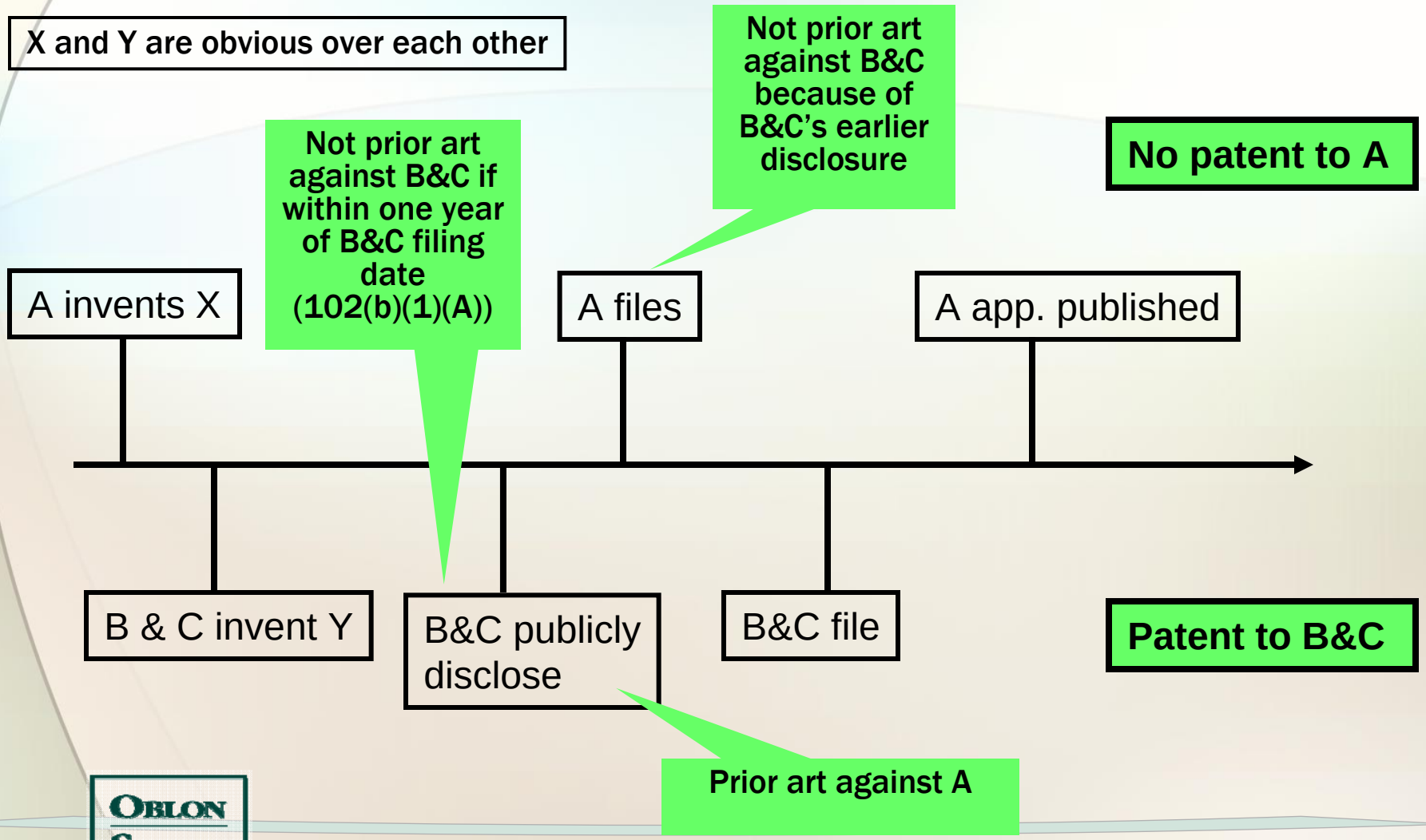
Example 102(b)(2)(B)



Prior Art
102(b)(2)(C)

Effective date of US Pat. or Pub., PCT designating U.S. naming another, owned by same person or under obligation to assign to same person, or subject to a joint research agreement with inventor's company

Effective Filing Date of Subject Application

Not prior art under 102(a)(2) as of effective filing date –

But, prior art as of publication date under 102(a)(1)

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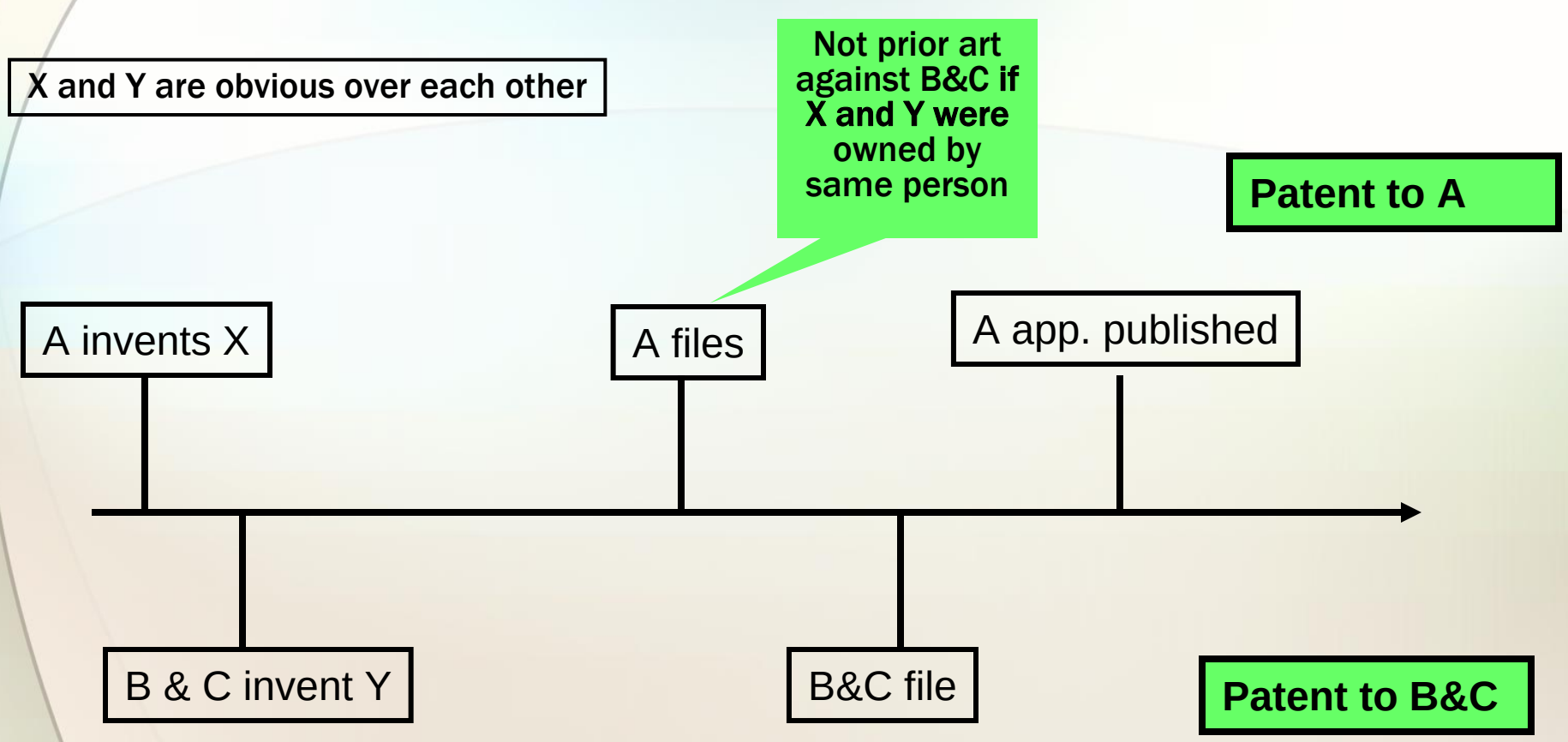
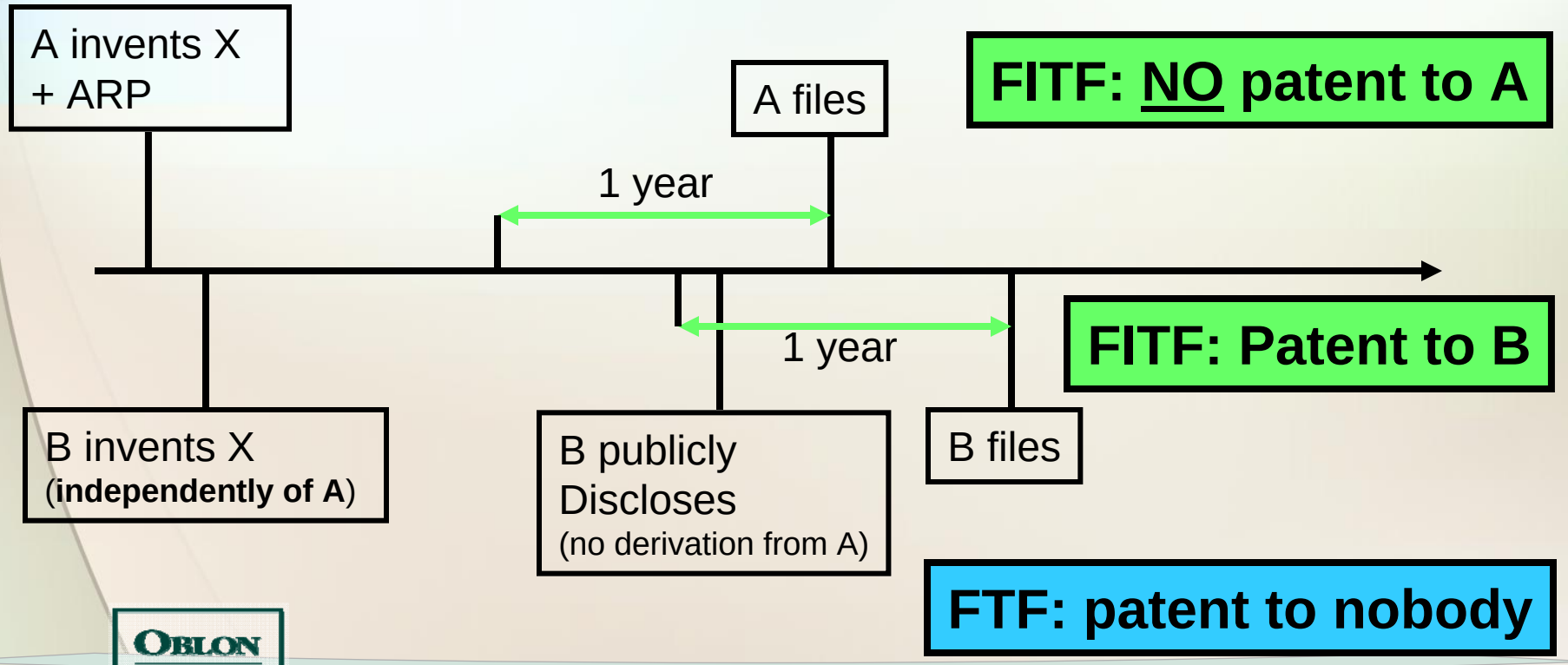
Example 102(b)(2)(C)



FTI v. FITF v. FTF



FTI: patent to A

FITF: NO patent to A

FITF: Patent to B

FTF: patent to nobody

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Review of Practical Recommendations

- If any public disclosure of the invention is made before filing, file within one year
  - Even if mere oral presentation
- No more *Hilmer*
  - No need for foreign applicants file provisional applications
  - No need to file PCT applications in English
- Personal grace period via early disclosure
  - Can protect the applicant from disclosures by others in the US; and
  - Can hurt the applicant with respect to the novelty requirement of other countries
- Until the open questions regarding "public use" and "on sale" are answered by the CAFC
  - Don't commercially use, nor offer for sale, the invention before filing a patent application
    - Even if commercial use and sale are confidential/secret
    - Even if commercial use and sale are outside U.S.

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DERIVATION PROCEEDINGS

CURRENT LAW:

- Prior to enactment of the patent reform bill (hereinafter the "America Invents Act"), the primary purpose of an interference was to resolve priority (i.e., to determine the first party to invent the subject matter in dispute). However, interferences were also used to resolve (i) derivation cases (i.e., to determine whether a party impermissibly filed a patent application or obtained a patent based on the conception of another party) and (ii) inventorship disputes (i.e., to resolve a disagreement concerning the naming of inventors).

REFORMED LAW:

- Replaces suggestion process currently employed by the USPTO with a petition process providing that:
  - The petition shall set forth with particularity the basis for finding that an inventor named in an earlier application derived the claimed invention from an inventor named in the petitioner's application and, without authorization, the earlier application claiming such invention was filed
  - Any such petition may only be filed only within the 1 year period beginning on the date of the first publication of a claim to an invention that is the same or substantially the same as the earlier application's claim to the invention
- Patent Trial & Appeal Board:
  - Inventorship Disputes: The AIA merely states "In appropriate circumstances, the PTAB may correct the naming of the inventor in any application or patent at issue"
  - Determination: Both derivation proceedings and inventorship disputes will be conducted by the PTAB.
- EFFECTIVE DATE:
  - 18 Months from enactment

DERIVATION PROCEEDINGS

- EFFECTS:
  - The provision implementing a petition process in place of the current suggestion process may prove to be a marked improvement depending on how the petition process is implemented. Although the America Invents Act does not expressly provide so, hopefully, the decision to remove examiners from the requesting process and to give that responsibility to the Director or his designee reflects that the petitioner will not have to establish the patentability of the claimed subject matter as a prerequisite to initiating a derivation proceeding. In derivation proceedings, where there is often an allegation of "bad" acts, that would seem appropriate.
  - This may cause some concern because the PTAB will also be responsible for conducting post grant review and inter partes review. However, the impact of derivation proceedings and inventorship disputes should be minimal. Currently, the BPAI is handling between 40 and 50 interferences. Derivation cases and inventorship disputes makeup only about 10 to 20 % of those cases. Thus, the judicial bandwidth needed to handle these types of cases should not impact staffing requirements.
  - New Priority Disputes will not be declared after effective date:
    - The America Invents Act changes the U.S. patent system from a first to invent system to a first inventor to file system. Accordingly, new interferences (priority disputes) will not be declared after the 18 month enactment period. After the 18 month enactment period, the PTO will have the discretion to convert any ongoing interference (priority dispute) into a post grant review case or to continue the interference pursuant to the prior laws.
- PRACTICE TIPS:
  - The start of the one year "statute of limitations" is triggered by publication of the "bad guy's" claim. Thus, if the published claim[s] is not materially changed during prosecution, then the petitioner must be careful to present a "copied" claim within the one year period (from publication of the application). If the published claim is materially changed during prosecution, then the petitioner must be careful to present a "copied" claim within the one year period (from issuance of the patent)
  - Monitor regulations set for the deadline to file for a derivation proceeding
    - "Beginning on the date" has been strangely construed by the USPTO with respect to PTE 60 day calculations (See below)

THANK YOU

Send questions to skunin@oblon.com