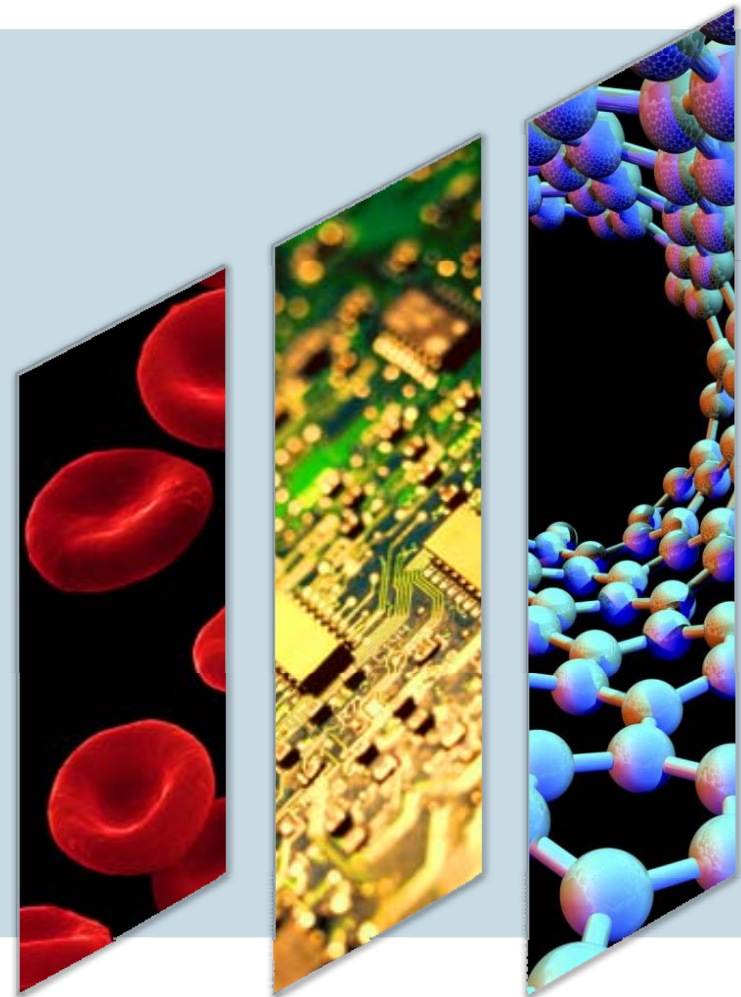


Patent Reform Fact and Fiction

What You Need to Know to Prepare for the “First Inventor to File” Transition



November 27, 2012

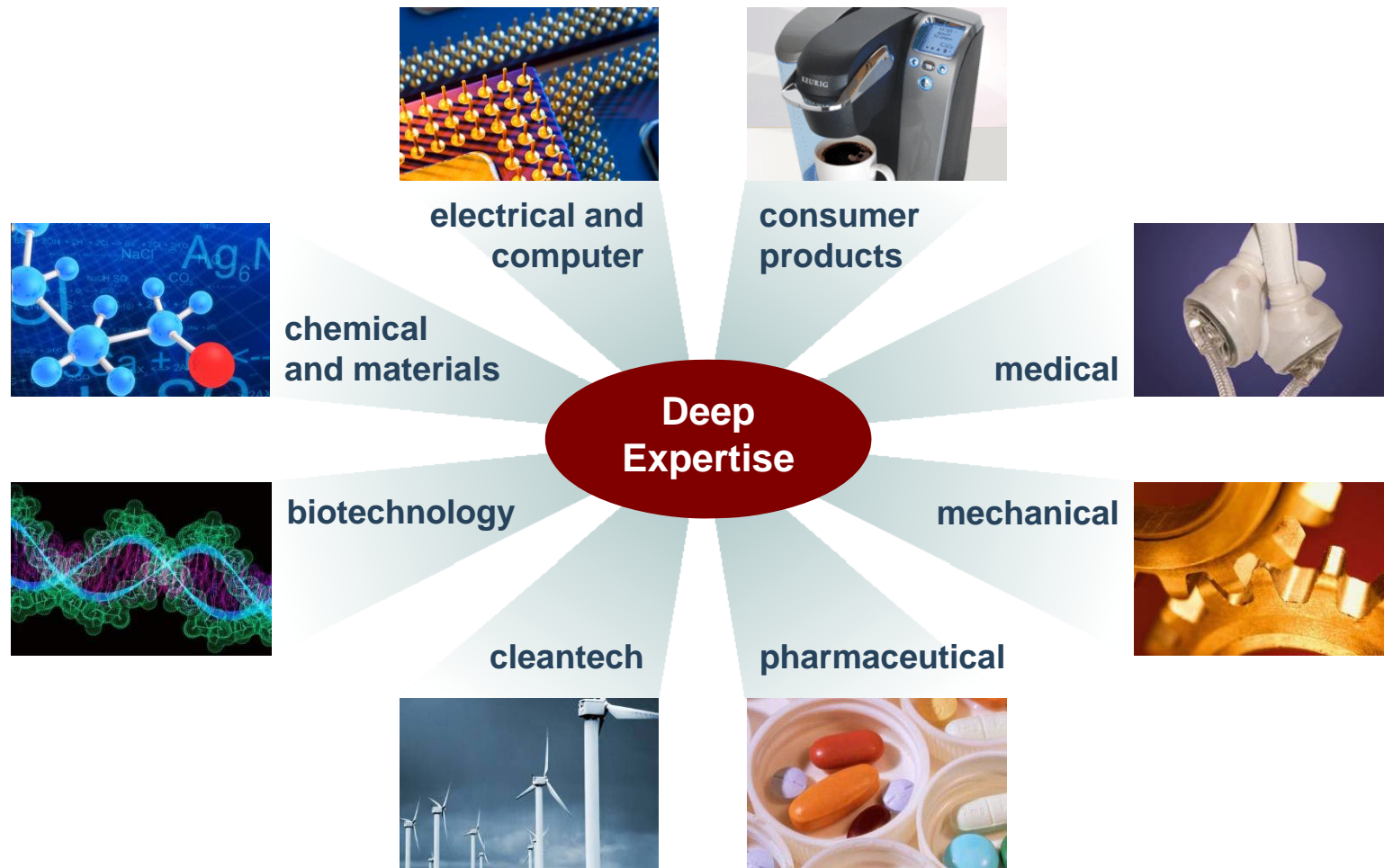


Largest IP-Only Law Firm Based in New England



- 200** IP professionals and staff
- 88** Attorneys & technology specialists
- 89%** Degree in science/engineering
- 55%** Prior industry experience
- 65%** Ph.D., M.D., advanced degrees
- 2,927** Patents filed in 2011
- 85** Years serving clients

Patent Practice Areas



Presented By



Edward R. Gates

Firm Chairman

B.S., Biology, Yale University

J.D., Boston University School of Law

America Invents Act (AIA) Major Provisions Already in Effect

- **Changes to patent application process**
- **Third party attacks at the PTO**
- **Stronger patents**
- **Expanded infringement defense: prior use**

America Invents Act (AIA) Major Provisions Already in Effect *(cont.)*

Changes to Patent Application Processes:

- **Inventor Oath/Declaration**
- **Prioritized Examination**
- **Third Party Preissuance Submissions**
- **Fees**

America Invents Act (AIA) Major Provisions Already in Effect *(cont.)*

Third Party Attacks On Patents at the PTO:

- ***Inter Partes* Review (IPR)**
 - 102 & 103—publications only
- **Post-Grant Review (PGR)**
 - 101, 112, 102 & 103—all art
- **Covered Business Method Patent Review**
 - 101, 112, 102 & 103—all art
- ***Ex Parte* Reexamination (EPR)**
 - 102 & 103—publications only

America Invents Act (AIA) Major Provisions Already in Effect *(cont.)*

Stronger Patents:

- **Best Mode**
- **Supplemental Examination Request**
 - **Purging Inequitable Conduct**
 - **Extending presumption of validity to new information**
- **Patent Marking**
 - **Virtual**
 - **False**

Expanded Infringement Defense:

- **Prior Use**

Overview of 'First Inventor to File'

- **Change from “first to invent” to “first to file”**
- **Applies to applications filed after, and that have a claim with an effective date on or after, March 16, 2013**
- **Expansive definition of prior art – includes worldwide information “otherwise available to the public”**

What Does First Inventor to File Mean?

Simply put – whoever files first wins

- **Doesn't matter if you invented 1 day, 1 month, 1 year earlier than another – if you lose the race to the Patent Office, you likely lose patent rights**
 - **Exceptions may apply to eliminate a prior filed application as prior art to a later application**
- **First filing can be anywhere around the world and in any language**
- **Creates tension between filing quickly and ensuring applications are complete**

What Law Applies to My Application?

If filed before March 16, 2013 – old law

If filed on or after March 16, 2013 –

- **Old law applies if all claims have an earliest effective date before March 16, 2013**
 - E.g., continuation and divisional applications claiming to pre-March 16 application
- **New law applies if any claim included, at any time, with an earliest effective date of March 16, 2013 or after**
 - E.g., CIPs, a non-provisional application “converted” from an earlier provisional and including new subject matter

What Can Be Prior Art?

Any public disclosure, anywhere in the world

- Prior Art no longer limited (at least in some cases) to the United States
- Printed publications, a presentation, something in public use, on sale, or otherwise available to the public anywhere
- *Meaning of “on sale” and “otherwise available to the public” not entirely clear*

Legislative history suggests prior, secret sales or commercial use may not be prior art

- Contrary to long standing law

What Can Be Prior Art? *(cont.)*

U.S. patents/applications and PCT applications effectively filed before your application

- Content of foreign priority application is prior art – **a big change**
 - We will be in the dark even more than before regarding prior art
- US/PCT applications available as prior art for novelty and obviousness purposes
 - In Europe, such prior filings only available on novelty basis

Is It Prior Art?

Questions to ask:

- Was it available to the public anywhere in the world before my application's filing date?

OR

- Is it a US or PCT application/patent effectively filed before my application's filing date (including any foreign priority dates)?

If yes to either – It is prior art (unless an exception applies)

Any Grace Periods or Exceptions Regarding Public Disclosures?

Limited exceptions are provided for certain disclosures occurring 1 year or less before your inventor's filing date

Disclosures that will not be prior art:

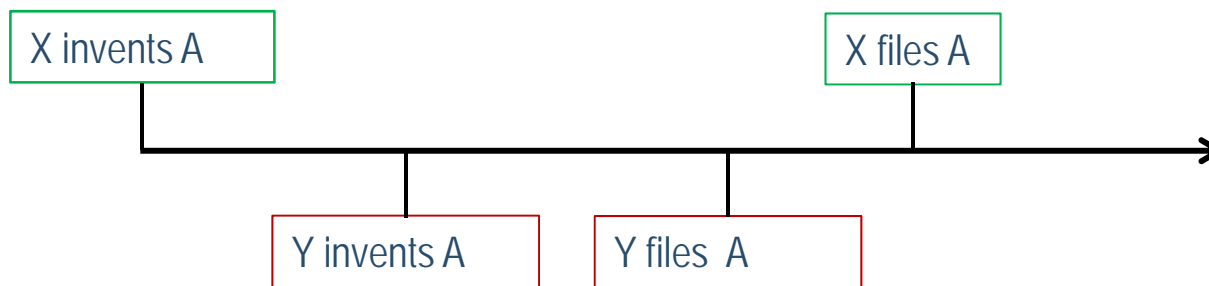
- By the inventor (or by another who obtained the subject matter from the inventor)
- Occurring after a public disclosure by the inventor of the same subject matter (or by another who obtained the subject matter from your inventor)
 - Note, however, that slightly different disclosures by third parties will not be knocked out by prior inventor disclosure

Any Grace Periods or Exceptions Regarding US/PCT applications?

U.S. or PCT applications will not be prior art if:

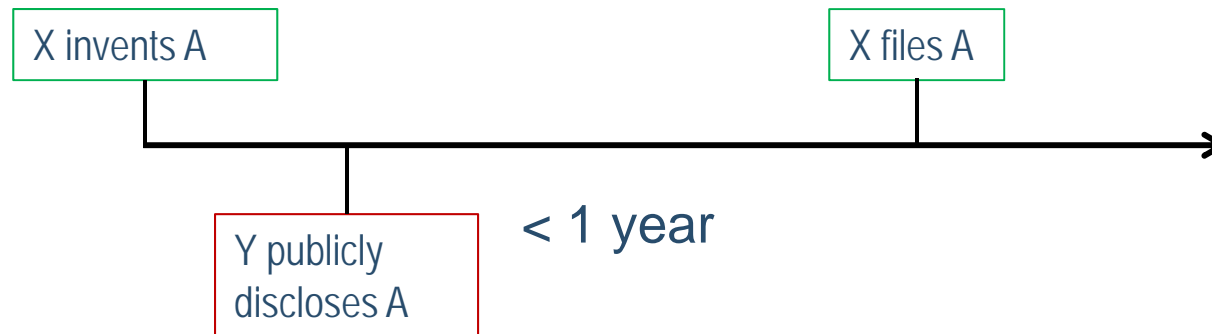
- Subject matter obtained directly or indirectly from the inventor
- Filed after a public disclosure of the same subject matter by the inventor (or by another who obtained the subject matter from your inventor)
 - Note, however, that slightly different disclosures by third parties will not be knocked out by prior inventor disclosure
- Co-owned as of later application's filing date

What's Out?



- **Old: X wins if X can prove an earlier invention date of A**
- **New: Y wins**

What's Out? *(cont.)*



- **Old: X could disqualify Y publication based on earlier date of invention**
- **New: Y's publication is novelty destroying prior art to X**

What's In?

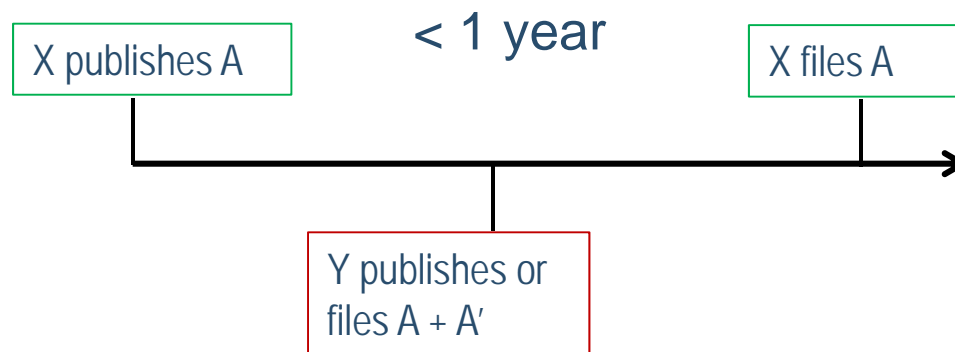
- **Must win race to the PTO**
- **Must file before somebody else discloses**

There Is Still A Grace Period



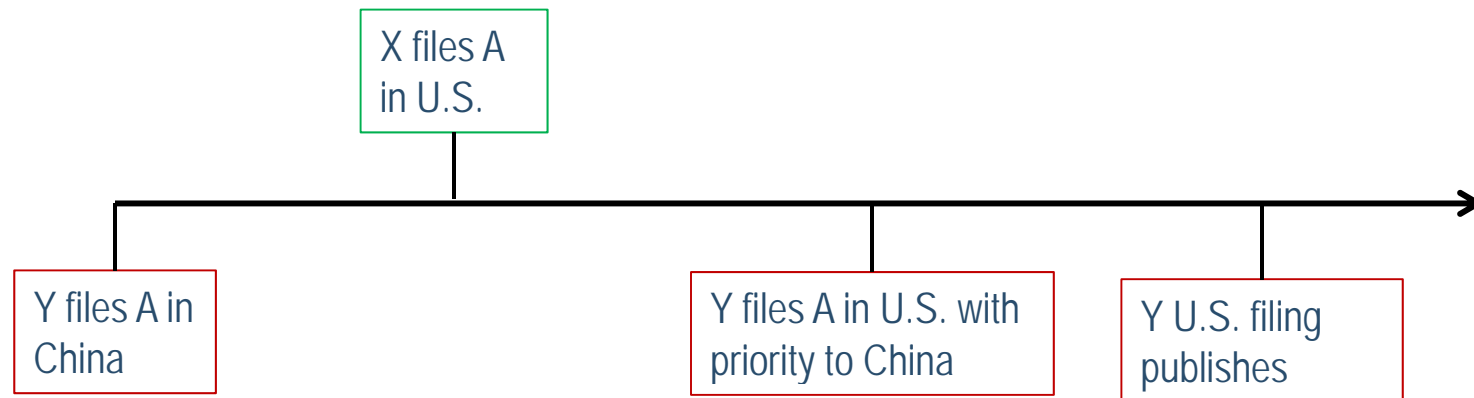
- **Old and New: Same result X gets to claim A and A'**

There Is Still A Grace Period, But...



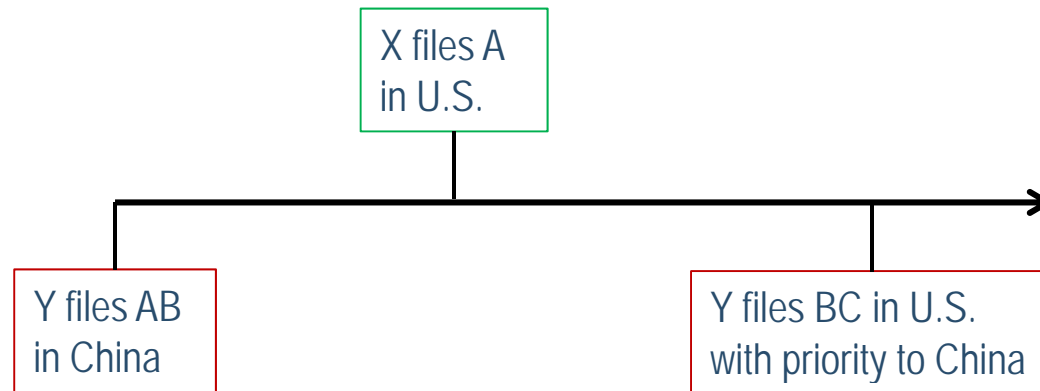
- **Old: X gets to claim A, not A'**
- **New: X gets nothing**

Foreign Activity Is More Important



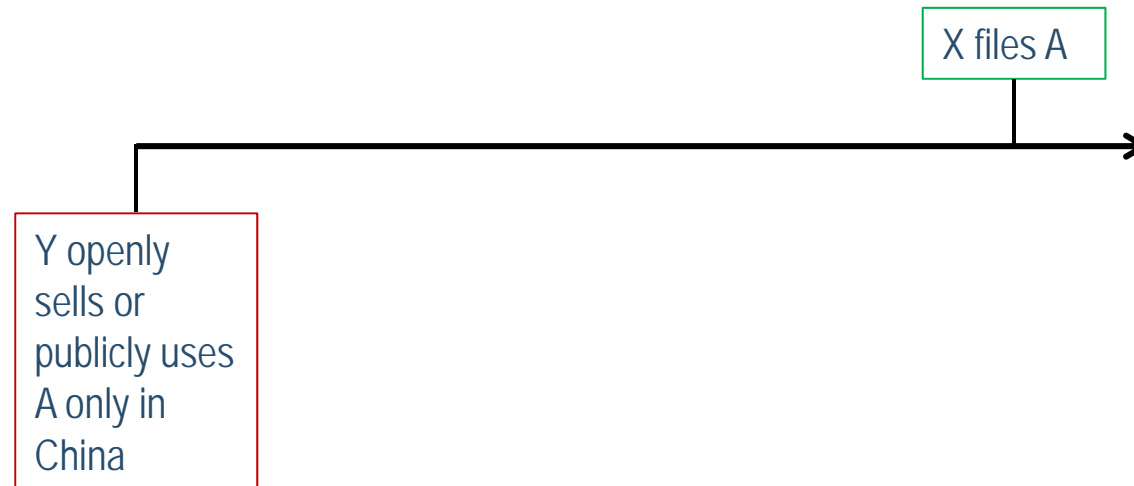
- **Old: Y's China application is not prior art**
- **New: Y's China application filing date is prior art date for U.S. application**

Foreign Activity Is More Important *(cont.)*



- **The only thing in Y's U.S. application that is prior art is B**
- **A is safe if non-obvious over B**

Foreign Activity Is More Important *(cont.)*



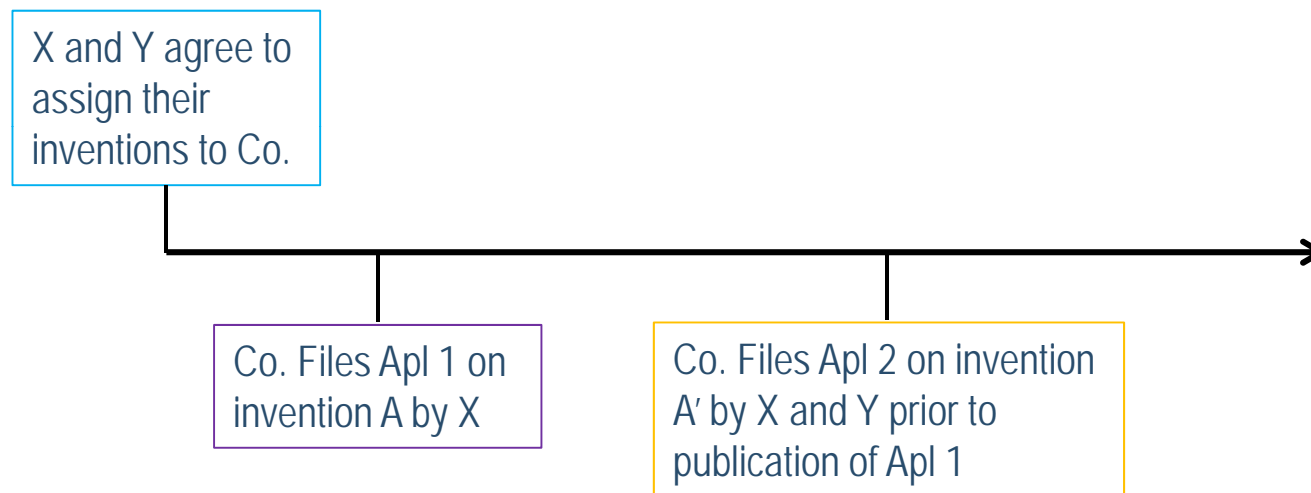
- **Old:** Y sales/use are not prior art
- **New:** Y sales/use are now novelty destroying prior art to X

Situations Where You Are Now Better Off



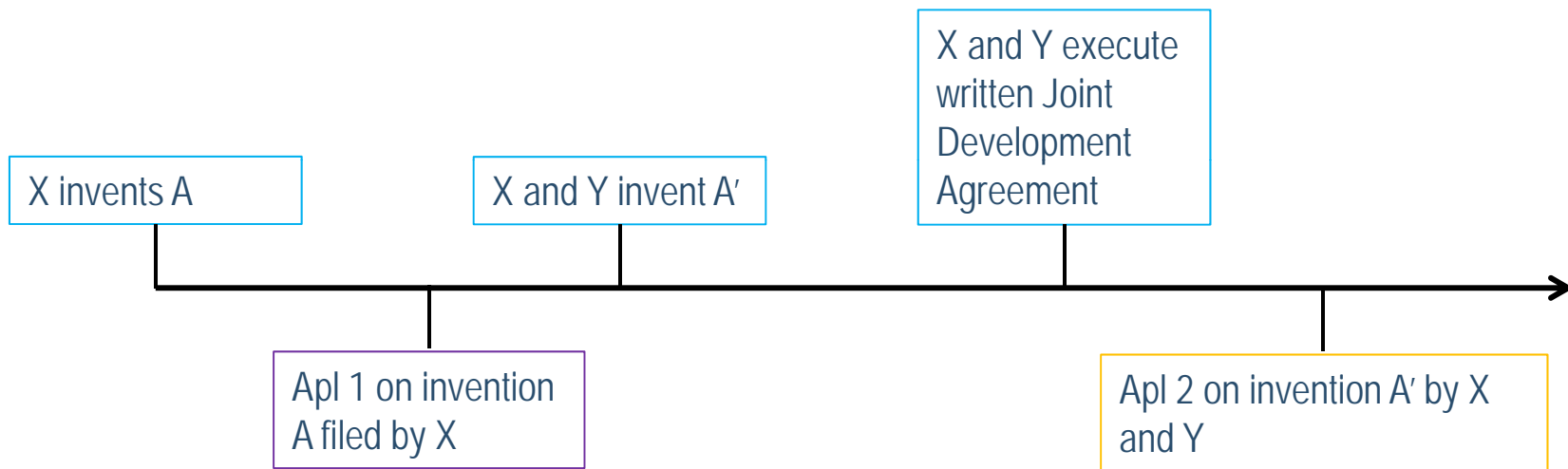
- **Old: X's confidential sale/use are novelty destroying prior art if activity conducted in the U.S.**
- **New: X's confidential sale/use not prior art anywhere in the world**

Commonly Owned Applications No Longer Prior Art At All



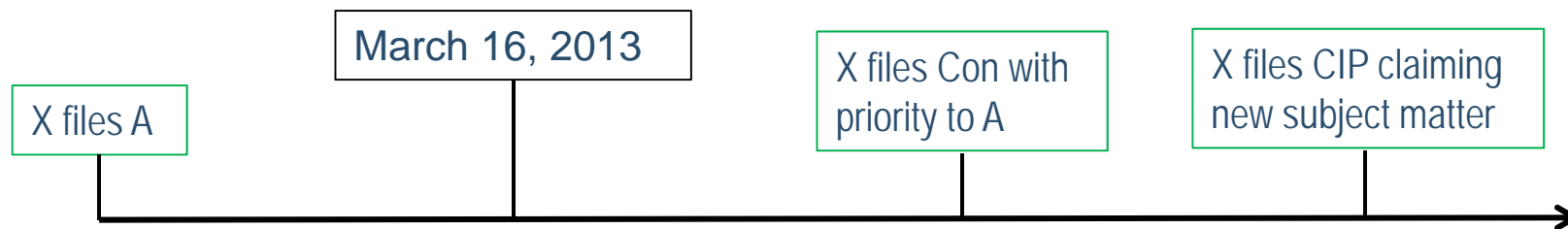
- **Old: Apl 1 is not prior art for Apl 2 for obviousness BUT it is for novelty – A' okay in Apl 2 only if not anticipated by A**
- **New: Apl 1 not prior art to Apl 2 for either obviousness OR novelty – A' okay in Apl 2 even if anticipated by A**

Written Agreement Before Invention No Longer Needed for CREATE Act Exception



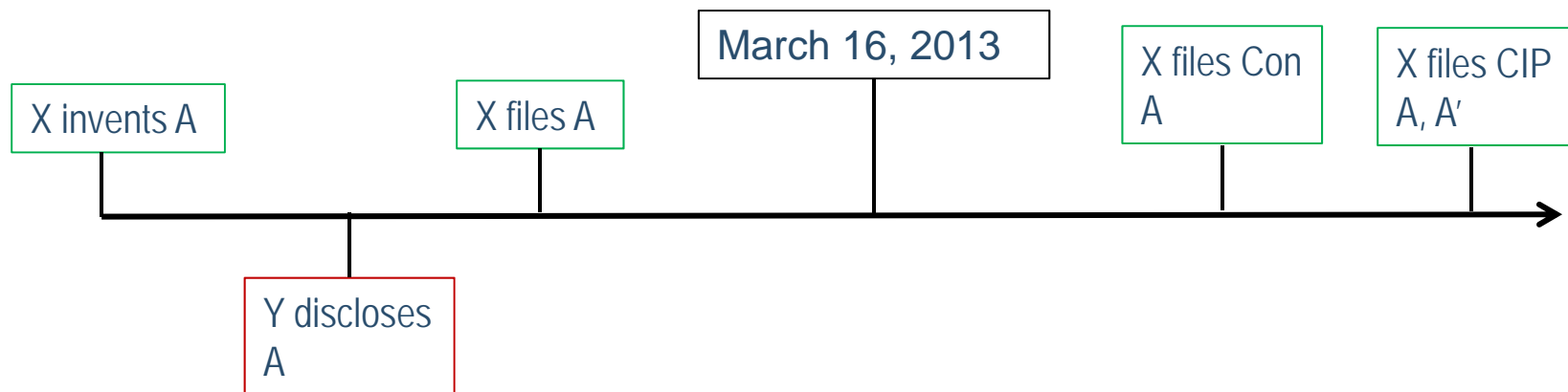
- **Old: Apl 1 is prior art for Apl 2 for all purposes – A' not patentable if anticipated or obvious over A**
- **New: Apl 1 not prior art to Apl 2 for either obviousness OR novelty – A' okay in Apl 2 even if anticipated or obvious over A**

Different Prior Art For CIPs Than Parent Application



- **Con:** old rules of prior art apply
- **CIP:** new rules of prior art apply to all claims

Different Prior Art For CIPs (*cont.*)



- **Straight Con to A is not barred**
- **CIP both A and A' are barred by Y's disclosure**

Strategies and Tactics

“Ooops” moments—act quickly

**European Strategy (file before publishing)
generally a reasonable approach to handle
new US law**

- **But US/PCT applications being prior art for novelty and obviousness urges earlier filing**
- **But avoid relying on a weak provisional—consequences more severe than before**

Strategies and Tactics *(cont.)*

Should I keep invention records anymore?

- Derivation proceedings—Patent Office determines if earlier filer stole invention from later filer—likely rare case

Circle March 15, 2013 on calendar

- May be circumstances where you want new rules to apply
- May be circumstances where you want old rules to apply
- Carefully use CIPs after March 16, 2013—avoid mixing pre- and post transition inventions/claims

Strategies and Tactics *(cont.)*

Remember, it is a ‘race to the patent office’

- **File multiple provisionals**
- **Take advantage of low filing costs/informal rules**
- **Combine if/when you decide to convert**