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The *Leahy-Smith* America Invents Act:



Brad D. Pedersen
Midwest IP Institute
Minneapolis
September 23, 2011

*More Complicated
than 3D Chess?*

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The Leahy-Smith America Invents Act (AIA)

- Signed into law on September 16th, 2011
- Three Big Changes
 - First-Inventor-To-File w/ Grace (FITF or FITG)
 - Improvements to Post Issuance Proceedings
 - Fee Setting, but not Fee Spending Authority
- Changes Not Included
 - Contentious Litigation Issues

H. R. 1249

One Hundred Twelfth Congress
of the
United States of America

AT THE FIRST SESSION

*Began and held at the City of Washington on Wednesday,
the fifth day of January, two thousand and eleven*

An Act

To amend title 35, United States Code, to provide for patent reform.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Leahy-Smith America Invents Act”.

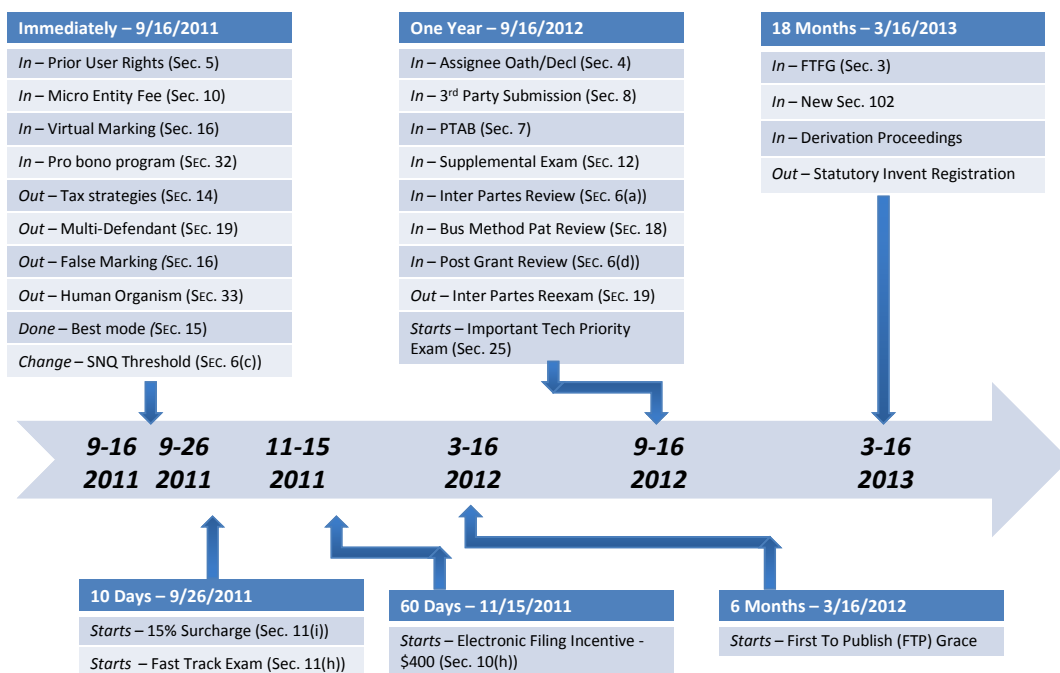
(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
 Sec. 2. Definitions.
 Sec. 3. First inventor to file.
 Sec. 4. Inventor's oath or declaration.
 Sec. 5. Refusal to file international based on prior commercial use.
 Sec. 6. Postgrant review proceedings.
 Sec. 7. Patent Trial and Appeal Board.
 Sec. 8. Preissuance submissions by third parties.
 Sec. 9. Venue.
 Sec. 10. Fee setting authority.
 Sec. 11. Fee refund and service.
 Sec. 12. Supplemental examination.
 Sec. 13. Funding agreements.
 Sec. 14. Tax exclusions deemed within the prior art.
 Sec. 15. Best mode requirement.
 Sec. 16. Priority.
 Sec. 17. Accession of claims.
 Sec. 18. Transitional program for covered business method patents.
 Sec. 19. Jurisdiction and procedural matters.
 Sec. 20. Technical amendments.
 Sec. 21. Patent suspension and revocation of administrative judges.
 Sec. 22. Patent and Trademark Office funding.
 Sec. 23. Satellite office.
 Sec. 24. Description of inventors, satellite office.
 Sec. 25. Priority examination for important technologies.
 Sec. 26. Study on implementation.
 Sec. 27. Study on grantmaking.
 Sec. 28. Patent Qualification Program for small business concerns.
 Sec. 29. Establishment of methods for tracking the diversity of applicants.
 Sec. 30. Sense of Congress.
 Sec. 31. USPTO study of international patent protections for small businesses.
 Sec. 32. Pilot study program.
 Sec. 33. Study on the issuance of patents.
 Sec. 34. Study on patent litigation.
 Sec. 35. Effective date.
 Sec. 36. Study on patent litigation.
 Sec. 37. Calculation of 90-day period for application of patent term extension.

SEC. 2. DEFINITIONS.

In this Act:
 (1) **DIRECTOR.**—The term “Director” means the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

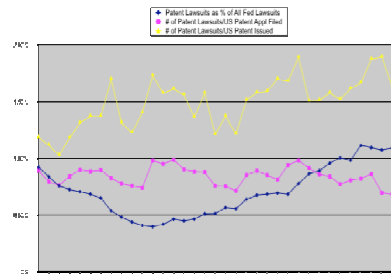
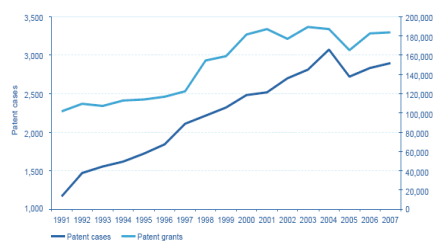
Timetable for AIA Transitions



Changes That Are Already So Last Week!

- End of Multiple Defendant Lawsuits
 - Fixes biggest actual change in patent litigation over last 3 decades
 - Will likely mean numerically more patent lawsuits
 - But, there will be fewer total defendants

Chart 1: Patent Case Filings and Grants



*Data from Office of US Courts and US Patent Statistics Report
 Note: 1 - where the # of Patent Litigations is not reported - i.e. 1992 - 1997
 Note: 2 - data for Patent and US Patent Issued is not reported

Changes That Are Already So Last Week!

- Expanded Prior User Rights
 - All categories of patents
 - New University exemption with an exception to the exception
 - Limited transfer of rights
- Patent Marking
 - End of False Marking
 - Start of Virtual Marking
- End of Best Mode
 - For litigation
 - But doesn't change prosecution
- No Patents on Human Organisms
 - Codifies current law
- Micro-Entities
 - 75% fee reduction
 - < 5 patents by inventor
- End of Tax Strategy Patents
 - Exempts strategies for reducing or avoiding taxes
- Willful Infringement
 - Codifies *Seagate*

Changes For Next Week

- Fast Track – 9/26
 - \$4800/\$2400 fee (~\$7K total)
 - Prosecuted in 1 year
 - 4 Ind. and 30 total claims
 - No extensions or RCEs Only bypass PCT, not nat'l stage
 - “Complete” electronic filing
 - PTO/SB/424 Form
 - Limit of 10,000 filings per FY
 - So, weeks of 9/26 and 10/3 open
- 15% Fee Surcharge – 9/26
- Electronic Filing Incentive 11/15
 - Waiver of \$400 filing fee if filed electronically
- No Anomaly Yet
 - After 10/1 PTO has their own revolving account
 - But latest CR doesn't give PTO \$2.7B budget promised during debate of HR 1249
 - PTO would be limited to about \$2.0B at 5% less than FY2010 budget
- *Pro Bono* Program
 - Patterson Thuenté founding member

Changes For Next Year

- Filing by Assignee
 - Combined Oath/Declaration
 - Easier proof of obligation to assign
 - Issues on potential interaction with state employee assignment limits
- Easier Patent Correction
 - Removal of “deceptive intent” requirement for reissues, inventorship correction, etc.
- Change from BPAI to PTAB
 - Name change to reflect law changes from interference to derivation
 - Will run new review proceedings
- 3rd Party Submission
 - Any time up to notice of allowance (instead of 60 days from publication)
 - 3rd party must now point out can't even highlighting submitted reference)
- Supplemental Examination
 - New route into ex parte reexam
 - Will allow owner to cleanse patent
 - But attorney will not be cleared

For *Inter Partes* Proceedings

Five Different Regimes and Three Different Standards

Older <i>Inter Partes</i> Reexams	Cutover <i>Inter Partes</i> Reexams	New <i>Inter Partes</i> Reviews	New Bus Method Patent Review	New Post Grant Review
Standard SNQ <i>plus</i> post Nov 1999	Standard RLP <i>plus</i> post Nov 1999	Standard RLP <i>for</i> All patents	Standard MLPTN <i>plus</i> Defendant*	Standard MLPTN <i>For</i> FTFG patent
Filed before 9/16/2011	Filed between 9/16/11 and 9/16/12	Filed after 9/16/12 and After 9 mos. 1 st Window	Filed after 9/16/12 but Before 9 mos. 1 st Window	Filed after 3/16/13 but Before 9 mos. 1 st Window

Post Issuant Proceeding Comparison

	<u>Ex Parte Reexam</u>	<u>Inter Partes Reexam (rev.)</u>	<u>Inter Partes Review (new)</u>	<u>Post-Grant Review (PGR) (new)</u>	<u>Sec. 18 Proceeding (new)</u>
Threshold & Pleading	<ul style="list-style-type: none"> • 35 USC §303(a) (current law): Substantial new question of patentability (SNQ) 	<ul style="list-style-type: none"> • Reasonable likelihood of prevailing (RLP) • SNQ continues to apply to pre-9/16/11 requests 	<ul style="list-style-type: none"> • 35 USC §314(a): RLP • 35 USC §315(a): Has not "filed" a civil action challenging validity 	<ul style="list-style-type: none"> • 35 USC §324(a): "More likely than not" (MLTN) that at least 1 claim is unpatentable • §325(a): Must not have filed a civil action challenging validity 	<ul style="list-style-type: none"> • Sec. 18(a)(1)(B) : must be sued or charged with infringement • Otherwise same as PGR
Estoppel: • <i>Civil actions</i> • <i>ITC</i> • <i>PTO</i>	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • 35 USC §315(c) (current law): "Raised or could have raised" • Applies to civil actions, <i>not</i> ITC • Also <i>not</i> PTO 	<ul style="list-style-type: none"> • 35 USC §315(e) • "Raised or reasonably could have raised" (RORCHR) • May not "assert" issue • Final written decision • Civil actions, ITC & PTO 	<ul style="list-style-type: none"> • 35 USC §325(e) • RORCHR • May not "assert" issue • Final written decision • Civil actions ITC & PTO 	<ul style="list-style-type: none"> • Sec. 18(a)(1)(D) • Any ground "raised" (<i>not</i> RORCHR) • Otherwise same as PGR
Patents Covered	All	Filed Post Nov 1999	All patents	Only FTFG patent issued under the AIA	<ul style="list-style-type: none"> • Sec. 18(a)(1)(A) & (d) • "Covered business method patents" • Not "technological inventions"
Scope, Grounds, Bases	<ul style="list-style-type: none"> • 35 USC §§302 and 301 (current law): Patents and printed publications 	<ul style="list-style-type: none"> • 35 USC §311(a) and 301 (current law): Patents and printed publications 	<ul style="list-style-type: none"> • 35 USC §311(b): Patents or printed publications • 35 USC §312(a)(3)(B): Can be supported by expert opinions, affidavits, etc. 	<ul style="list-style-type: none"> • 35 USC §321(b): Issues relating to invalidity under §282(b)(2) or (3) • 35 USC §324(b): Novel or unsettled question important to other patents or patent applications (<i>does not</i> require MLTN) 	<ul style="list-style-type: none"> • Same as PGR
When	<ul style="list-style-type: none"> • Any time 	<ul style="list-style-type: none"> • Any time 	<ul style="list-style-type: none"> • 35 USC §311(c) • After later of: <ul style="list-style-type: none"> • 9 months after issuance (reissuance); or • PGR is terminated 	<ul style="list-style-type: none"> • 35 USC §321(c): ≤9 months after issuance (or reissuance) • 35 USC §325(f): No challenge to non-broadened reissue claims after original 9-month PGR period 	<ul style="list-style-type: none"> • Sec. 18(a)(1)(B) • Any time after suit or charge of infringement

Summary Comparison of New 102 with Old 102

Subsection	New 102	Old 102	Notes on Changes
Non-Patent Art	New 102(a)(1)	Old 102(b)	Changes definition based on “publicly available” approach, see New 102(b)(1) for first-to-publish (FTP) grace period
Patent Filing Art	New 102(a)(2)	Old 102(e)	Applies to both US and PCT filings that designate US and are published in 1 of 10 PCT official languages
Full Year <i>and</i> FTP Grace for Non-Patent Art	New 102(b)(1)	Old 102(b)	Up to 1 year - for inventor’s own work full year, but for 3 rd party only after triggered by ‘publicly disclosed’ FTP
Full Year + <i>and</i> FTP Grace for Patent Filing Art	New 102(b)(2)	Old 102(a)	Up to 1 year after publication - for inventor’s own work full year after publication, but for 3 rd party only after triggered by FTP - replaces swearing behind
Joint Development	New 102(c)	Old 103(c)	Expands “team” exception to both New 102/New 103
Abandoned	-----	Old 102(c)	Changes to abandoned w/out publication, see New 102(a)(2)
Foreign patent	-----	Old 102(d)	<i>Hilmer</i> doctrine gone as non-English priority filings okayed
Not the Inventor	-----	Old 102(f)	Replaced by definitions of inventor under New 100(f)
Interference	-----	Old 102(g)	Replaced by new derivation proceedings under New 135

New 102(a) define 2 kinds of Prior Art: Publicly Available Art and Patent Filing Art

Prior art exists under new 102(a) if a disclosure establishes that:

(1) A disclosure of the claimed invention was publicly accessible by a person skilled in the art, whether or not the disclosure was available to the public by any means, including written, oral, or visual communication, or in any tangible form, whether known or later developed, that is accessible to the public before the effective filing date of the claimed invention.

§102(a)(1)

Public Disclosures

(2) "the claimed invention was described in a patent issued under section 102, or in a patent application or patent of a foreign country, or in a publication of foreign art, that was publicly available before the effective filing date of the claimed invention."

§102(a)(2)

Non-Public US Patent Filings That Later Become Public

“(b) EXCEPTIONS
“(1) DISCLOSURES APPEARING IN APPLICATIONS AND PATENT LITIGATION shall not be prior art to a claim under subsection (a)(2) if—
“(A) the disclosure was obtained from the inventor or a joint inventor or was derived from the inventor or a joint inventor directly or indirectly, in whole or in part, by the inventor or a joint inventor; or
“(B) the disclosure was made by the inventor or a joint inventor, or by another individual who obtained the information directly or indirectly from the inventor or a joint inventor, no later than 1 year or less before the date of the claimed invention under subsection (a)(2) if—

§102(b)(1) exceptions deal only with §102(a)(1) prior art.

Prior-disclosures as prior art are subject to two separate “Exceptions.”

Inventor-friendly and collaboration-friendly features of U.S. law codified as “exceptions” to prior art – one set for prior disclosures and a second for prior-filed patent filings of others.

“(2) DISCLOSURES APPEARING IN APPLICATIONS AND PATENT LITIGATION shall not be prior art to a claim under subsection (a)(2) if—
“(A) the disclosure was obtained from the inventor or a joint inventor or was derived from the inventor or a joint inventor directly or indirectly, in whole or in part, by the inventor or a joint inventor; or
“(B) the disclosure was made by the inventor or a joint inventor, or by another individual who obtained the information directly or indirectly from the inventor or a joint inventor, no later than 1 year or less before the date of the claimed invention under subsection (a)(2) if—

§102(b)(2) exceptions deal only with §102(a)(2) prior art.

Prior-filed, later-published U.S./U.S. PCT patent filings are subject to three separate “Exceptions.”

Exceptions for art that is first publicly available not more than 1-year before “effective filing date” –

A disclosure ***under §102(a)(1)*** is excepted 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
 The disclosure represents the ***inventor’s own work*** – Full Year grace period.

§102(b)(1)(A)

(B) “the ***subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor*** or by another who ***obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor***”
 A subsequent disclosure by anyone else is not prior art with respect to subject matter in an inventor’s earlier public disclosure – the First to Publish (FTP) grace period

§102(b)(1)(B)

Exceptions for art that is earlier (not-yet-public) patent filings as of *when effectively filed...*

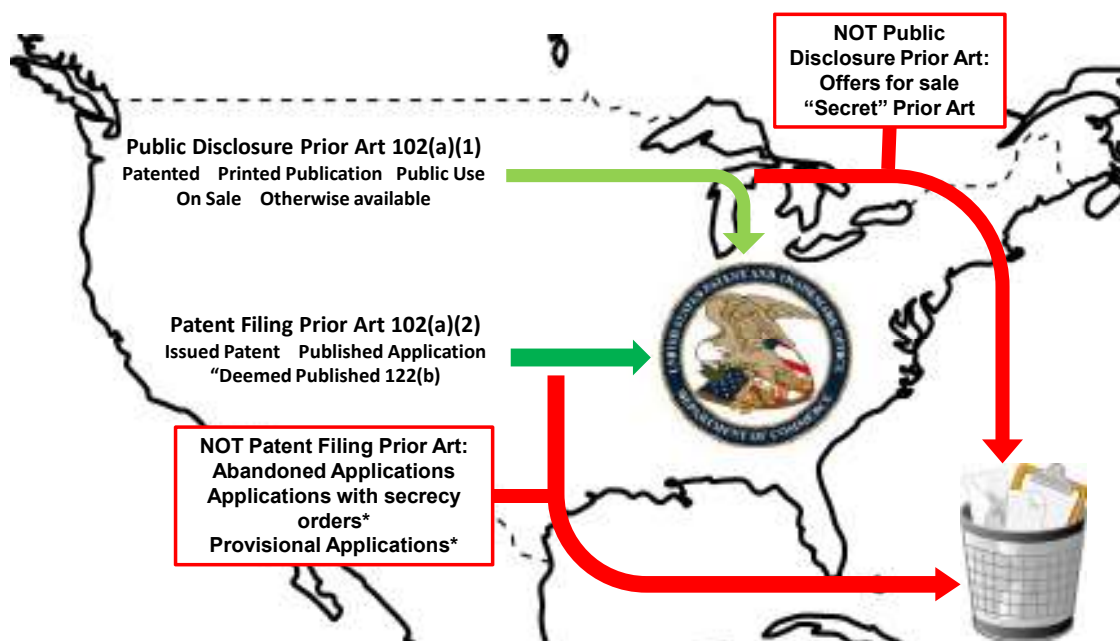
An **earlier patent filing** under §102(a)(2) is excepted if:

(A) "the subject matter disclosed was obtained directly or indirectly from the inventor or a joint inventor" or
 §102(b)(2)(A) **The inventor's own work – Full year+ grace period.**

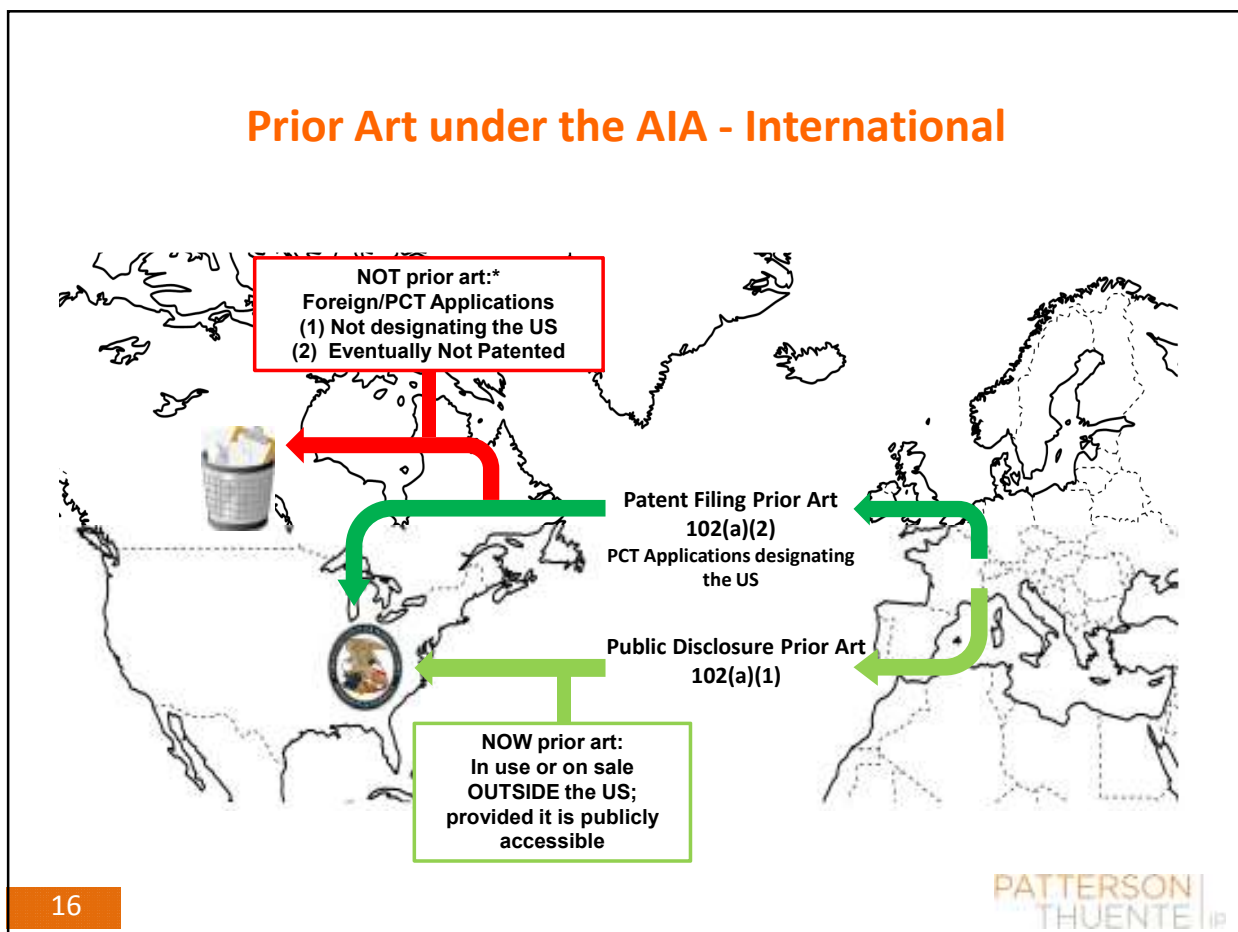
(B) "the subject matter disclosed had, before such subject matter was effectively filed, been publicly disclosed by the inventor or a joint inventor or another person who obtained the information directly or indirectly from the inventor or a joint inventor"
 §102(b)(2)(B) **Earlier patent filings of others to the extent of inventor's public disclosures before those patent filings – FTP grace period.**

(C) "the subject matter disclosed and the claimed invention, not later than the **effective filing date of the claimed invention**, were made available to the public by the inventor or a joint inventor, or by an agent or other person who obtained the information directly or indirectly from the inventor or a joint inventor, and who was under a duty of confidentiality to the inventor"
 §102(b)(2)(C) **The inventor's co-workers and research collaborators patent filings.**

Prior Art under the AIA - Domestic

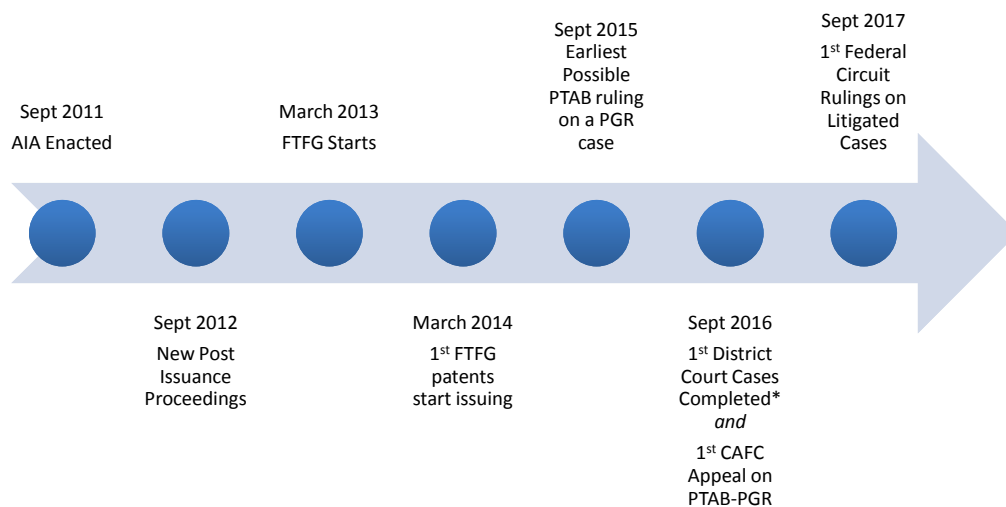


Prior Art under the AIA - International

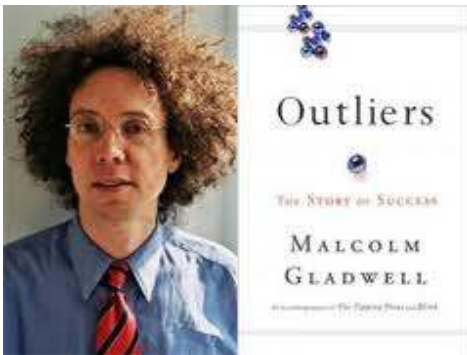


How Long Will It Take to Cut Over to the AIA?

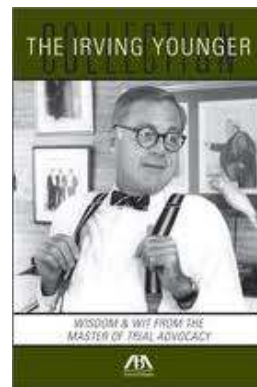
Answer: About a Decade



How Much Will It Take to Get Up to Speed on the AIA?



- Malcolm Gladwell
 - 1,000 hours to Master
 - 10,000 hours for Expert Status



- Irving Younger
 - 10 trials
 - 10 books/movies, then
 - Only 9 trials

First Inventor to File w/ Grace (FTFG) -

Examples of How New 102
works under the AIA

Party A



vs.

Party B

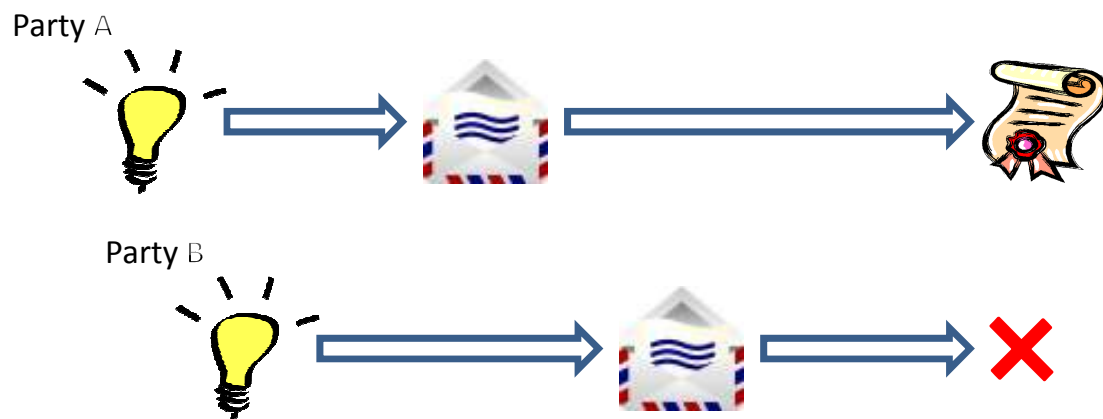


- Scenario 1: A and B both file, but neither publishes
- Scenario 2: A publishes and files, but B only publishes
- Scenario 3: A and B both publish and file
- Scenario 4: A and B have cases with multiple disclosures
- Scenario 5: B claims priority to OUS filings
- Scenario 6: B has non-published patent filing
- Scenario 7: B derives from A
- Scenario 8: A and B are working together

Scenario 1.1: A invents first and files first before B

AIA RESULT: *No change from current First To Invent (FTI)*

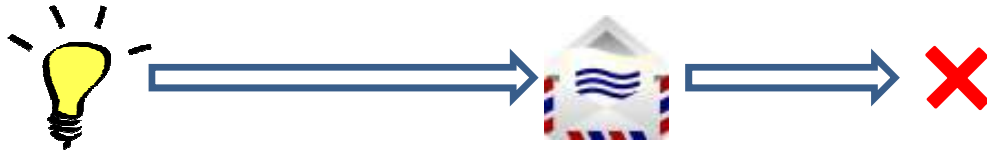
A *wins*



Scenario 1.2: A invents first, but B files first

AIA RESULT: **Change from FTI – Old 102(a)/(g)**
A loses *A can no longer swear behind B or win by establish a First-To-Publish (FTP) Grace Period*

Party A

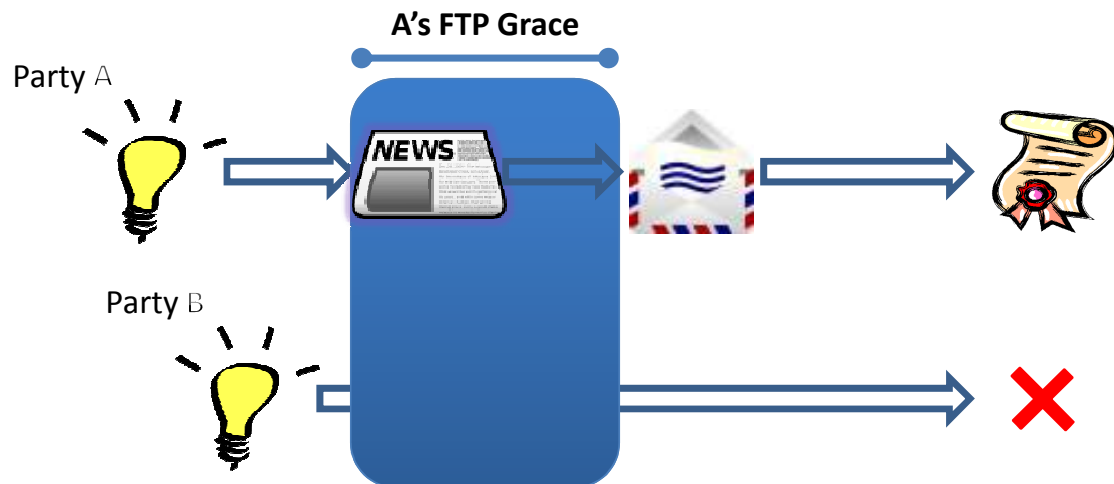


Party B



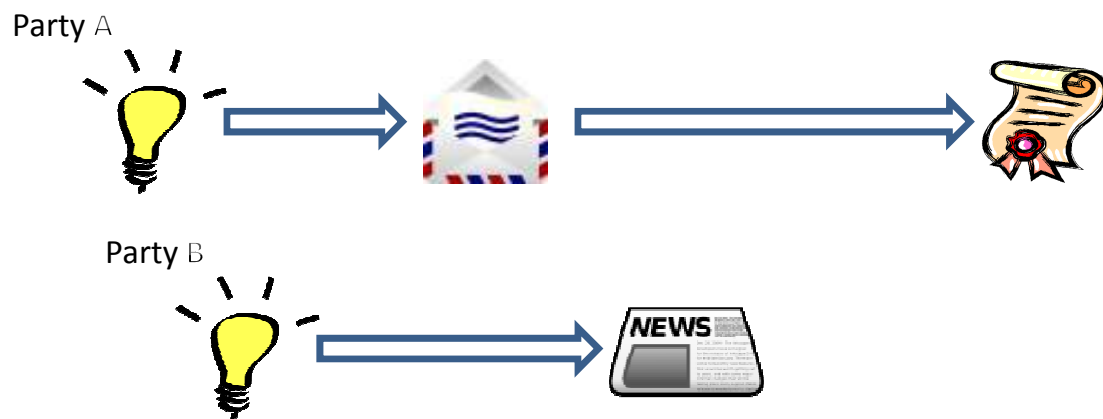
Scenario 1.3: A invents first, B files first, but A establishes FTP Grace period by publishing before B files

AIA RESULT: *No effective change – New 102(b)(2)(B)*
A wins *A's FTP Grace period exempts B's filing even though it is before A's filing*



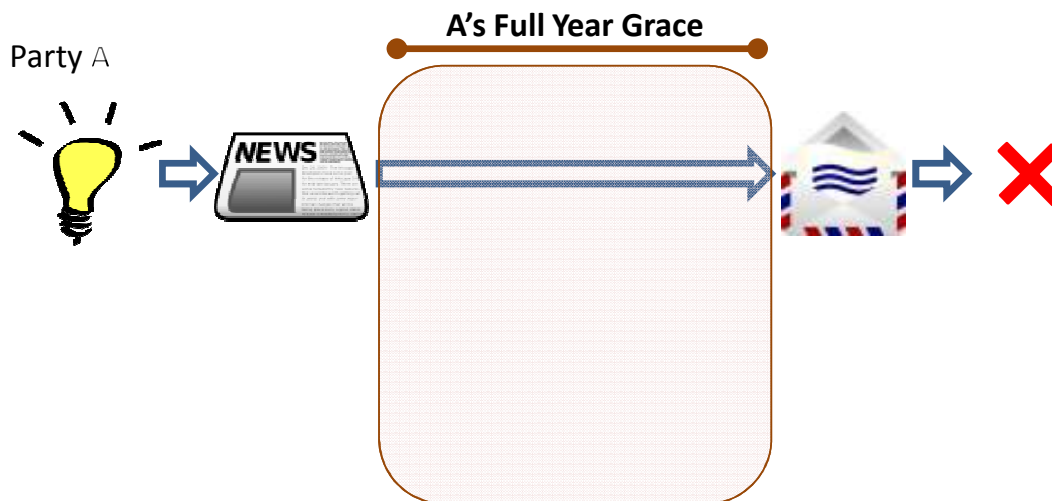
Scenario 2.1: A invents first and files first before B is publicly available

AIA RESULT: *No change from FTI*
A *wins*



Scenario 2.2a: A invents first, but files after A has itself been publicly available for more than 1 year

AIA RESULT: **No effective change – New 102(b)(1)(A)**
A loses *A's public actions are outside Full Year Grace period for actions by/for or derived from inventor*



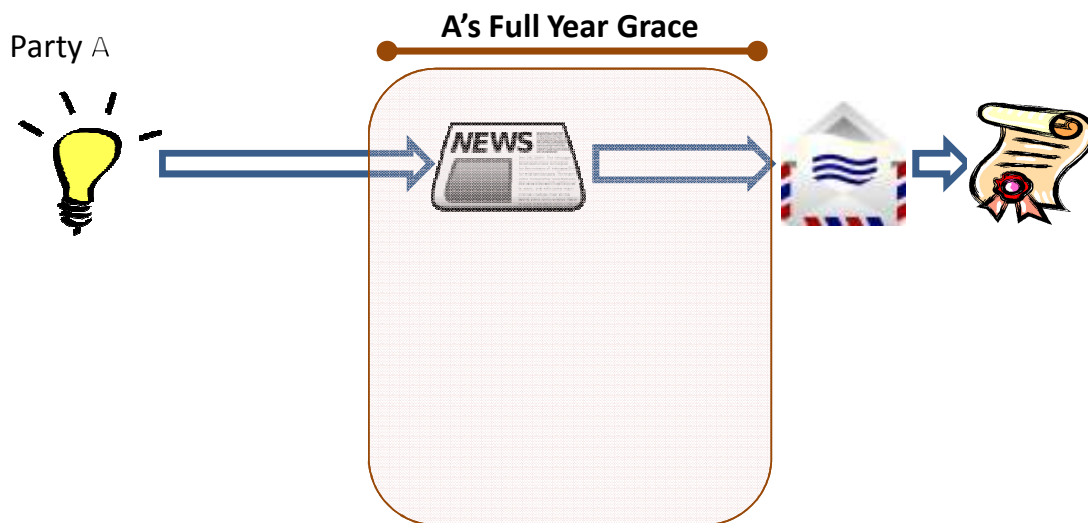
Scenario 2.2b: A invents first, but files after A has itself been publicly available for less than 1 year

AIA RESULT:

A **wins**

No effective change – New 102(b)(1)(A)

A's public actions are inside Full Year Grace period for actions by/for or derived from inventor



Scenario 2.3: A invents first, but files after B has been publicly available for more than 1 year

AIA RESULT: *No change from FTI*

A loses

Party A



Party B



1 year

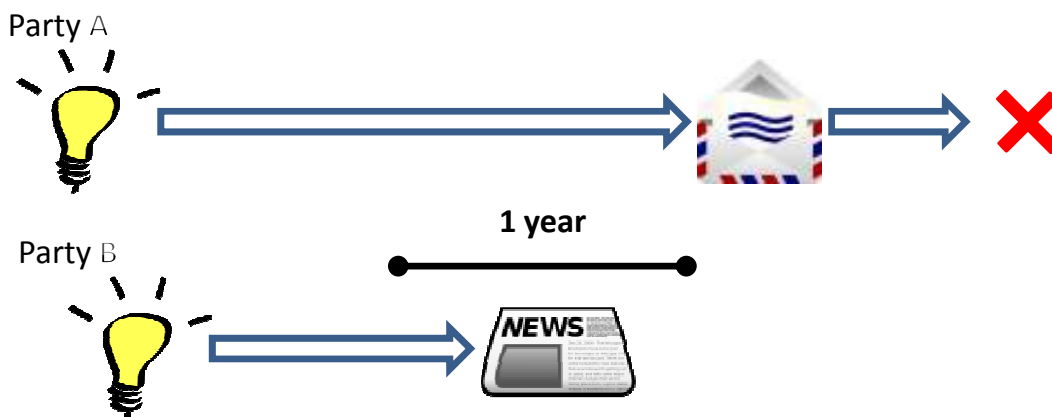
Scenario 2.4a: A invents first, but files after B has been publicly available for less than 1 year

AIA RESULT:

A **loses**

Change from FTI - New 102(b)(1)(B)

3rd party First To Publish (FTP) Grace period only if A makes invention publicly available



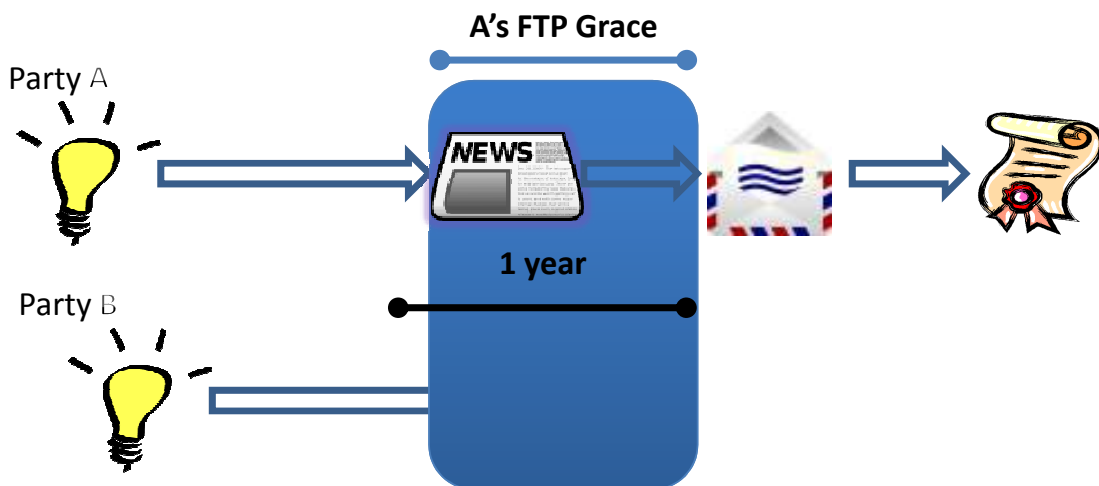
Scenario 2.4b: A invents first and publishes first, but files after B has been publicly available for less than 1 year

AIA RESULT:

A **wins**

Change from FTI - New 102(b)(1)(B)

If A is publicly available for less than 1 year and before B is publicly available – inside FTP Grace period



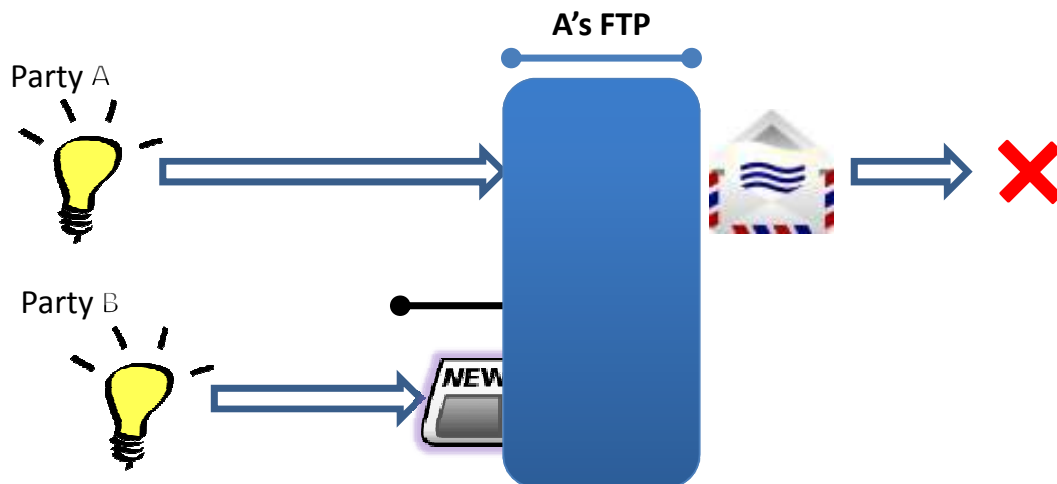
Scenario 2.4c: A invents first, but publishes and files after B has been publicly available for less than 1 year

AIA RESULT:

A loses

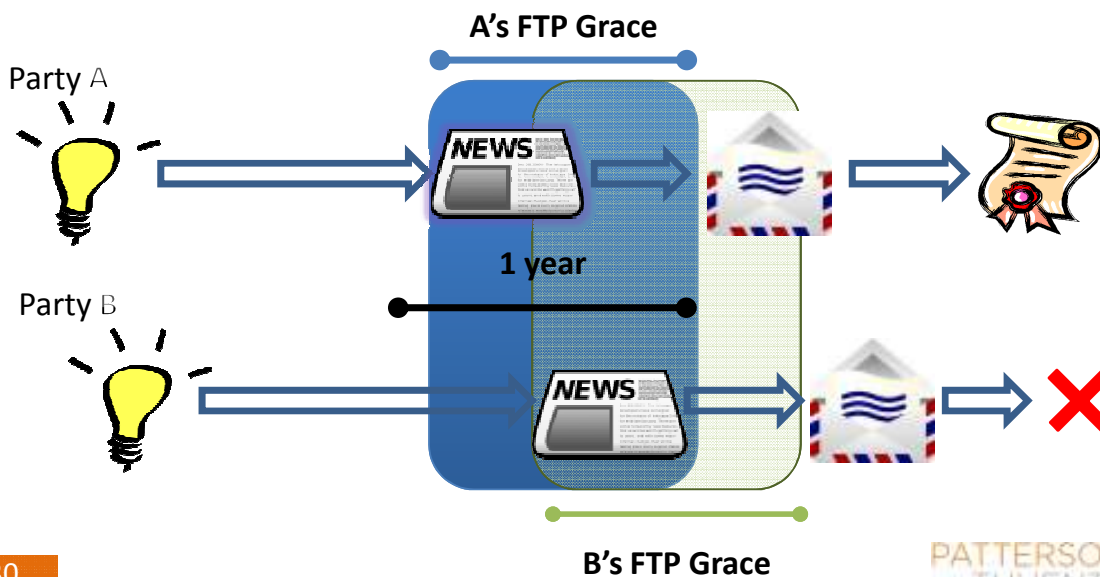
Change from FTI - New 102(b)(1)(B)

If A is publicly available for less than 1 year but after B was publicly available – outside FTP grace period



Scenario 3: A invents first, publishes first and files before B files or is publicly available for less than 1 year

AIA RESULT: *No effective change – New 102(b)(1)(B)*
 A **wins** A's FTP Grace period (exempting B's public activity) is before B's FTP Grace period



First Inventor to File w/ Grace (FTFG) Will Be Different Comparison of Two Filer Scenarios

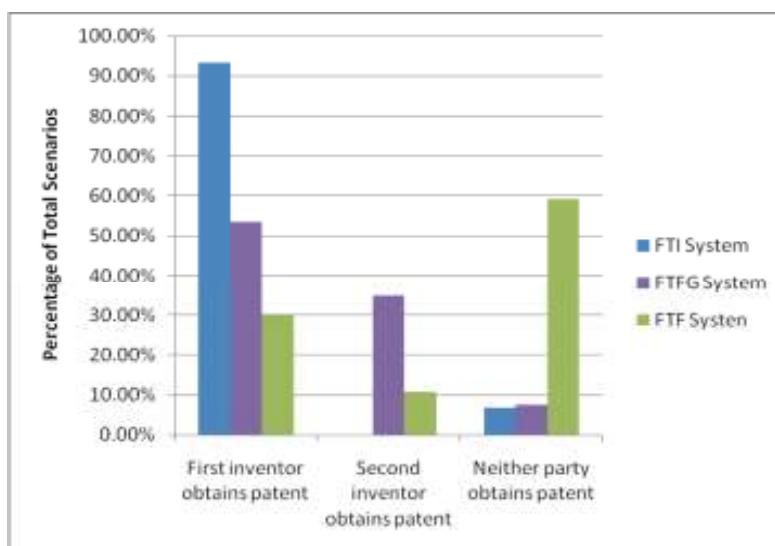


FIG. 1 – Scenarios where both parties are seeking a patent (based on hypothetical evaluation of weighted likelihood of 200 typical fact patterns from “The Matrix” article at Cybaris IP Law Review)

See, <http://web.wmitchell.edu/cybaris/wp-content/uploads/2010/05/01.Pedersen.05-12-10-vFINAL.WITHAPPENDIX.pdf>

First Inventor to File w/ Grace (FTFG) Will Be Different Comparison of One Filer Scenarios

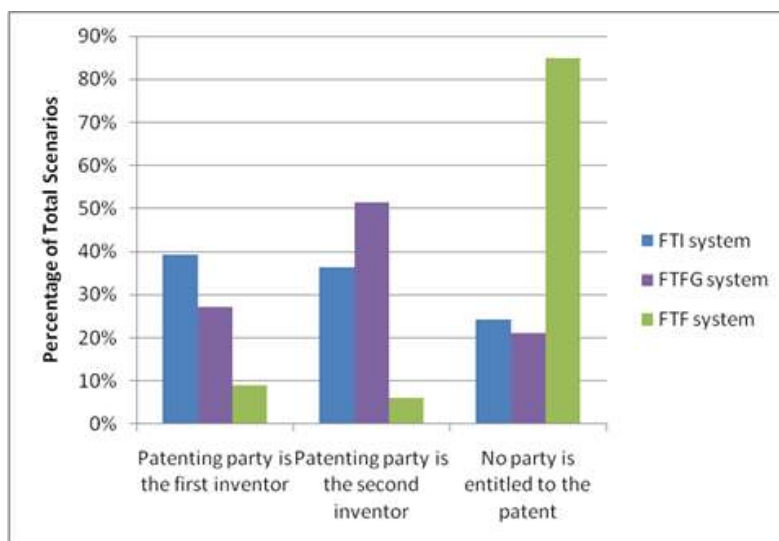


FIG. 2 – Scenarios where only 1 party is seeking a patent
(based on hypothetical evaluation of weighted likelihood of 200 typical fact patterns from “The Matrix” article at Cybaris IP Law Review)

See, <http://web.wmitchell.edu/cybaris/wp-content/uploads/2010/05/01.Pedersen.05-12-10-vFINAL.WITHAPPENDIX.pdf>

First Inventor to File w/ Grace (FTFG) Will Be Different Comparison of Derivation Scenarios

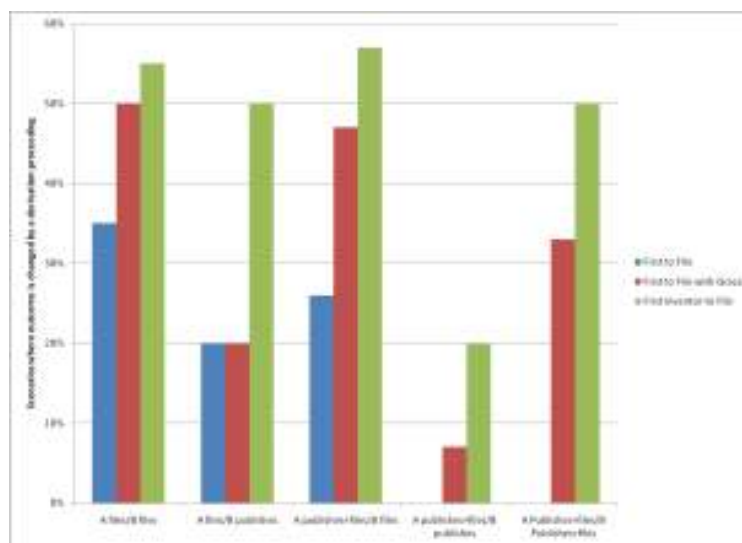


FIG. 3 – Scenarios involving fact patterns with derivation issues (based on hypothetical evaluation of weighted likelihood of 200 typical fact patterns from “The Matrix” article at Cybaris IP Law Review)

See, <http://web.wmitchell.edu/cybaris/wp-content/uploads/2010/05/01.Pedersen.05-12-10-vFINAL.WITHAPPENDIX.pdf>

Open Questions for New 102: What Will PTO Use As Presumptive FTFG Search Date?

Provisional Filing Date

Assume Support in Earliest Provisional Case and Search for Art Before That Date

Utility Filing Date

Assume No Support in Provisional or Use of FTP Grace Period with Applicant Having to Prove Entitlement to Earlier Date

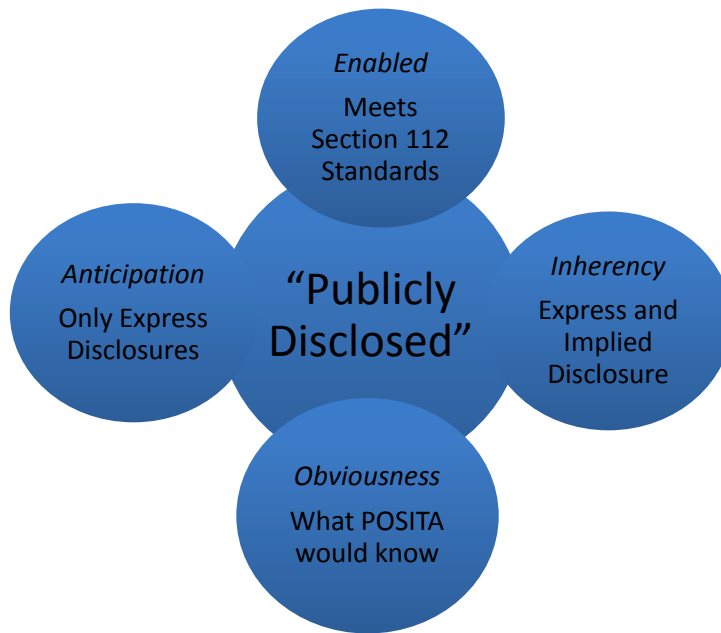


FTP Publication Date

Ask Applicant's to Submit Earliest Asserted FTP Date and Search Only Art Dated Prior to that Date

Current FTI Answer:
MPEP 201.08 provides that there is no need to determine whether applicant is entitled to an earlier claimed priority date unless that filing date is actually need to overcome a reference

Open Questions for New 102: What Is “Publicly Disclosed” for 102(b)(1/2)(B) Exceptions?



Open Questions for New 102:

What Is “Described In” for 102(d) Effective Prior Art Filing Date?



Open Questions for New 102:
The “Classic Coke®” vs. “New Coke®” Challenge
Patenting “Secret Prior Art”



Can long-held trade secrets
 be considered for patenting
 under FTFG as of
 March 16, 2013?

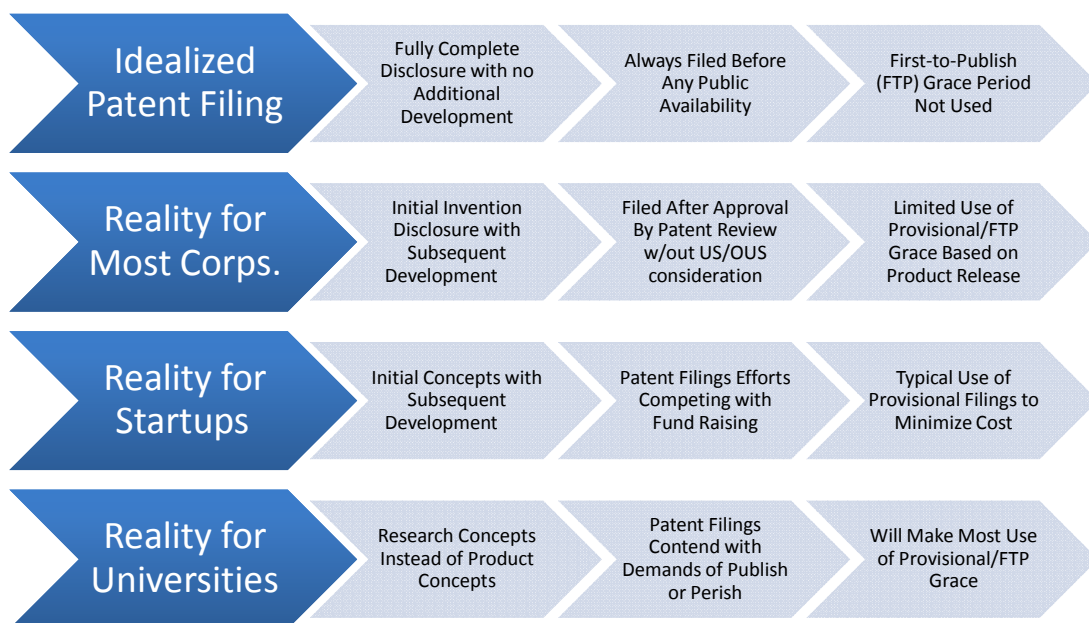


New 273(g)

‘(g) Invalidity- A patent shall not be deemed to be invalid under section 102 or 103 solely because a defense is raised or established under this section.’.

- Coca Cola Classic formula is secret prior art
- Possible to file for patent but trade secret protection for 120+ years makes this unlikely
- There are Prior User rights
- New Coke formula is also secret prior art
- Prior User Rights Are Likely Lost Due to Abandonment

The New 102 - FTFG: Theory vs. Practice



Tips/Pointers for Transition

Pre-FTFG Transition (Before 3/16/2013)

- First To Invent
- Ability to Swear Behind
- 1 Year Grace/Statutory Bar
 - Team Exception
(at time of invention)

Post-FTFG Transition (After 3/16/2013)

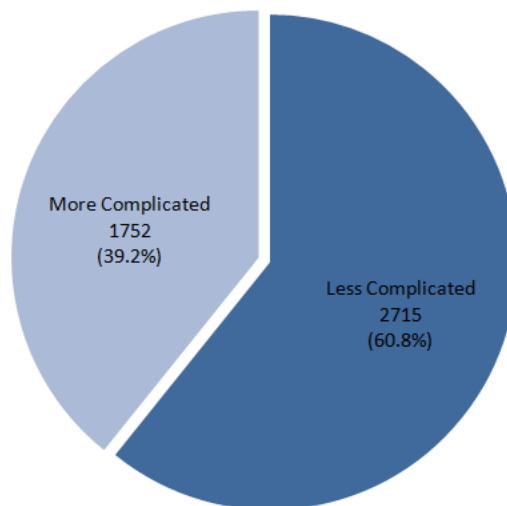
- First To File w/ Grace
- First To Publish Grace Period
(for 3rd Party NPL/Patent Filing)
 - Full Year+ Grace Period
(for Work by/from Inventor)
- Expanded Team Exception
(at time of filing)

Avoid Bridging “the Gap” between FTI and FTFG

- For provisional-to-utility conversions
- For parent-to-child CIP applications

So, What Does It All Mean?

More Complicated:
> 49 claims
> 2 priority claims
> 1 inventive entity

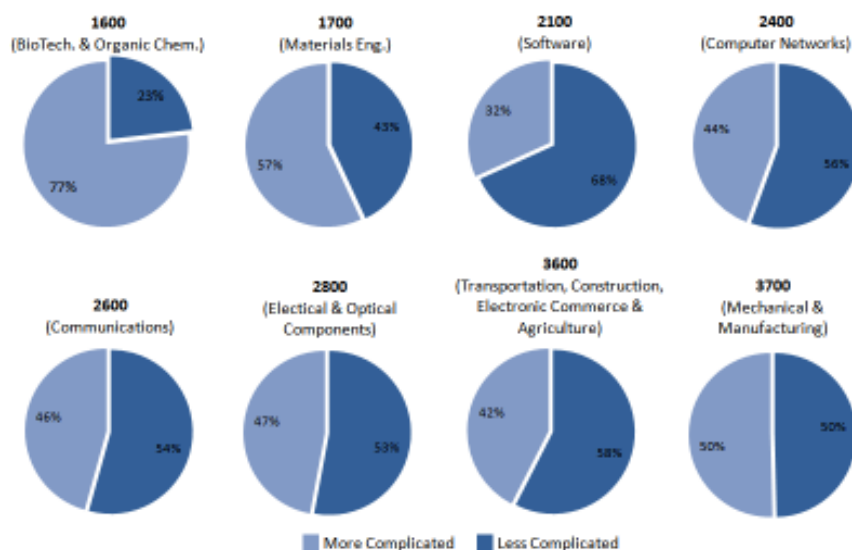


Less Complicated:
< 50 claims
< 3 priority claims
1 inventive entity

AFTER THE TRANSITION

Less Complicated Cases will be Easier
More Complicated Cases will have More Options and Expense

Changes Impact Different Technologies Differently



AFTER THE TRANSITION

Less Complicated Cases will be Easier

More Complicated Cases will have More Options and Expense

What's Next for the AIA?

Lots and Lots of Rule Making and Agency Statutory Construction

- PTO has numerous provisions of AIA that expressly authorize rulemaking
- PTO should use *Chevron* deference to establish construction
- PTO should use *BrandX* authority to overrule prior Federal Circuit precedent contrary to new regulations

And Lots and Lots of Litigation To Define A Whole New Set of Patent Statute Terminology

Some Really Helpful Links

USPTO Links to AIA Related Materials

- Final AIA bill as enacted – a required read, and then reread
 - http://www.uspto.gov/aia_implementation/bills-112hr1249enr.pdf
- Patent Office website on AIA implementation
 - http://www.uspto.gov/aia_implementation/index.jsp
- Patent Office effective dates of various AIA provisions
 - http://www.uspto.gov/aia_implementation/aia-effective-dates.pdf
- Patent Office Fee information for new fees under AIA
 - <http://www.uspto.gov/about/offices/cfo/finance/fees.jsp>
- New Rules on Fast Track
 - <http://www.gpo.gov/fdsys/pkg/FR-2011-09-23/pdf/2011-24467.pdf>
- New Rules on Change of SNQ Standard to RLP for *Inter Partes* Reexam Requests
 - <http://www.gpo.gov/fdsys/pkg/FR-2011-09-23/pdf/2011-24464.pdf>

First Inventor to File w/ Grace (FTFG) -
Examples of How New 102
works under the AIA

Party A



vs.

Party B

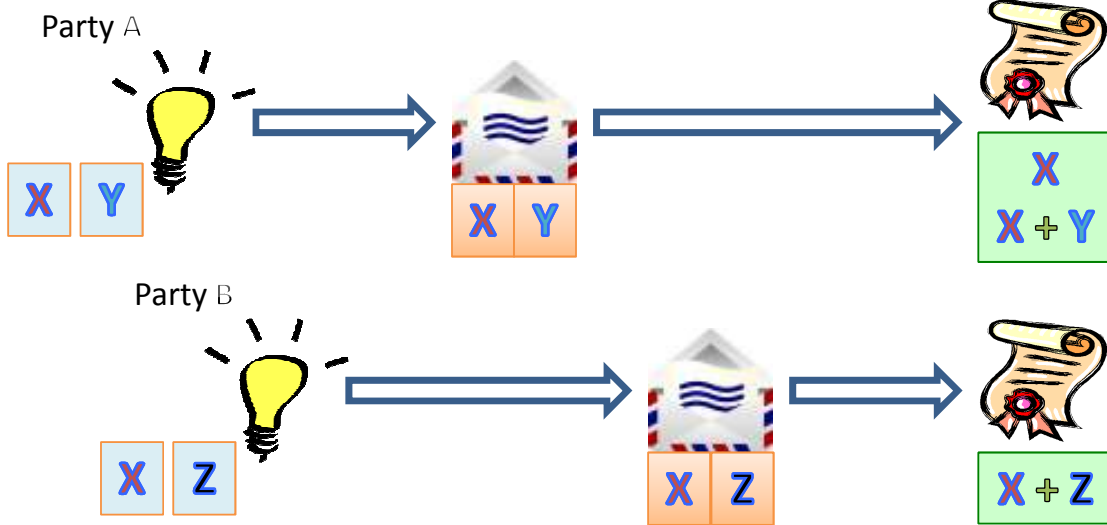


- Scenario 1: A and B both file, but neither publishes
- Scenario 2: A publishes and files, but B only publishes
- Scenario 3: A and B both publish and file
- Scenario 4: A and B have cases with multiple disclosures
- Scenario 5: B claims priority to OUS filings
- Scenario 6: B has non-published patent filing
- Scenario 7: B derives from A
- Scenario 8: A and B are working together

Scenario 4.1a: A invents **X + Y** and B invents **X + Z** -
Y and Z are patentably distinct from X alone

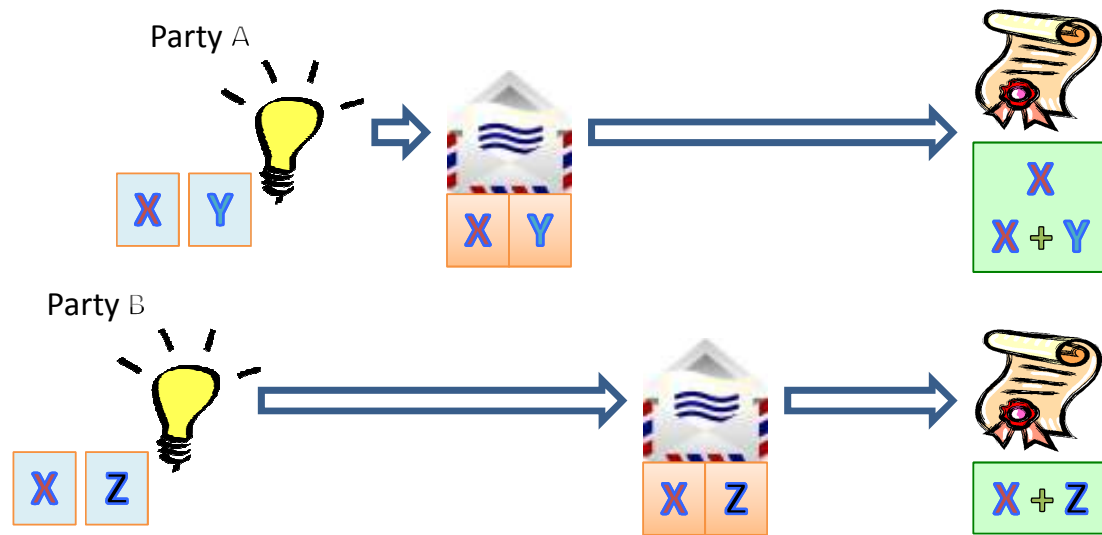
AIA RESULT: *No change from FTI*

*A and B
 both win*



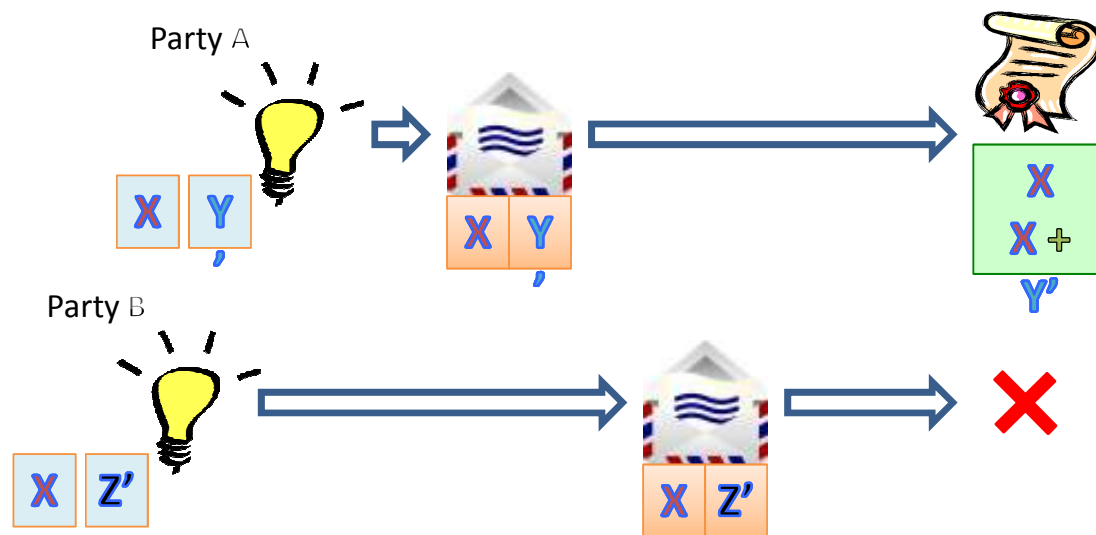
Scenario 4.1b: Same as 4.1a, except B invents X + Z before A invents X + Y

AIA RESULT: *Change from FTI – Old 102(a)/(g)*
 A **and** B *both win* **But A wins patent to X instead of B, who wins under FTI by swearing behind or interference**



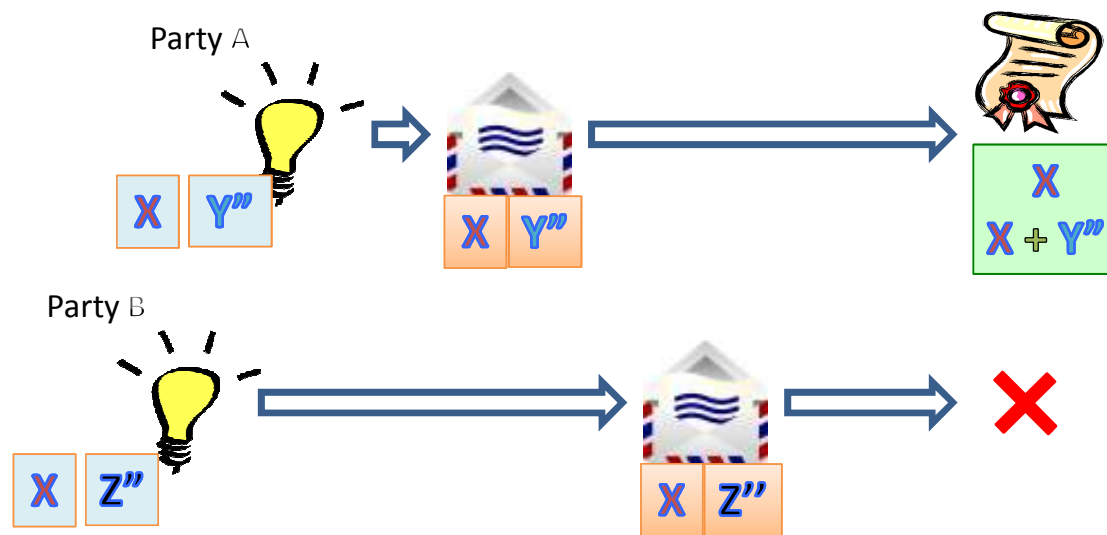
Scenario 4.1c: Same as 4.1b, except **Y' Z'** are patentably indistinct when added with **X**

AIA RESULT: *Change from FTI for X – Old 102(a)/(g)*
Only A wins *A wins patent to X instead of B, and A's filing is now patent filing prior art to B for X + Z'*



Scenario 4.1d: Same as 4.1b, but **Y'' Z''** are distinct when added with **X**, but indistinct from each other

AIA RESULT: **Change from FTI – Old 102(a)/(g)**
Only A wins A wins patent to **X** instead of B, and B cannot swear behind A's filing for **X + Y''** for **X + Z''**



Scenario 4.2a: A files provisional with **X** and then utility with **X Y**, B files utility with **X Z** before A's utility

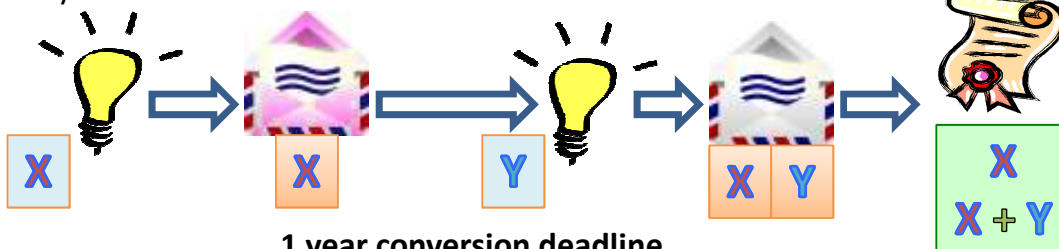
AIA RESULT:

A and B
both win

No change from FTI

If **X + Y** and **X + Z** patentable over **X** and each other, A's prov. only defeats B's claim to **X** and B's filing, while prior, does not defeat A

Party A



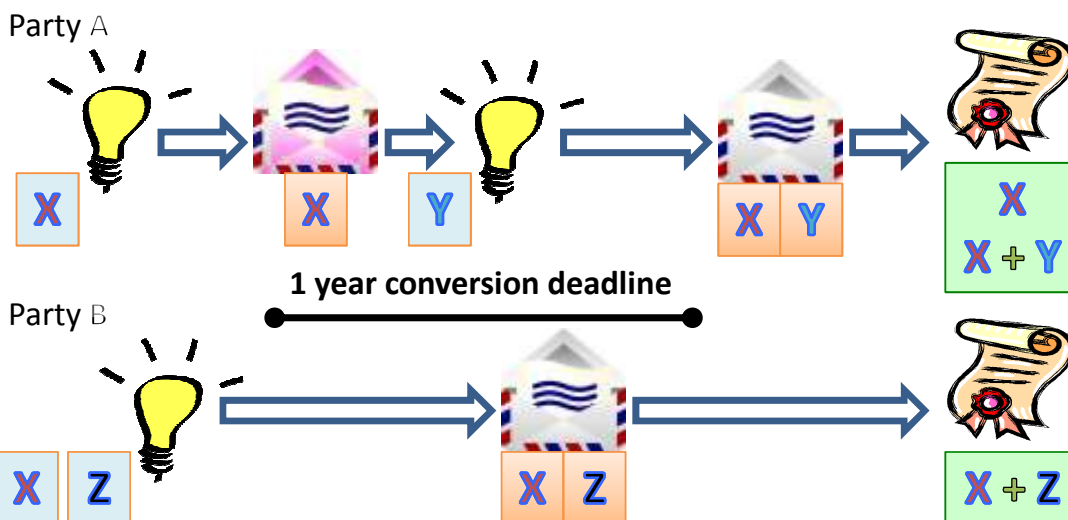
1 year conversion deadline

Party B



Scenario 4.2b: Same as 4.2a, except A invents X + Y before B invents X + Z

AIA RESULT: *No change from FTI*
A and B both win Same as 4.1a, A's invention date does not change this example where Y and Z are patentably distinct when added to X



Scenario 4.3a: Same as 4.2a, but **Y'' Z''** are distinct when added with **X**, but indistinct from each other

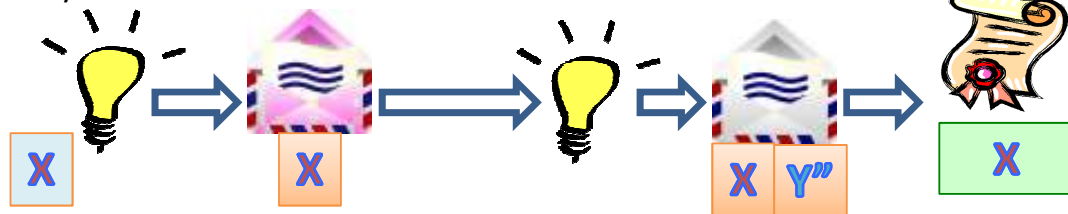
AIA RESULT:

A and B both win

No effective change

B's filing for X + Z'' now defeats A's claim to X + Y'' instead of A being unable to swear behind B's earlier invention of X + Z''

Party A



1 year conversion deadline

Party B



Scenario 4.3b: Same as 4.3a, except A invents **X + Y''** before B invents **X + Z''**

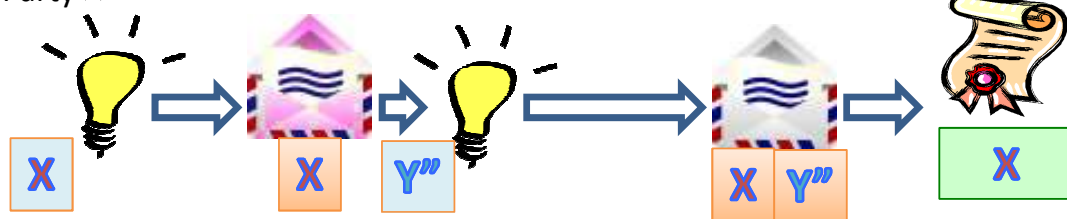
AIA RESULT:

A and B both win

Change from FTI – Old 102(a)/(g)

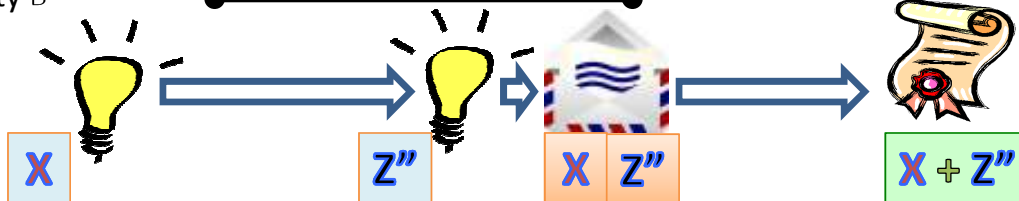
B's filing for X + Z'' now defeats A's claim to X + Y'' instead of A being unable to swear behind B's earlier invention of X + Z''

Party A



1 year conversion deadline

Party B



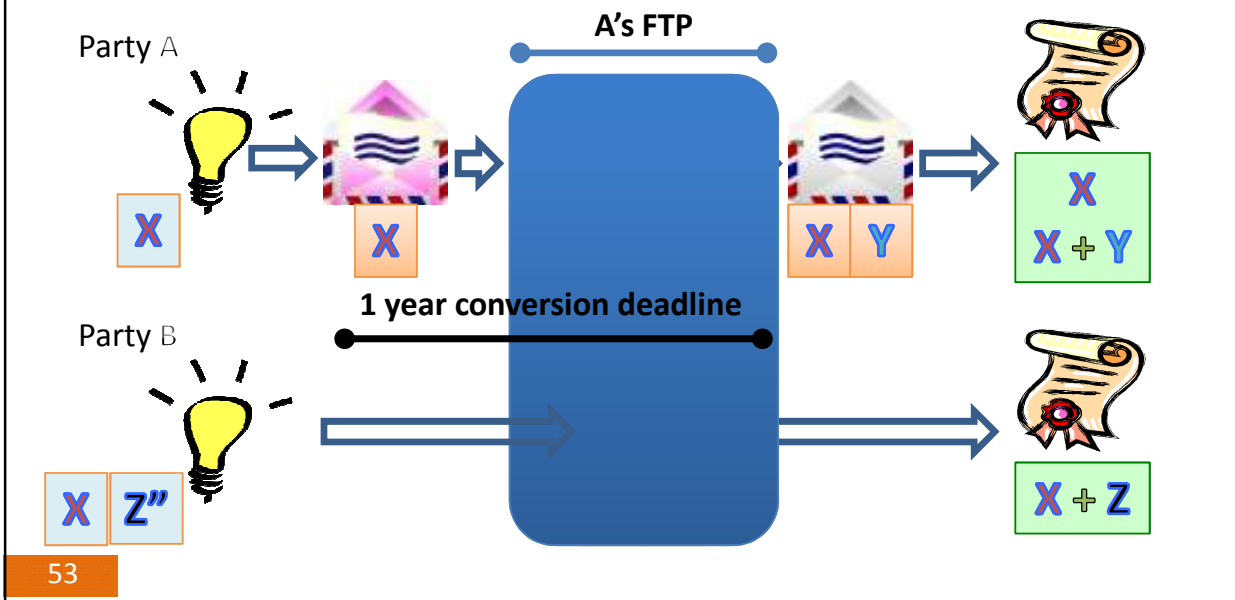
Scenario 4.4a: Same as 4.2a and 4.2b, except that A publishes X Y before B files with X Z

AIA RESULT:

A and B both win

No change from FTI

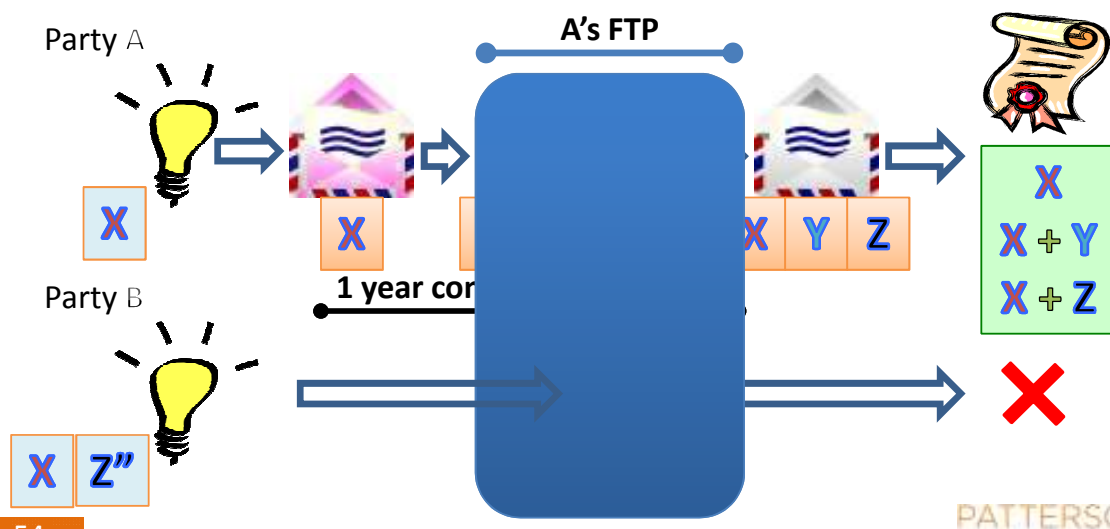
Same result as 4.2a and 4.2b – A's FTP grace period doesn't change results



Scenario 4.4b: Same as 4.4a, except that A publishes X, Y and Z before B files with X and Z

AIA RESULT:
Only A wins

Change from FTI – New 102(b)(1)(B)
A wins patent to X+Z and X+Y instead of B because A uses FTP grace period to trump B

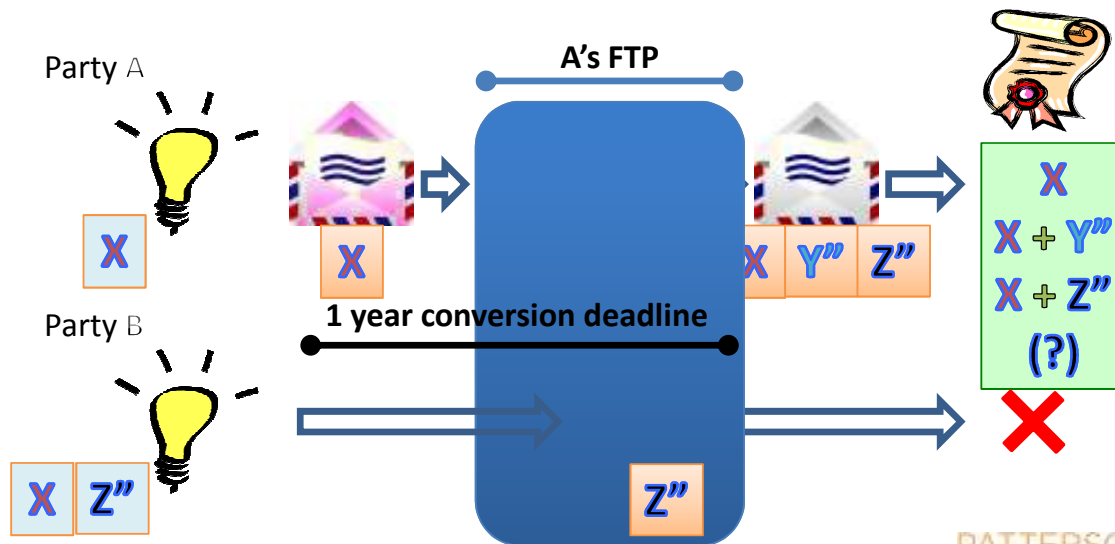


Scenario 4.4c: Similar to 4.3a and 4.3b, except A publishes **X Y''** before B files and A files for **X Y'' Z''**

AIA RESULT:
Only A wins

Change from FTI – New 102(b)(1)(B)

A wins patent to X+Z'' instead of B because A uses FTP grace period to trump B



Scenario 5.1a: A files US application after B's claimed priority in PCT/US case published in English

AIA RESULT:

No effective change – New 102(a)(2)

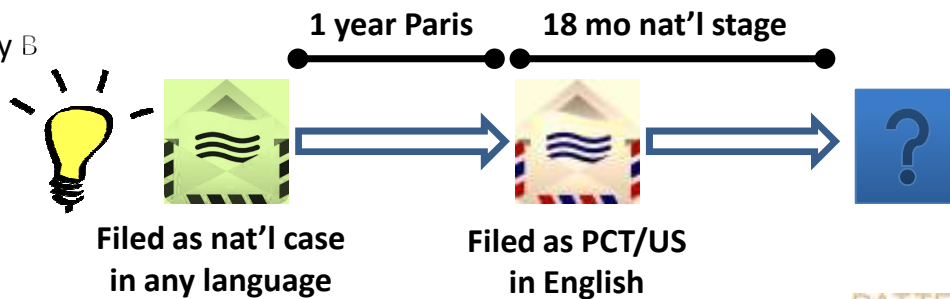
A loses

B's PCT filing designating the US is given the earlier effective filing date (even if B doesn't enter national stage in the US)

Party A



Party B



Scenario 5.1b: A files US application after B's priority in PCT/US case published in any PCT language

AIA RESULT:

A loses

Change from FTI – New 102(a)(2)

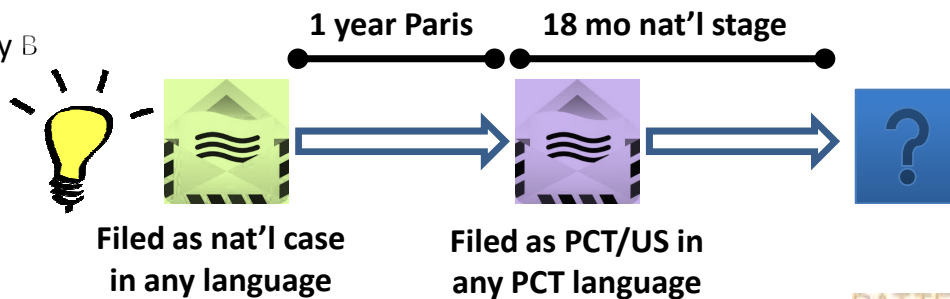
B's PCT filing no longer has to be in English

(Current - Arabic, Chinese, English, French, German, Japanese, Korean, Portuguese, Russian, and Spanish)

Party A



Party B



Scenario 5.2a: A files US application after B's priority date but before B is published as national case

AIA RESULT:

A **wins**

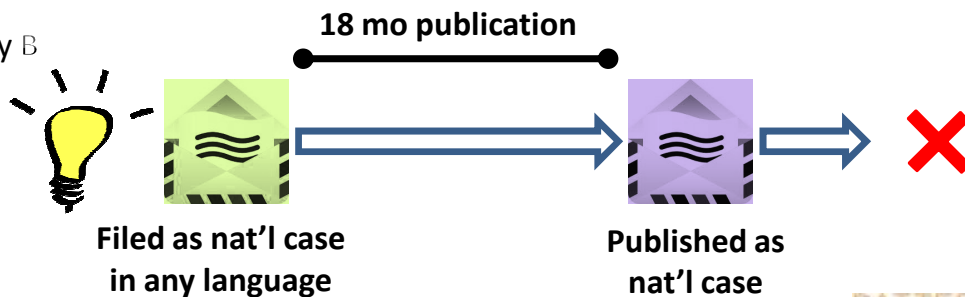
No effective change – New 102(a)(2)

B's patent publication alone other than by US or PCT is not prior art to A as of priority date

Party A

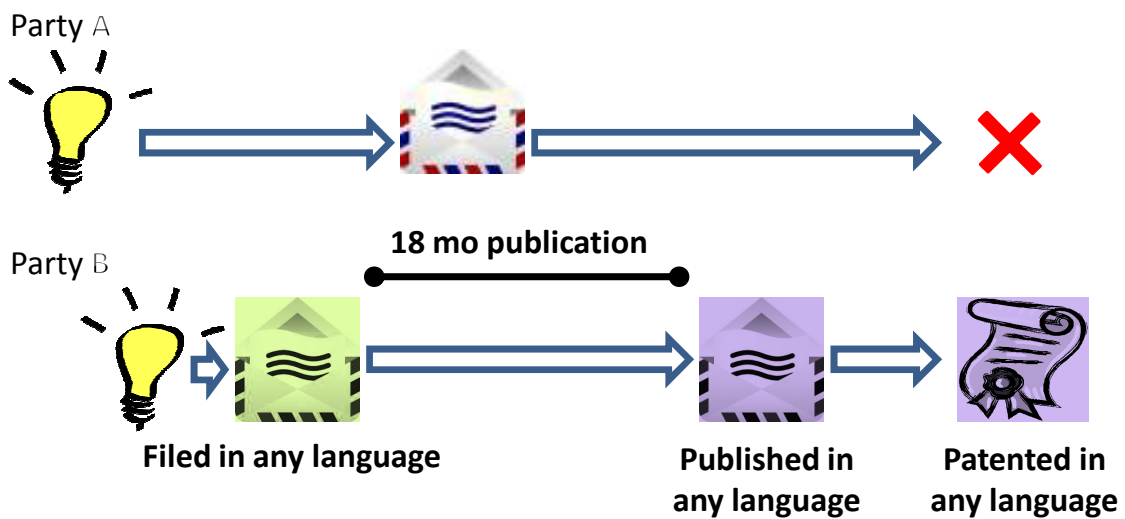


Party B



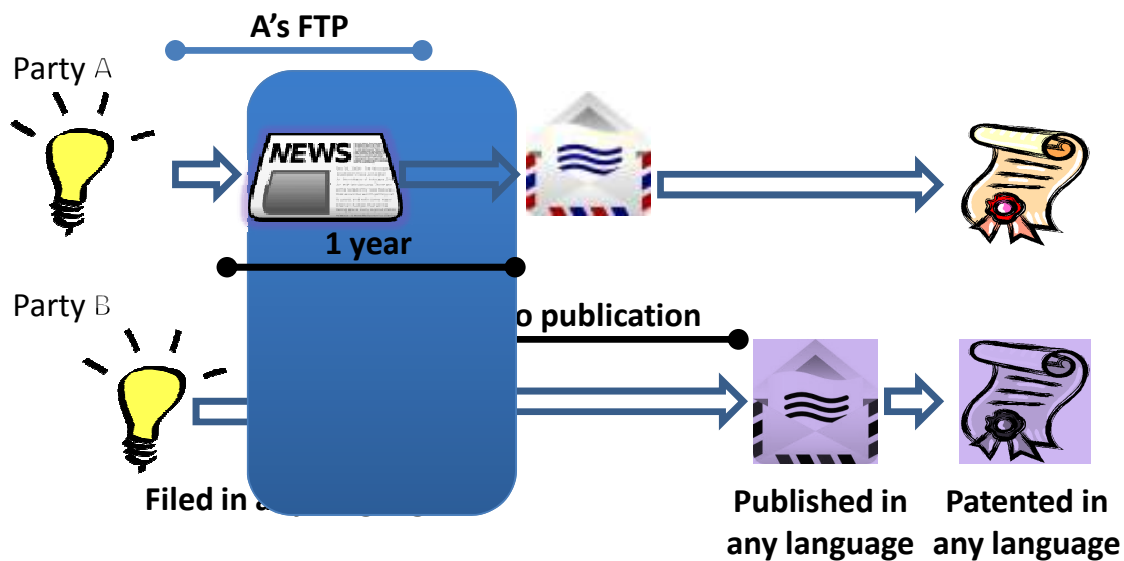
Scenario 5.2b: Same as 5.2a, except A invented first and B's case is patented

AIA RESULT: *Change from FTI – New 102(a)(1)*
A loses *Once issued, B's patent is prior art as A can no longer swear behind B*



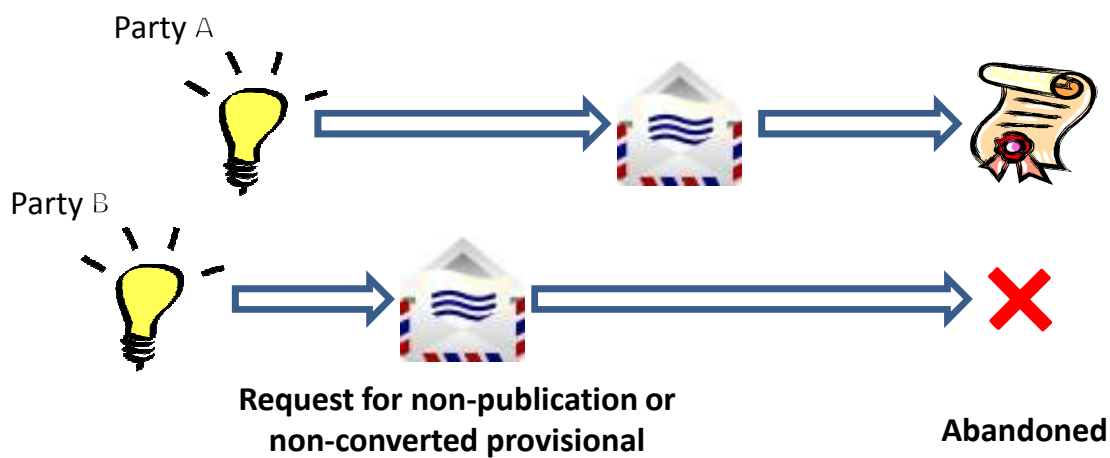
Scenario 5.3: Same as 5.2b, except A use FTP grace

AIA RESULT: *No effective change – New 102(b)(2)(B)*
A wins *B's patent is removed by A's FTP grace period so A has to actively "publish ahead" to get the same result as current FTI law*



Scenario 6: B invents first and files first, but B's case is never published or issued

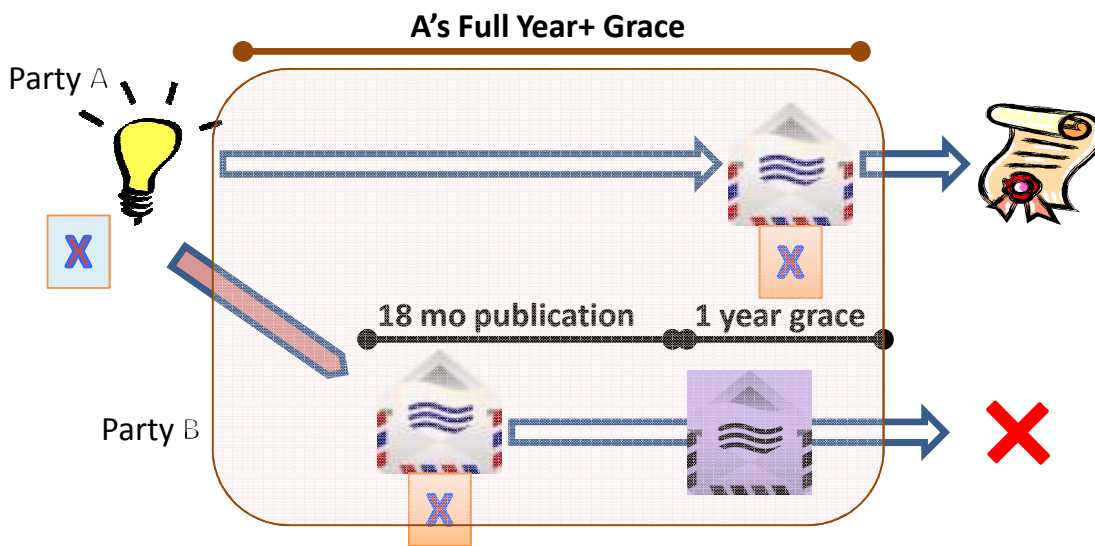
AIA RESULT: *No effective change – New 102(a)(2)*
A wins *B's patent application is not prior art because it never publishes and is equivalent to abandoned aspect of Old 102(g)*



Scenario 7.1: A invents first and files not more than 1 year after B, but B derived invention X from A

AIA RESULT:
A **wins**

No effective change – New 102(b)(2)(1)
“Anticipation-type” derivation will definitely be protected under the AIA



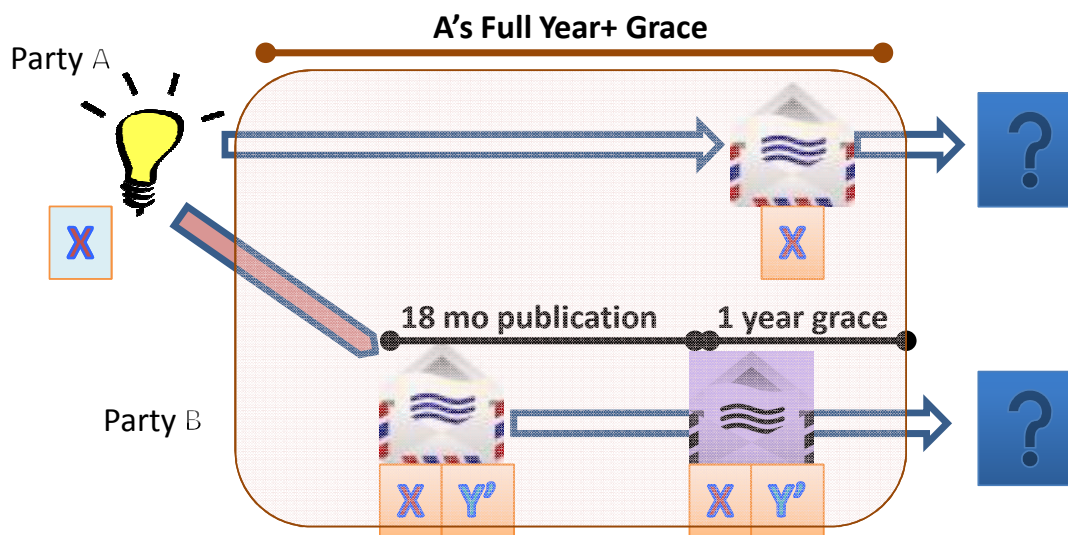
Scenario 7.2: A invents first and files not more than 1 year after B, but B derived invention X from A

AIA RESULT:

A **wins**

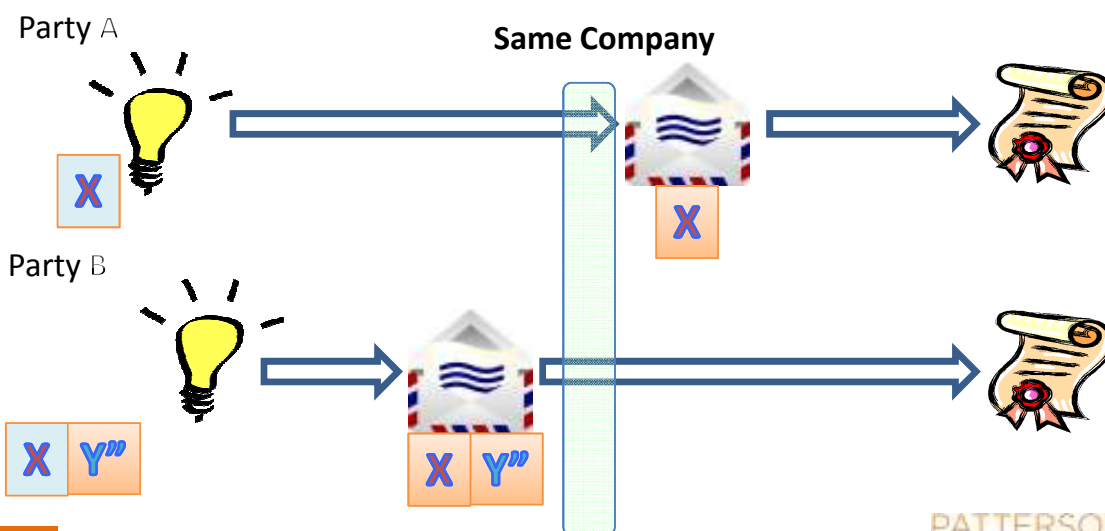
Uncertain – New 102(b)(2)(1)

“Obviousness-type” derivation may/may not be protected under the AIA (but should be)



Scenario 8.1: A invents first and files after B, but A and B work for same company

AIA RESULT: *Change from FTI – New 102(b)(3)*
 A **and** B *B's filing for X + Y" is not prior art to A's claim*
both win to X *if A and B are at same company as of A's*
filing date; compared to invention date for FTI



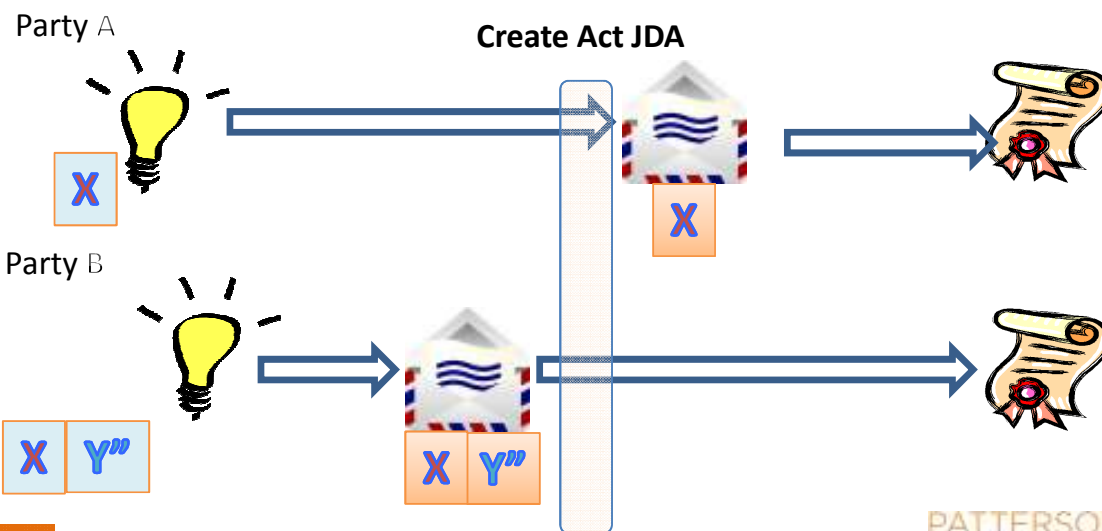
Scenario 8.2: A invents first and files after B, but A and B are parties for CREATE Act joint development

AIA RESULT:

A and B
both win

Change from FTI – New 102(c)

B's filing for X + Y" is not prior art to A's claim to X if A and B are under JDA as of A's filing date; compared to invention date for FTI



Thank You!

About Brad Pedersen

Brad Pedersen is a patent attorney with more than 25 years of experience in patent law, engineering, business and entrepreneurship. He is a partner and the chair of the patent practice group at Patterson Thuent Christensen Pedersen, P.A., an intellectual property law firm in Minneapolis, Minnesota. Brad concentrates his practice in the areas of high-technology, computer, software and medical device patent prosecution strategy, licensing and litigation.

Brad is one of the more knowledgeable IP attorneys in the U.S. when it comes to the patent reform. Since it was first introduced in 2005, he has actively followed the developments and debate surrounding patent reform at the agency, legislative and judicial levels. He educates clients and colleagues by writing and presenting on the imminent changes and strategies for dealing with the reforms.

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Brad can be reached at pedersen@ptslaw.com or (612) 349.5774

About Patterson Thuent IP

Patterson Thuent Christensen Pedersen, P.A. helps creative and inventive clients worldwide protect, and profit from, their ideas. Practicing in the areas of patents, trademark, copyright, trade secrets, IP litigation, international IP protection, licensing and post-grant proceedings, the firm's attorneys excel at finding strategic solutions to complex intellectual property matters.

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