



Patent Prosecution in View of The America Invents Act

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Overview

- First-To-File (new 35 U.S.C. § 102)
- Derivation Proceedings
- New Proceedings For Patent Owners
 - Supplemental Examination
- New Proceedings For Competitors
 - Prior Art Submissions during prosecution
 - Post-Grant Review & Inter Partes Review
- Miscellaneous Provisions
 - Marking, Joinder, Prior Commercial Use Defense

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Effective Dates

Day of Enactment Sept 16, 2011	10 Days Sept 26, 2011	Oct 1, 2011	60 Days Nov 15, 2011	12 Months Sept 16, 2012	18 Months Mar 16, 2013
Reexamination transition for threshold Tax strategies are deemed within the prior art Best mode Human organism prohibition Virtual and false marking Venue change from DDC to EDVA for suits brought under 35 U.S.C. §§ 32, 145, 146, 154 (b)(4)(A), and 293 OED Statute of Limitations Fee Setting Authority Establishment of micro-entity	Prioritized examination 15% transition surcharge	Reserve fund	Electronic filing incentive	Inventor's oath/declaration Third party submission of prior art for patent application Supplemental examination Citation of prior art in a patent file Priority examination for important technologies <i>Inter partes</i> review Post-grant review Transitional post-grant review program for covered business method patents	First-to-File Derivation proceedings Repeal of Statutory Invention Registration

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35 USC 102—Prior Art

35 USC 102(a)(1):

A person shall be entitled to a patent **UNLESS** 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.

- No longer limited to public use/sale in U.S.
- No longer based on date of invention

35 USC 102—New Grace Period

- Exceptions to 102(a)(1) are in 102(b)(1):
Disclosures made 1 year or less before the effective filing date are not prior art if—
- (A) **disclosure was made by inventor** or “another who obtained the subject matter disclosed directly or indirectly from inventor”
 - (B) the subject matter disclosed **had**, before such disclosure, **been publicly disclosed by inventor** or another

35 USC 102—First To File

- 35 USC 102(a)(2):
A person shall be entitled to a patent UNLESS the claimed invention was described in a [U.S.] patent . . . or in an [U.S. or PCT] application . . . published or deemed published under section 122(b), in which the patent or application . . . names another inventor and was **effectively filed before the effective filing date** of the claimed invention.
- No longer limited to U.S. filing date

35 USC 102—First To File Exceptions

Exceptions to 102(a)(2) are in 102(b)(2):
Disclosures appearing in a patent or patent application are not prior art if—

- (A) the subject matter disclosed was obtained directly or indirectly from inventor;
- (B) the subject matter disclosed already had been publicly disclosed by inventor or by another who obtained the subject matter disclosed directly or indirectly from inventor;
- (C) the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, **were owned by/subject to an obligation of assignment to the same person.**

35 USC 102—First To File Summary

- Eliminates general 1 year grace period
- Retains 1-year grace period for inventor's own disclosure and disclosures obtained from inventor
- Eliminates ability to "swear behind" 3rd party prior art with proof of prior invention
- Can remove 3rd party disclosures within 1-year grace period only with proof of prior public disclosure by inventor of "the subject matter disclosed"
- No distinction between events in U.S. vs. ex-U.S.
- The old 35 USC 103(c) is now incorporated into 35 USC 102(b)(2)(C)

Adapting To The New 35 U.S.C. § 102

- Applies to new applications/CIPs filed on/after March 16, 2013
 - Disclosures made on/after March 16, 2012 can have patent-defeating effect on applications filed on/after March 16, 2013
- → → roll out new policies/procedures by March 16, 2012

Strategic Considerations

- Ensure that all public disclosures/offers for sale/uses anywhere in the world are pre-screened for IP purposes
- Keep good records of all public disclosures (etc.) including what was disclosed and the audience
- Continue to maintain lab notebooks/records of internal experiments, processes, etc.
- Conduct IP inventory now to file new provisionals before March 16, 2012 and complete applications before March 16, 2013

First-To-File Effective Date

- Patent claim with effective filing date on or after March 16, 2013 acts as a “poison pill”
 - Entire application subject to first-to-file
 - Any application claiming priority to that application subject to first-to-file
 - Once a “new” claim is presented, cannot cancel claim or delete priority to avoid first-to-file

Strategic Considerations

- File applications with “new” claims before March 16, 2013
 - new applications
 - non-provisional applications
- Segregate “old” subject matter and “new” subject matter into different applications
 - If filing a CIP on/ after March 16, 2013 consider filing/maintaining a parallel continuation
- International strategies (effective filing date takes foreign priority into account)

Derivation Proceedings

- All that will remain of current “interference” practice
- Will apply to applications/patents that fall under the new “first-to-file” provisions (e.g., after March 2013)
- Based on claim that the inventor of an application with an earlier filing date had derived the claimed invention from an inventor of an application with a later filing date.
- USPTO proceeding must be filed within one year of first publication of a relevant patent claim
- District court proceeding must be filed within one year of the patent grant date

Strategic Considerations

- Maintaining good records of all public disclosures (etc.) could help support a derivation claim
- Maintaining lab notebooks/internal records of innovative activities could help defeat a derivation claim
- Maintaining internal records of commercial processes could help establish prior use defense

Third Party Prior Art Submissions

- Available Sept. 16, 2012 for any pending patent application
- Third parties can submit prior art during prosecution
- Must be filed before first Office Action
- Must include a “concise description of the asserted relevance of each submitted document.”

Strategic Considerations

- Consider filing prior art in competitor patents.
- Statute does not require identification of real party in interest
- No express estoppel effect
- USPTO rules may outline additional requirements for submissions.

Supplemental Examination

- Available Sept. 16, 2012 for any patent
- Brought by patent owner only
- Ask USPTO to consider, reconsider, or correct (any) information believed to be relevant to the patent.
- *Ex parte* reexam ordered if patentee raises a substantial new question of patentability.
- Can “inoculate” patent against inequitable conduct if commenced before litigation

Third Party Patent Challenges

- *Ex parte* reexam
- *Inter partes* reexam → *inter partes* review
- Post-grant review

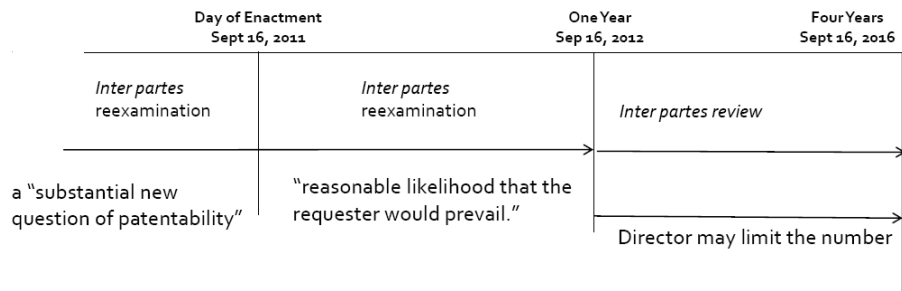
Post-Grant Review (PGR)

- Available after March 16, 2013, against patents governed by “first-to-file” version of 35 USC 102
- Brought by third party, must identify real party in interest
- Can be based on any issue (not just prior art)
- Must be filed within 9 months of patent grant date (after that, can only use *inter partes* review based on prior art)
- USPTO goal to complete proceeding within one year

Post-Grant Review (PGR)

- Petitioner must establish:
 - (i) “it is **more likely than not** that at least 1 of the claims challenged ... is unpatentable”; or
 - (ii) “the petition raises a novel or unsettled legal question that is important to other patents or patent applications.”
- Note threshold standard is higher than SNQ.
- Petitioner may raise any questions of patentability (not just prior art).
- PTO must complete review within 1 year (6 months extension for good cause).

Inter Partes Review (IPR)



Inter Partes Review (IPR)

- Available September 16, 2012, *but retroactive*:
 - Can challenge patents issued before enactment.
- Replaces *inter partes* reexamination
- May file petition only after the later of:
 - (i) 9 months after patent grant date, or
 - (ii) after termination of PGR
- Petitioner must establish:
 - "there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged"

Inter Partes Review (IPR)

- Petitions based only on patents and printed publications.
- Petition can raise Qs only based on anticipation (102) or obviousness (103).
- No review if petition is filed more than 1 year after petitioner is served with a complaint alleging infringement.
- Discovery can be taken of declarants in the IPR.

Both Post Grant and Inter Partes Review

- must identify real parties in interest.
- Patentee can cancel or propose substitute claims, but cannot enlarge scope or introduce new matter.
- Petitioner burden of proof: preponderance of evidence.
- USPTO must issue final determination in review within a year (extendable by six months)

Both
Post Grant and Inter Partes Review

- Estoppel: Petitioner may not assert in district court litigation or ITC proceeding that a claim is invalid on ground petitioner raised or reasonably could have raised during review resulting in a final decision.
- But, if review is terminated (e.g., via joint request after settlement), there is no estoppel.

Both
Post Grant and Inter Partes Review

- Review barred if petitioner (or real party in interest) previously brought civil action challenging validity of a relevant claim.
- If petitioner files suit after submitting a petition, civil action is stayed until patent owner takes certain action in court:
 - Patentee asks court to lift stay, files infringement action, or moves to dismiss civil action.

Strategic Considerations

- No post-grant review (PGR) on claims “confirmed” in reissue. § 325(f):

“(f) REISSUE PATENTS.—A post-grant review may not be instituted under this chapter if the petition requests cancellation of a claim in a reissue patent that is identical to or narrower than a claim in the original patent from which the reissue patent was issued, and the time limitations in section 321(c) would bar filing a petition for a post-grant review for such original patent.

- PGR vs. IPR
 - “more likely than not” vs. “reasonable likelihood”

The Transitional Program for Covered Business Methods

Applies to “Covered Business Methods” only:

“For purposes of this section, the term ‘covered business method patent’ means a patent that claims a method or corresponding apparatus for performing data processing or other operations used in the practice, administration, or management of a financial product or service (as that term is defined in section 1002(15) of Public Law 111-203), *except that the term does not include patents for technological inventions.*”

The “Transitional Program” can be used for all existing and future “Covered Business Methods.”

The Transitional Program for Covered Business Methods

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- Sec. 18(a)(1)(B) indicates that “A person may not file a petition for a transitional proceeding with respect to a covered business method patent unless the person or the person’s real party in interest or privy has been sued for infringement of the patent or has been charged with infringement under that patent.”
- There is no explanation as to what “charged with infringement” means.
 - Is it the same as the standard for a DJ action?
- It is clear that the petitioner cannot have previously challenged the patent in a declaratory judgment action.
- A counter-claim for invalidity is specifically *excluded* as a challenge that precludes use of the “Transitional Program.”

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The Transitional Program for Covered Business Methods

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Section 321(b) indicates:

(b) Scope- A petitioner in a post-grant review may request to cancel as unpatentable 1 or more claims of a patent on any ground that could be raised under paragraph (2) or (3) of section 282(b) (relating to invalidity of the patent or any claim).

■ Thus, it appears that the petitioner can challenge a “Covered Business Method” on any grounds of patentability, not just prior art.

■ Estoppel: not as strong as regular PGR or IPR: removes arguments petitioner “could have raised” from estoppel. Estoppel only for “raised” arguments.

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Strategic Considerations

- Specifically include post-grant reviews in “stand still” agreements with potential licensees.
- Limit use of business method patents in claim charts and letters to potential licensees.
- Continue to use “technological” elements in claims.

Miscellaneous Provisions

- Limitations on false marking suits:
 - Standing requires commercial injury.
 - No violation for marking with expired patent number.
- Restrictions on joinder of defendants.
- Elimination of best mode violation as ground for invalidation.
- Failure to obtain/produce opinion may not be used to prove willful infringement or intent to induce infringement.

Expanded Prior Commercial Use Defense

- A “personal” defense under section 282(b).
- A process, or a machine, manufacture, or composition of matter used in a manufacturing or other commercial process.
- Used commercially in good faith in the U.S. at least 1 year before the earlier of:
 - (A) the effective filing date of the claimed invention; or
 - (B) the date on which the claimed invention was disclosed to the public in a manner that qualified for the exception from prior art under section 102(b).
- Encompasses premarketing regulatory review and non-profit laboratory use.
- Clear and convincing evidence standard.
- Does not make patent invalid.

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Thank You!



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