

# CHANGE ORDER

BY CHRISTINE L. MOBLEY

**S**weeping changes in the realm of patent law aim to bring the U.S. in alignment with the rest of the world and Detroit is at the forefront of the movement, according to a pair of noted intellectual property attorneys.

The America Invents Act (AIA) contains some of the most widespread changes to the patent system that the U.S. has seen in more than 60 years.

International harmonization was the driving factor behind the AIA, which was signed into law by President Obama on September 16, 2011.

“A lot of the things you’ll see in this revised act bring us into compliance with the rest of the world’s patent systems,” said Marcus Sprow of Foley & Lardner in Detroit. “I guess the theory is that at the end of the day you’ll have better, stronger patents that will promote innovation by giving inventors more certainty as to the security of their rights as opposed to the (old) system.”

Robert Siminski, an IP attorney with more than 20 years experience with Harness Dickey in Troy, agreed.

“The motivation behind the changes seemed to be twofold: harmonize America’s patent system with those of other countries by becoming a first-to-file system, and stimulate an encumbered process,” Siminski explained.

Among the several reforms to the Patent Act are provisions such as the transition to a first-to-file system rather than a first-to-invent system, prior art, post-grant review, prioritized examination, inter partes review, and improved patent quality (see box).

Of course, with any new piece of legislation there’s a certain amount of trepidation about how things will play out, Siminski indicated.

“Not everyone is happy with the changes the way that they had finally been passed, but I think over time people will realize that the changes on the whole were good changes to be made,” Siminski said. “I think this new system will force both sides a little closer together in operating through the United States Patent and Trademark Office.”

While acknowledging that the scope of the legislation will be determined over time, Sprow said the reforms are expected to pay long term dividends.

“We’re in a period of uncertainty which will probably last the next 3 to 5 years because there’s a lot in the act that hasn’t been interpreted either through regulations at the Patent Office or through litigation,” Sprow speculated. “In that time, I think everybody’s job is going to be a little bit more difficult trying to navigate the waters to figure out what



*Attorneys Marcus Sprow (left) and Robert Siminski, in front of the future home of the United States Patent and Trademark Office on the Detroit riverfront.*

Photo by Robert Chase

# America Invents Act brings patent reform to home front

rules apply, how they apply, and what that means for your strategy.

“I think what we’ll have is a short period initially of a little bit more difficulty just from the standpoint of figuring out what rights apply and then going forward we’ll have greater certainty,” Sprow said. “So, short term pain for long term gain.”

Probably the most notable change for Detroit is that the AIA provides for three of the first-ever satellite offices of the United States Patent and Trademark Office – the first of which will be the Elijah J. McCoy United States Patent and Trademark Office to be located at 300 River Place Dr. in Detroit. The building, listed on the National Historic Registry, was the former home to Parke-Davis Laboratories as well as the Stroh’s Brewery Headquarters.

“It’s a good framework to bolster the economy and the technology sector in Metro Detroit,” Siminski noted. “I sincerely hope that some of the art units that are designated for examination here in Detroit are in technology sectors over and above automotive technologies because I think that’s a good way to help diversify the regional economy.

“I’m hoping that this, along with our vast network of engineers in southeastern Michigan, will serve as a framework for building some new technology platforms here locally.”

The Detroit office, which is scheduled to open by mid-summer, is expected to initially create more than 100 high-paying jobs in its first year. The USPTO expects to post vacancy announcements for patent examiner positions this spring. Prospective employees should e-mail [detroit@uspto.gov](mailto:detroit@uspto.gov).

According to Siminski, USPTO Deputy Chief of Staff Azam Khan is “Detroit’s friend” in Washington and is “very passionate” about getting the Detroit office up and running.

“He’s working hard on behalf of the PTO to make sure that things go smoothly with the opening of this office,” Siminski said of Khan, a Detroit native. “I know the USPTO – through

dialogue that I’ve had with them – is feverishly working on the build out at the location they’ve selected and is putting a lot of time and effort into recruiting examiners for that office. I can’t even emphasize how excited I am about it. I expect that many of the firms that are based in the Midwest will be traveling to Detroit to do work at the Patent Office here locally when necessary as opposed to going to Washington.

“It’s yet another opportunity to generate some revenue here locally,” Siminski said. “I think the region, and the city of Detroit, in particular, ought to be planning to market to that space: whether it’s offering slight discounts on hotel rates to get people to stay overnight as opposed to just coming in for the day or something else. It definitely should bolster the local economy if we work together to make that the reality.” **M**

## NOTABLE CHANGES IN AIA

### TRANSITION TO FIRST-INVENTOR-TO-FILE SYSTEM (effective September 16, 2013)

“The rest of the world does it...Nobody knows when, but there’s always a push for this type of discussion – to do what they call harmonization of the patent laws. I think the endgame when it comes to patents is maybe a unified worldwide system...that’s many, many years in the offing,” Harness Dickey attorney Robert Siminski said.

“I think that it will have less of an impact than some of the other provisions. Here’s why – when you say it’s a first-to-invent or a first-to-file, what it really means is if you go to the Patent Office and two people have the exact same invention, who’s entitled to get the patent? ...But what’s sort of lost in that is the times you have the same exact invention are exceedingly rare,” Foley & Lardner attorney Marcus Sprow said.

### PRIOR ART (different effective dates depending on the provision)

“This is the far more significant aspect (than first-to-file), I think, in the fact that now prior art is triggered with respect to your filing date as opposed to your invention date in some circumstances,” Sprow noted. “So it does create a sort of rush to the Patent Office, but for different reasons than most commentators are talking about now. It’s really because you want to get to the Patent Office sooner rather than later so as to cut off what can be used against you as prior art.”

### POST-GRANT REVIEW (September 16, 2012)

“This gives the Patent Office yet another opportunity to review any other relevant prior art prior to issuance,” Siminski explained. “This post-grant review process that has been a part of the AIA changes will help bolster the strength of patents coming out of the Patent Office as a result of this additional review process . . . Occasionally, patents end up in litigation. I look forward to the day of going to litigation under a patent that has been through that process. It will clear up a lot of the unknowns in the litigation process.”

### PRIORITIZED EXAMINATION (September 26, 2011)

“The new prioritized examination is helpful for inventors who need protection for an invention in a market where things are changing quickly, like in biotechnology. It costs an extra \$4,800 for a large entity or \$2,400 for a small entity, but a patent can be issued within 12 months,” Siminski said.

### IMPROVED PATENT QUALITY

“There are certainly those who say, and I think it’s true, that a country that has a strong patent system allows you to protect your rights enhances innovation because any inventor is going to get 20 years of exclusivity to practice their invention and put it in place and they’re going to be incentivized because of that patent system,” Sprow said. “Whether the revisions to the Patent Act actually make patents stronger or get patents granted more quickly, I think that part remains to be seen. . . At the end of the day, if everything goes smoothly, I think it creates a stronger patent system that has better patents granting which will promote innovation and allow companies to operate with more certainty.”