

USPTO Implementation of the America Invents Act



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Challenges of Implementation

- Numerous provisions to implement simultaneously
 - Ensure that regulations and/or guidance is complementary and not at odds
- Short time periods
 - Date of enactment, 12 months, 18 months
- Coordination required among various USPTO business units as well as other governmental entities
 - Patents, Board of Patent Appeals and Interferences, Finance
 - Small Business Administration, U.S. Trade Representative, Secretary of State, Attorney General, and Secretary of Commerce
- Operational matters, for example, IT updates, training, hiring personnel



IP Reexam Threshold

(Effective September 16, 2011)

- Elevate standard for triggering an inter partes reexamination
 - from “substantial new question” of patentability (“SNQ”)
 - to “reasonable likelihood that the requester will prevail with respect to at least one of the challenged claims” (“reasonable likelihood”)
- Standard for ex parte reexamination remains as SNQ



Best Mode

(Effective September 16, 2011)

- 35 U.S.C. § 282 amended to eliminate best mode as a defense to patent infringement
- 35 U.S.C. § 112, first paragraph, maintains best mode as a condition for patentability
- Best mode unavailable to challenge patentability in a post-grant review proceeding
- MPEP § 2165 remains the same
- Memo to Examiners, Sept. 20, 2011



Venue Change

(Effective September 16, 2011)

- Venue for suits brought against the USPTO moved:
 - From U.S. District Court for the District of Columbia
 - To U.S. District Court for the Eastern District of Virginia



OED Statute of Limitations (Effective September 16, 2011)

- OED proceeding must be brought by the earlier of:
 - 10 years from the date of the alleged misconduct;
or
 - 1 year from the date the alleged misconduct is “made known to an officer or employee of the Office”
- USPTO is planning for a final rule to define who is an appropriate officer or employee to receive notice of alleged misconduct



Fee Setting Authority

(Effective September 16, 2011)

- Sunsets 7 years after enactment
- Authorizes the USPTO to set or adjust patent and trademark fees by rule
- Patent/trademark fees may be set to recover only the aggregate estimated cost of patent/trademark operations, including administrative costs
- Small entity and micro-entity discounts apply to fees for “filing, searching, examining, issuing, appealing, and maintaining” patent applications/patents



Micro-entity

(Effective September 16, 2011)

- **4 part definition:**
 - Qualifies as a small entity;
 - Has not been named as an inventor on more than 4 previously filed patent applications;
 - Did not have a gross income exceeding 3 times the median household income in the calendar year preceding the calendar year in which the applicable fees is paid; and
 - Has not assigned, granted, conveyed a license or other ownership interest (and is not under an obligation to do so) in the subject application to an entity that exceeds the gross income limit
- Entitled to a 75% discount on fees, once the USPTO exercises its fee setting authority to set fees



Prioritized Exam (a.k.a. Track 1) (Effective September 26, 2011)

- Original utility or plant patent application accorded special status for expedited examination if:
 - \$4,800 fee, reduced by 50% for small entity;
 - no more than 4 independent claims, 30 total claims, and no multiple dependent claims; and
 - must file application electronically (utility application)
- Does not apply to international, design, reissue, or provisional applications or in reexamination proceedings
- May be requested for a continuing application



Prioritized Exam (cont.)

- USPTO goal for final disposition (*e.g.*, mailing notice of allowance, mailing final office action) is on average 12 months from date of prioritized status
- Prioritized exam is terminated without a refund of prioritized exam fee if patent applicant:
 - petitions for an extension of time to file a reply or to suspend action; or
 - amends the application to exceed the claim restrictions



Prioritized Exam (cont.)

- USPTO may not accept more than 10,000 requests for prioritized exam per fiscal year, absent regulations to prescribe for conditions for acceptance and limitation on the number of filings
- Prioritized examination fee deposited into USPTO appropriations account
- Prioritized examination fee of \$4800/\$2400 terminates when USPTO exercises fee setting authority



15% Surcharge

(Effective September 26, 2011)

- 15% surcharge on all fee charged or authorized under 35 U.S.C. § 41 (a), (b), and (d)(1)
- 15% surcharge does not apply to international stage PCT fees, certain petition fees, and enrollment fees
- 15% surcharge deposited into USPTO appropriations account
- Terminates when USPTO exercises fee setting authority
- Fee table available on the USPTO website



Rulemakings

- **12-Month Effective Date, *i.e.*, September 16, 2012**
 - 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
 - Inter partes review
 - Post grant review
 - Transitional program for covered business method patents
- **18-Month Effective Date, *i.e.*, March 16, 2013**
 - First-Inventor-to-File
 - Derivation proceedings
 - Repeal of Statutory Invention Registration



Int'l Patent Protection for Small Businesses Study

- USPTO directed to study international patent protection for small businesses
 - how USPTO and other federal agencies can best help small businesses with patent protection overseas, including whether a loan or grant program should be established to help small businesses cover the costs of application, maintenance, and enforcement fees or related technical assistance
- USPTO will consult with the Department of Commerce and the Small Business Administration
- Report due by January 14, 2012



Prior User Rights Study

- USPTO directed to study the operation of prior user rights in other industrialized countries, including:
 - a comparison of patent laws between the United States and members of the European Union, Japan, Canada, and Australia;
 - the effects of prior user rights on innovation, startups, and venture capital;
 - any legal issues that arise with trade secret law; and
 - the impact of switching to a first-to-file patent system
- USPTO will consult with the United States Trade Representative, the Secretary of State, and the Attorney General
- Report due by January 16, 2012



AIA Micro-Site

<http://www.uspto.gov/americaninventsact>

- One-stop shopping for info about AIA implementation
- Regularly updated
- Subscription center to receive email alerts when info is added

Implementation Information

- Patent Examination
- Inter Partes Disputes
- Fees and Budgetary Issues
- AIA Studies and Reports
- Programs
- Miscellaneous

AIA Resources

AIA Informational Videos

AIA Press Releases and Speeches

AIA Frequently Asked Questions

AIA Comments

AIA Blog

Announcements and Upcoming AIA Events

Tuesday, September 20, 2011 @ 2:10pm:
Commissioner Robert L. Stoll
The 21st AI Ohio Annual Institute on
Intellectual Property
Cleveland, OH

Wednesday, September 21, 2011 @ 2:10pm:
Commissioner Robert L. Stoll
The 21st AI Ohio Annual Institute on
Intellectual Property
Cincinnati, OH

Friday, September 23, 2011 @ 1:00pm:
Commissioner Robert L. Stoll
Virginia State Bar IP Law Section
Arlington, VA

Tuesday, September 27, 2011 @ 1:00pm:
Commissioner Robert L. Stoll
American Conference Institute
America Invents Act Webinar
<https://www2.gotomeeting.com/register/127501938>
Registration is complimentary

Leahy-Smith America Invents Act Implementation



President Barack Obama signs the America Invents Act September 16, 2011, at Thomas Jefferson High School for Science and Technology in Alexandria, Va.

Message from Director David Kappos

On September 16, 2011, President Barack Obama signed into law the Leahy-Smith America Invents Act, which will foster innovation and spur job creation in the United States. This Act sets into motion the most comprehensive overhaul to our nation's patent system since 1836.

The new law will afford more certainty for patent applicants and owners, and provide the USPTO the resources needed to operate efficiently and issue high-quality patents. Implementation of the new law will occur over a period of months, and our USPTO team will seek input and provide updates all along the way. I strongly encourage you to use this site to regularly track progress pertaining to the agency's implementation efforts.

All of us at USPTO look forward to working together with the innovation community to tackle the exciting challenges of rolling-out this historic law. Here are a few documents to get started:

- [America Invents Act Signing Ceremony](#)
- [White House chat on the America Invents Act](#)
- [Press Release: President Obama signs America Invents Act](#)
- [Leahy-Smith America Invents Act](#)
- [America Invents Act Effective Dates](#)
- [USPTO Fee Schedule](#)

Timeline: Major Milestones



Global Impacts of AIA

- First-Inventor-To-File
- Grace Period
- Prior Art
- Best Mode
- Prior User Rights



Harmonization Issues

- Traditional "Harmonization" Issues
 - First-inventor-to-file
 - Grace period
 - Definition of prior art
 - The Hilmer doctrine
 - Secret Prior art used for Novelty only, or also for Nonobviousness
 - Definition of novelty
 - Definition of non-obviousness/inventive step
 - Disclosure requirements, including best mode



Worksharing

- Fruitful discussions are taking place in the context of the Trilateral Office (USPTO, JPO, EPO) discussions, and IP5 (Trilateral, plus Rep. of Korea and People's Republic of China)
 - Common Citation Document; Ten Foundation Projects
- Bilateral negotiations have lead to a successful “Patent Prosecution Highway” (PPH)
 - Accelerated examination in a second office, based on successful examination in the first office
 - Expanded to “PCT-PPH”



USPTO Initiative in 2011

- In an effort to re-energize interest in substantive patent harmonization, the USPTO hosted the “Asia-Pacific Patent Cooperation Forum for the 21st Century”, March 7-8, 2011, in Alexandria, VA
 - Informal discussions among like-minded economies, including interested developing countries, led by Heads of Offices

“Our efforts today are about beginning a substantive dialogue to put patent law harmonization back on track. They’re about collaborating on what makes the most sense for *our* shared global currency of innovation in the 21st century.”

USPTO Director David Kappos, Opening Remarks



What's Happening Now?

- Tegernsee
- B+
- IP5

Thank You



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