

America Invents Act

Patent Prosecution Strategy

KLARQUIST
SPARKMAN^{ES}
INTELLECTUAL PROPERTY LAW

June 7, 2012

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America Discovers the Rest of the World

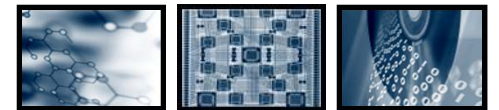




We Will Discuss:

1. Changes and effective dates
2. New definition of prior art
3. Filing strategies

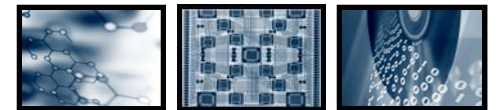
Note: We will not be discussing post-issuance changes under the AIA





Timing: Effective Now

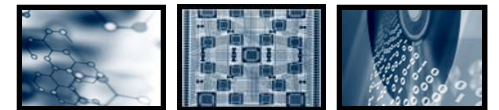
- Prohibited:
 - claims "directed to or encompassing a human organism" (methods of treatment OK)
 - tax strategy patents (at least for "evasion" purposes)
- New:
 - additional routes of expedited examination
 - micro-entities defined, but 75% fee reduction awaits USPTO setting new fees
 - heightened bar for granting *inter partes* reexamination





Timing: Effective Now

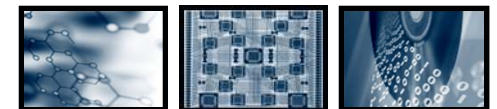
- Prosecution:
 - 15% fee surcharge on all patent fees
 - Penalty for not filing utility applications electronically
- Litigation:
 - New: virtual marking
 - Eliminated: best mode defense but kept the best mode requirement
 - Effectively eliminated: false marking litigation





Timing: Effective Sept. 16, 2012

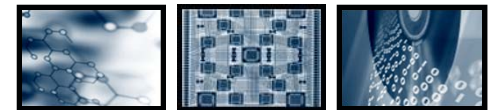
- Pre-Issuance:
 - Expanded: avenues for assignee to file without **Inventor's declaration** (waiting for PTO final rules)
 - Expanded: 3rd party submission of prior art
- Post-Issuance:
 - New: **Supplemental Examination** - patent owner initiates with new prior art or other information (but huge fee)
 - New: **Post-grant review** within 9 mos. of issuance (but limited applicability for pats. with EFD before Mar. 16, 2013)
 - New: "**Inter partes review**" replaces "*inter partes* reexamination" (applies to all patents whenever filed)





Effective: March 16, 2013

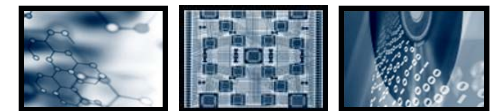
- First to File (New § 102) replaces First to Invent
- Derivation proceedings replace interference proceedings
- Maybe: microentity status fees





Right to File Application

- ✓ Oath or Declaration (§ 115)
 - Not needed until Notice of Allowance (PTO issued proposed rules to the contrary)
- ✓ Substitute Statement Permitted
 - May be in an assignment (in the Invention Disclosure Form)
 - Where deceased, incapacitated, can't be found or refuses but obligated
- ✓ Third Person Can File
 - Assignee – If inventor assigned or has obligation to assign
 - Interested Person - Sufficient proprietary interest





Right to File Application Practical Tips:

Oath or Declaration § 115

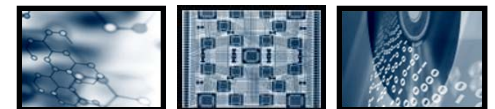
- If you use your own "standard form" declaration, confirm compliance with new statutory requirements

Substitute Statement

- Modify assignment documents to include necessary declaration statements or revise clients' Invention Disclosure Forms. New declaration still preferable.

Third Person Filing

- Modify Invention Disclosure documents to include a current assignment ("I do hereby assign") and necessary declaration statements





New Process for Urgent Patents Track 1 Prioritized Examination

USPTO Goal – final disposition in 12 months

REQUIREMENTS

Application

- original utility or plant non-provisional (Con/Div) - no inter'l, design, reissue or reexam
- Form – PTO/SB/424 recommended

Fee - \$4800 (large entity)

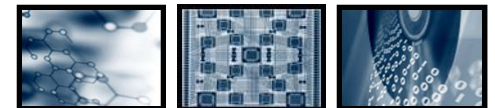
Claim Limitation – 4 or fewer independent and 30 total

Prior Art

- no search or comment required (as in Accelerated Examination)

Prosecution

- Respond to OA in 3 months required
- Final Rejection, RCE, or extension request terminates special status



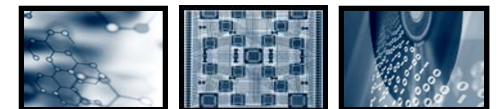


Basics of Novelty Law

New § 102

Now completely written as "new" §102

- § 102(a) describes novelty destroying acts
- § 102(b) provides exceptions





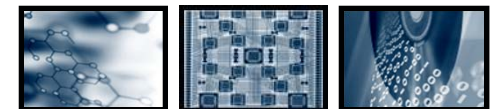
§ 102(a)(1)

Expanded Prior Art - Part 1

35 U.S.C. §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.

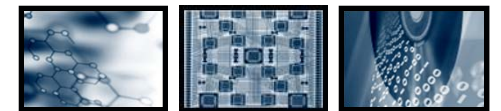
- No longer limited to public use/sale in U.S.
- No longer based on date of invention
- Effective filing date includes non-U.S. priority





New Public Availability Standard

- "'[A]vailable to the public' means the same thing that 'publicly accessible' does in the context of a publication. Subject matter makes an invention publicly accessible or available if an interested person who is skilled in the field could, through reasonable diligence, find the subject matter and understand the invention from it. (157 CONG. REC. S1042 (daily ed. Mar. 1, 2011) (statement of Sen. Kyl).)



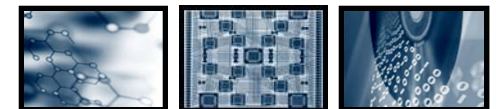


35 U.S.C. § 102(b)(1)— New Grace Period

§102(b)(1) are the exceptions to §102(a)(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





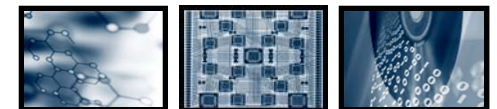
35 U.S.C. § 102(a)(2)

Expanded Prior Art - Part 2

35 U.S.C. §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 ...
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 U.S.C. § 102(b)(2)— Exceptions To First To File

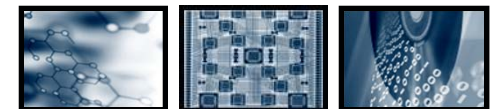
§102(b)(2) are the exceptions to §102(a)(2):

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 or

(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

(parallel to §102(a)(2))

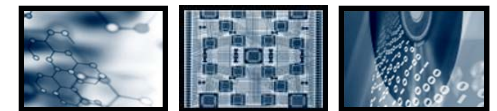




§ 102(c)— Common Ownership Exception To § 102(a)(2)

Disclosures appearing in a patent or patent application are not prior art under §102(a)(2) if—

- (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.**

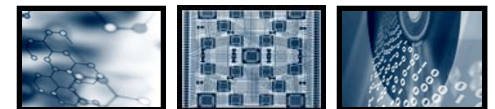


K Definition of "Effective-Filing Date"

§ 100(i)(1) The term "effective filing date" for a claimed invention in a patent or application for patent means—

(A) if subparagraph (B) does not apply, the **actual filing date** of the patent or the application for the patent containing a claim to the invention; or

(B) the filing date of the **earliest application** for which the patent or application is **entitled**, as to such invention, to a right of priority under section 119, 365(a), or 365(b) or to the benefit of an earlier filing date under section 120, 121, or 365(c).



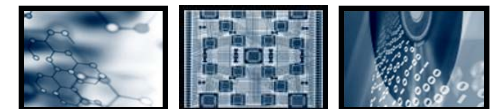


§ 102(d): Effective Date of Patents and Applications Cited as Prior Art

(d) PATENTS AND PUBLISHED APPLICATIONS EFFECTIVE AS PRIOR ART—For purposes of determining whether a patent or application for patent is prior art to a claimed invention under subsection (a)(2), such patent or application shall be considered to have been effectively filed, with respect to any subject matter described in the patent or application—

(1) if paragraph (2) does not apply, as of the actual filing date of the patent or the application for patent; or

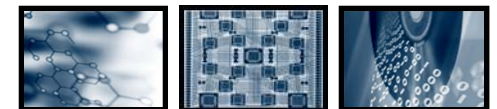
(2) if the patent or application for patent is entitled to claim a right of priority under section 119, 365(a) or 365(b), or to claim the benefit of an earlier filing date under section 120, 121, or 365(c), based upon 1 or more prior filed applications for patent, as of the filing date of the earliest such application that describes the subject matter.





Noteworthy changes under new §102(d)

- **New §102(d)**: For prior art purposes, effective filing date of application/patent is determined based on its **earliest priority date**, **including foreign applications**
 - eliminates *Hilmer* doctrine (under current 102(e), ex-US priority date of application/patent cannot be used)
- **Old §102(e)**: PCT has the effect of an application filed in U.S. only if it designated the U.S. and was published under Article 21(2) of such treaty **in the English language**. Now, PCT must still designate U.S. but is **no longer required to be filed or published in English**.



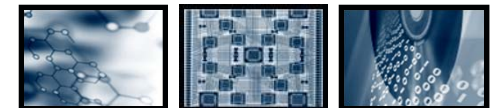


Summary of new §102(a)

102(a)(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"

102(a)(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."

- No patent if:
 - Patented, published, in public use, on sale (similar to old §102(b))
 - Before effective filing date
 - No longer limited to U.S. activities—can be public use, offer for sale, publication, patenting **anywhere in the world**
- No patent if:
 - Invention is described in a **U.S.** patent, or published **U.S.** patent application, or a published **PCT** patent application designating the U.S. (any language)
 - Patent/application must be filed before effective filing date
 - By "another inventor"
 - "inventor" defined in §100(f) as individual inventor or group of individuals who invented invention, different inventive entities could qualify as "another inventor"

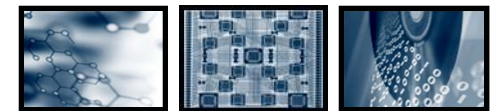




New Law Prior Art Broader Than Many Foreign Countries

Prior art under new § 102(a)(2) is broader than the EPC and other foreign countries in at least two respects.

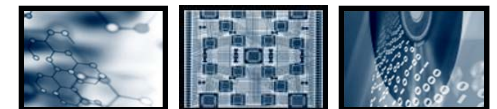
1. Under § 102(a)(2), prior art patents and published applications used for both novelty and obviousness.
2. Published PCT applications fall within § 102(a)(2) provided that the U.S. has been designated, irrespective of whether or not the application has validly entered the U.S. national phase. In Europe the prior art under Article 54(3) EPC is available only if the application has validly entered the EPO regional phase, and then for novelty purposes only.





Which Law Applies On or After March 16, 2013?

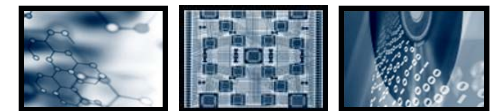
- A claim with an effective filing date on or after March 16, 2013 makes first to file apply to all claims
 - Also, any application claiming priority to that application is subject to first to file
 - Once a "new" claim is presented cannot cancel new presented claim or delete priority in an application to avoid first to file





Strategies: Avoiding First To File Actions To Take Before March 16, 2013

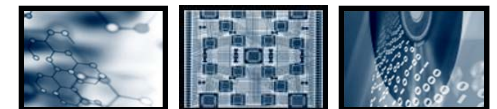
- Don't Panic! No need to file all possible non-provisionals, U.S. national phase applications, continuations or divisionals before March 16, 2013 – it depends on whether new matter will be added
- Likely should file new, provisionals, non-provisionals with potential new matter and CIP applications (including PCT CIP filings) before March 16, 2013





Strategies: To Avoid First To File

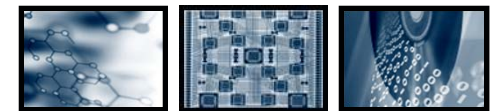
- Segregate "old" and "new" subject matter into different applications so "old" matter not subject to first to file
 - If filing a CIP on/after March 16, 2013 consider filing/maintaining a parallel continuation (one with original subject matter and a second application with new matter)
- International strategies (effective filing date takes foreign priority into account)
 - But not if filing US National phase as a CIP
- For important cases, file slightly different versions under both laws (to avoid § 101 double patenting but take advantage of both sets of laws)





Other Strategic Considerations

If filing the U.S. or PCT application prior to March 16, 2013 would unacceptably shorten the potential U.S. patent term, then file a second priority application directed to the additional subject matter just prior to March 16, 2013 to secure an early priority date for as much subject matter as possible.

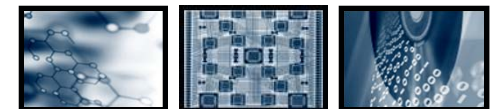




Operating Under First To File

What To Do On or After March 16, 2013

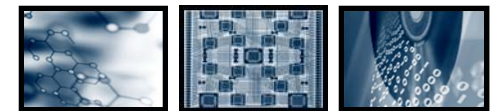
- Strategic use of provisionals to secure early filing date
 - Encourage clients to simplify invention disclosure processes to encourage inventors to act often and early
 - Prioritize inventions for prompt filing
 - Draft complete applications to satisfy §112
 - File supplemental provisionals to secure early effective filing date for new claims
 - follow-on provisionals should include everything in the earlier provisional



K Operating Under First To File What To Do On or After March 16, 2013

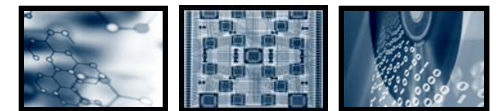
In crowded or fast-moving technologies, a "one and done" priority application filing strategy is unlikely to be the most effective under the first to file law.

- Consider filing multiple priority applications throughout the priority year as R&D delivers results, to provide the earliest effective filing date for newly developed subject matter.



K Operating Under First To File What To Do On or After March 16, 2013

If have support for narrow but commercially significant invention in a provisional app filed on or after March 16, 2012 and subject matter will be added to a PCT app filed on or after March 16, 2013, file a U.S. non-provisional app at the end of the priority year directed only to the subject matter of the provisional app. Filing a parallel U.S. app can avoid negative consequences of presenting claims in the PCT app that are later determined to have an effective filing date on or after March 16, 2013.



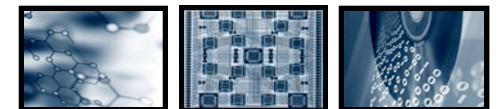


Operating Under First To File A Time to "Assume"

§ 102(a)(1) - a person shall be entitled to a patent unless the claimed invention was "in public use, on sale, or *otherwise available to the public.*" If "available to the public" modifies "on sale," then private sales and offer-for-sales may no longer be prior art.

- Secret use of a process even though selling the product
- Secret sale and private offers for sale

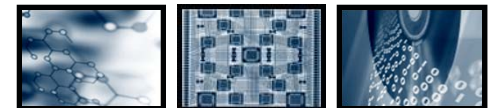
BEWARE - Until the courts clarify this legal question, it is prudent to assume that secret uses, private sales and offers-for-sale are prior art





Time is of the Essence Prepare Your Clients Now

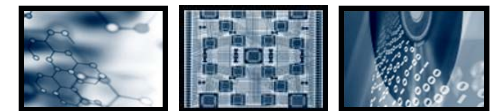
- Counsel clients that "first-to-disclose" is rarely a good idea
 - Loss of foreign patent rights
 - Only covers exactly what was disclosed?
 - Evidentiary burden of establishing exception
- When might disclosure be beneficial?
 - No money to file
 - No intention of ever filing an application – create prior art
- Record keeping – clients will need evidence to prove prior disclosure
 - What and when did the inventor disclose (notes, slides, abstracts, posters)
 - To whom did the inventor disclose (meetings, conference attendee lists)





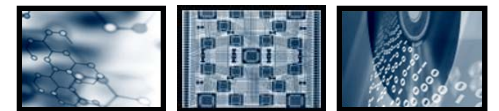
First To File Even When No New Matter Claimed

Even if all claims presented in an application filed on/after March 16, 2013 are identical to claims presented in a priority application filed before March 16, 2013, the U.S. application could be subject to the first-inventor-to-file law if it does not comply with §112.



K Summary of Post-AIA Strategies

- File as soon as have an enabling disclosure;
- Keep pre-AIA patent filings isolated in their own patent families to limit prior art;
- Discourage pre-patent filing publication/disclosure in most instances;
- Pay closer attention to competitor published applications, with new option for submitting prior art;
- Pay extra to get urgent patent applications examined;
- Use supplemental examination to have additional references considered in issued patents.



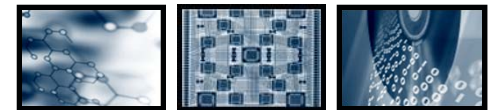


Thoughts for Later

AIA Can Apply Even When No New Matter Claimed

Generic language in an application does not automatically satisfy the written description requirement.

Example: An applicant files a priority application on April 1, 2012, disclosing a limited number of new chemical compound species and claiming a broad genus of chemical compounds encompassing the species. During the priority year, research continues and on March 30, 2013, a U.S. application is filed that adds additional species. If the number of species disclosed in the priority application is insufficient to describe the broad genus claim, then the effective filing date of the genus claim would be March 30, 2013—and the entire application would be subject to the new first-inventor-to-file law.

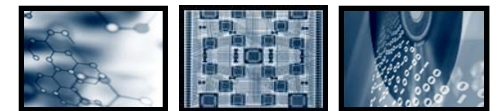




Thoughts for Later A Likely Client Question

Should we secretly practice an invention and only file an application if the inventor makes a disclosure?

No. One problem with this strategy is that it runs the risk that a third party will independently disclose or file a patent application on the same invention before you do. While new §§ 102(b)(1) and 102(b)(2) define limited circumstances under which an independent third party disclosure or application might not constitute prior art against your client's application, they only apply if your client discloses the subject matter at issue before the third party makes its disclosures and/or files its application.





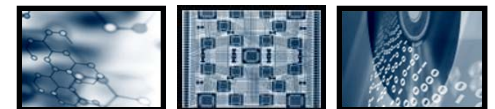
Thoughts for Later

A Likely Client Question

Why shouldn't we just publish first?

A public disclosure of the invention and then filing a patent application within one year has many downsides. First, most countries are absolute novelty so disclosing before filing may preclude obtaining a patent. Even if your client will only file in the U.S., disclosure before filing risks that the disclosure will not shield claims from an intervening, independent third party disclosure or application.

- ✓ For example, the disclosure may not be broad enough and/or may not correspond to the third party disclosure/application or as to your client's claims as required to invoke the §§ 102(b)(1) and 102(b)(2) exceptions.





THANK YOU!

