



AMERICA INVENTS ACT

IMPLEMENTATION

America Invents Act

Virginia State Bar's Fall CLE Program

September 21, 2012

Speakers

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Patents Related Final Rules

Effective Date: September 16, 2012

- **Inventor's Oath or Declaration**
 - Applicability: Applications filed on or after September 16, 2012
- **Supplemental Examination**
 - Applicability: Patent enforceable on or after September 16, 2012
- **Preissuance Submission**
 - Applicability: Pending or abandoned application filed before, on, or after September 16, 2012
- **Citation of Patent Owner Claim Scope Statement**
 - Applicability: Any patent on or after September 16, 2012



Inventor's Oath/Declaration: Goals

- Statutory provision and final rules aim to:
 - streamline patent application filing;
 - simplify the content requirements for an oath/declaration; and
 - offer flexibility on the timing for filing an oath/declaration



Name of the Inventor

- Application must include or be amended to include the name of the inventor for any invention claimed in the application
- Inventor may be named by:
 - signed application data sheet (ADS) filed before or with an executed inventor's oath/declaration; or
 - executed inventor's oath/declaration



Application Data Sheet

- ADS is required for:
 - assignee, obligated assignee, or a person who otherwise shows sufficient proprietary interest to be considered the applicant in an application (except national stage applications);
 - claim for foreign priority (except national stage applications); and
 - claim for domestic benefit
- Use of an ADS permits each oath/declaration to identify only the inventor executing the oath/declaration and not the entire inventive entity



35 U.S.C. 115

- 35 U.S.C. 115 requires for each inventor:
 - Oath/declaration executed by the inventor;
 - Substitute statement with respect to the inventor; or
 - Assignment that contains the statements required for an oath/declaration by the inventor
- Phrase “inventor’s oath or declaration” in the rules means an oath, declaration, an assignment-statement, or substitute statement



Timing of Submission

- Oath/declaration may be postponed until the application is otherwise in condition for allowance provided that a signed ADS has been submitted:
 - identifying each inventor by his or her legal name; and
 - with a mailing address and residence for each inventor
- Oath/declaration must still be provided for a reissue application prior to examination
- Current surcharge is still required when the oath/declaration is not present on filing



Supplemental Examination: Goals

- Statutory provision aims to provide patentees with a mechanism to immunize a patent from allegations of inequitable conduct
- Final rules designed to:
 - create a process that allows for completion of the supplemental examination within the 3-month statutory time frame and for prompt resolution of any *ex parte* reexamination; and
 - avoid a post-patent process involving large submissions of unexplained documents (like IDS practice)



Request

- Request for supplemental examination may be filed only by the patent owner
- Request may be filed at any time during the period of enforceability of the patent, e.g., generally 6 years after expiration of the patent
- Third party may not request supplemental examination or participate in a supplemental examination



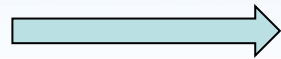
Contents of Request

- Identification of the patent and of each claim for which supplemental examination is requested;
- List of the items of information requested to be considered, reconsidered, or corrected;
- Separate, detailed explanation of the relevance and manner of applying each item of information to each identified patent claim;
- Summary of the relevant portions of any submitted document, other than the request, that is over fifty pages in length; and
- Fees



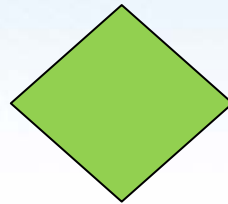
Processing

**Patent Owner
Request**



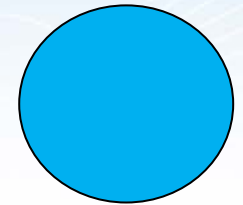
3 months

**Decision on Patent Owner
Request: substantial new
question of patentability
(SNQ) Standard
Triggered?**



YES

**Supplemental
Examination Concluded
and *Ex Parte*
Reexamination Initiated**



NO

**Supplemental
Examination
Concluded -
Electronic Issuance
of certificate**



Preissuance Submissions: Goals

- Statutory provision aims to improve the quality of examination and issued patents
- Final rule is designed to promote:
 - efficient processing of submissions; and
 - focused submissions of the most relevant documents



35 U.S.C. 122(e)

- Any third party may submit printed publications of potential relevance to the examination of an application for consideration and inclusion in the record of the application
- Must be timely made in writing and include:
 - Concise description of asserted relevance of each document;
 - Fee;
 - Statement of compliance with statute;
 - Document List
 - Copies of documents (not U.S. patents and U.S. Pre-Grant publications)
 - Translations for any non-English language documents

Statutory Time Periods

- Must be made before the later of:
 - 6 months after the date on which the application is first published by the Office; or
 - date of first rejection of any claim by the examiner
- AND**
- before the date a notice of allowance is given or mailed
-
- Submissions (documents and concise descriptions) made during this time period will be considered by Examiner in the same manner as documents cited on an IDS



Citation of Patent Owner Claim Scope Statements: Goals

- Statutory provision aims to prevent the patent owner from presenting different positions on claim scope for the same claims in the same patent in different proceedings
- Final rule designed to:
 - facilitate the filing and review of these statements;
 - prevent improper consideration of submissions; and
 - preserve the integrity of patent files



Contents for All Submission

- Prior art and/or patent owner claim scope statement;
- Explanation of the pertinence and manner of applying prior art and/or patent owner statement to at least one claim of the patent;
- Patent owner explanation may state how any claim is patentable over the prior art and/or patent owner statement; and
- Certificate of service on patent owner



Additional Contents for Submissions with Statements

- Documents, pleadings, or evidence from the proceeding that addresses the statement;
- Identification of the forum and proceeding in which the patent owner filed the statement;
- Identification of the submitted papers or portions of papers containing the statements; and
- Explanation of how the statement is a position taken by the patent owner in a proceeding regarding the scope of a claim



35 U.S.C 301

- Expands the scope of information that may be submitted in a patent beyond prior art to include written statements about the scope of the patent claims filed by the patent owner in a federal court or USPTO proceeding
- Governs Office Usage
 - USPTO will not use a patent owner claim scope statement in deciding whether to order an *ex parte* or *inter partes* reexamination or institute an administrative trial
 - After ordering, USPTO may take a patent owner claim scope statement into account to determine the proper meaning of the patent claims
- Identity of submitter kept confidential on written request



Appendix

- **Changes to Implement the Inventor's Oath or Declaration Provisions of the Leahy-Smith America Invents Act: Final Rule, 77 Fed. Reg. 48776 (August, 14, 2012)**
- **Changes to Implement Supplemental Examination Provisions of the Leahy-Smith America Invents Act: Final Rule, 77 Fed. Reg. 48828 (August 14, 2012)**
- **Changes to Implement the Preissuance Submissions by Third Party Provisions of the Leahy-Smith America Invents Act: Final Rule, 77 Fed. Reg. 42150 (July 17, 2012)**
- **Changes to Implement Miscellaneous Post Patent Provisions of the Leahy-Smith America Invents Act: Final Rule, 77 Fed. Reg. 46615 (August 6, 2012)**



Administrative Patent Trials

Effective Date: September 16, 2012

- *Inter Partes* Review
- Post-Grant Review
- Covered Business Methods Review
- Derivation Proceedings



Considerations in Formulating Final Rules

- AIA provides that the Office consider:
 - effect of the regulations on the economy;
 - integrity of the patent system;
 - efficient operation of the Office; and
 - ability to timely complete the proceedings
- Legislative history provides that proceedings reflect a quick, effective, and efficient alternative to often costly and protracted district court litigation



Trial Rules

Inter Partes Review
§§ 42.100 – 42.123

Post-Grant Review
§§ 42.200 – 42.224

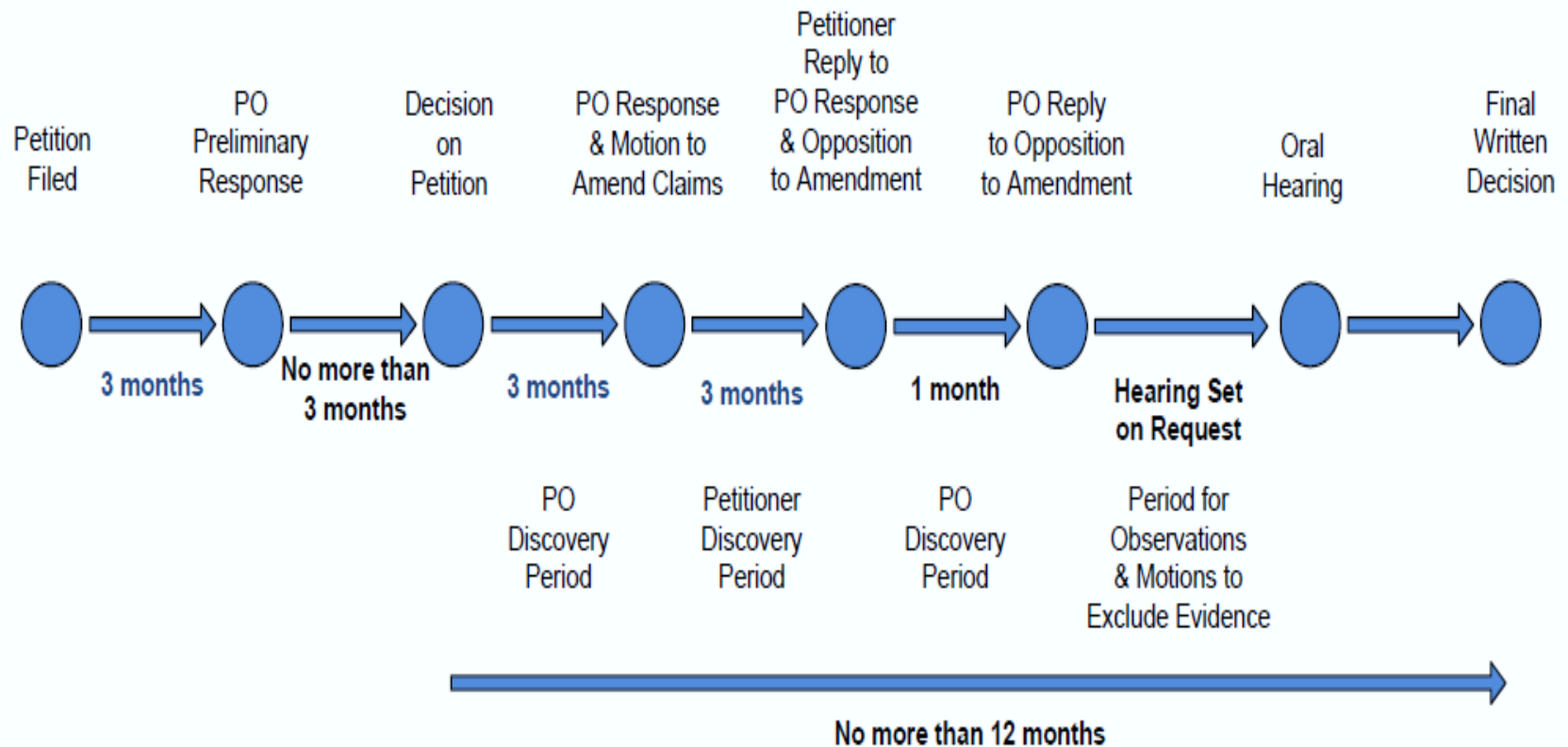
Umbrella Trial Rules
§§ 42.1 – 42.80

Covered Business
Method Patent Review
§§ 42.300 – 42.304

Derivation Proceeding
Proposed §§ 42.400 –
42.412



Trial Proceedings



PO = Patent Owner



Major Differences between IPR, PGR, and CBM

IPR

All patents are eligible

Petitioner has not filed an invalidity action and petition is filed no more than one year after service of infringement complaint for the patent

Only §§ 102 and 103 grounds based on patents or printed publication

PGR

Only FITF patents are eligible

Petitioner has not filed an invalidity action

Only §§ 101, 102, 103, and 112, except best mode

CBM

Both FTI & FITF patents are eligible, but must be a covered business method patent

Petitioner must be sued or charged w/ infringement

Only §§ 101, 102, 103, and 112, except best mode

FTI = First to Invent

FITF = First Inventor to File



Threshold Standards for Institution

IPR

Petition must demonstrate a **reasonable likelihood** that petitioner would prevail as to at least one of the claims challenged

PGR/CBM

Petition must demonstrate that it is **more likely than not** that at least one of the claims challenged is unpatentable

PGR/CBM: Greater than 50% chance

IPR: May encompass a 50/50 chance



Time Windows to File IPR/PGR/CMB Petition

First-to-Invent
Patents

CBM
After issuance

IPR
> 9 months
from issue date

First-Inventor-
to-File
Patents

PGR
 \leq 9 months
from issue date

IPR or CBM
> 9 months
from issue date



Umbrella Rules

- Real parties in interest have to be identified
 - Practice Guide provides factors that may be considered in determining whether a party constitutes a real party in interest or privy
- Petitioner and patent owner must provide a certain information necessary to conduct the proceeding including:
 - related proceedings;
 - lead and backup counsel; and
 - contact information (email addresses and phone numbers)



Umbrella Rules

- *Lead counsel must be a registered practitioner*
- Board may recognize counsel pro hac vice upon a showing of good cause, subject to the Office's Code of Professional Responsibility and any other conditions as the Board may impose
 - *E.g., counsel is an experienced litigation attorney and has a familiarity with subject matter at issue*
- Board may revoke pro hac vice status, taking into account various factors, including:
 - incompetence,
 - unwillingness to abide by the Office's Code of Professional Responsibility, and
 - incivility



Umbrella Rules: Petition Fees

- *Final rule establishes a flat fee for each additional challenged claim after 20*
- *Proposed fee escalation in block increments of 10 claims not adopted*

IPR

\$ 27,200

\$ 600
for each
additional
claim > 20

PGR/CBM

\$ 35,800

\$ 800
for each
additional
claim > 20

Derivation

\$ 400



Umbrella Rules: Page Limits

- *Proposed page limits have been increased by 10 pages:*

IPR

60 pages

For a petition, PO preliminary response, and PO response

PGR/CBM

80 pages

For a petition, PO preliminary response, and PO response

Derivation

60 pages

For a petition and opposition

- *Single spacing is permitted for claim charts*
- *Statement of material facts in a petition or motion is optional*



Umbrella Rules: Confidential Information

- File of a proceeding is open to the public, except that a party may seek to have a document sealed by filing a motion to seal
- Protective orders may be entered to govern the exchange and submission of confidential information
- *Parties seeking a protective order may file a motion to seal accompanied by the default protective order*



Umbrella Rules: Discovery

- AIA authorizes the Office to set standards and procedures for the taking of discovery
- *Discovery rules allow parties to agree to discovery between themselves*
- Final rules provide for:
 - *mandatory initial disclosures;*
 - routine discovery; and
 - additional discovery



Umbrella Rules: Routine Discovery

- Routine discovery includes documents cited, cross-examination for submitted testimony, and information inconsistent with positions advanced during the proceeding
- *Proposed rule on inconsistent statements has been modified to limit both scope and number of individuals subject to the rule*



Umbrella Rules: Additional Discovery

- *Parties may agree to additional discovery between themselves or a party must request any discovery beyond routine discovery*
- Party seeking additional discovery:
 - in IPR: additional discovery is in the interests of justice
 - in PGR and CBM: subject to the lower good cause standard



Umbrella Rules: Supplemental Information

- *Request for the authorization to file a motion to submit supplemental information must be made within one month after institution*
- *Supplemental information must be relevant to a claim for which the trial has been instituted*
- *Motion to file supplemental information filed later than one month after institution must show why the supplemental information reasonably could not have been obtained earlier and that consideration of the information would be in the interests-of-justice*



Umbrella Rules: Sanctions for Abuse

- Order holding facts to have been established
- Order expunging a paper
- Order excluding evidence
- Order precluding a party from obtaining, opposing discovery
- Order providing for compensatory expenses, including attorney fees
- Judgment or dismissal of the petition



Umbrella Rules: Settlement

- Terminates the proceeding with respect to the petitioner
- Board may terminate the proceeding or issue a final written decision



Umbrella Rules: Final Decision and Request for Rehearing

- Board will issue a final written decision that addresses the patentability of any claim challenged and any new claim added
- *Request for rehearing must be filed within 14 days of the entry of a non-final decision or a decision to institute a trial or within 30 days of the entry of a final decision or a decision not to institute a trial*
- Party dissatisfied with the final written decision in an IPR/PGR/CBM may appeal to the Federal Circuit



Umbrella Rules: Petitioner Estoppel

- Petitioner may not request or maintain a proceeding before the **USPTO** with respect to any claim on any ground raised or reasonably could have been raised before the USPTO
- Petitioner may not assert in **district court or the ITC** that a claim is invalid on any ground petitioner raised, and in IPR/PGR, any ground that reasonably could have been raised in the trial before the USPTO



Umbrella Rules: Patent Owner Estoppel

- *Patent owner is precluded from taking action inconsistent with the adverse judgment including obtaining:*
 - *a claim that is patentably indistinct from a finally refused or canceled claim; or*
 - *an amendment of a specification or drawing that was denied during the trial, but this provision does not apply to an application or patent that has a different written description*
- *Proposed estoppel provision as to claims that could have been presented was not adopted in the final rule*



Patent Review Processing System (PRPS) Filing System

- PRPS Telephone Help Line: 571-272-PTAB
- E-mail: Trials@USPTO.gov
- Website: <http://www.uspto.gov/ptab>



Proposed Rules

- **First Inventor to file**
 - Effective Date: March 16, 2013
 - Comments Due: October 5, 2012

- **Fee Setting**
 - Patent Fees Proposed Rule (77 Fed. Reg. 55028, September 6, 2012)
 - Comments due: November 5, 2012



First Inventor to File: Goals

- Provide guidance to examiners and the public on changes to examination practice in light of the AIA
- Address examination issues raised by the AIA
- Provide the Office with information to readily determine whether the application is subject to the AIA's changes to 35 U.S.C. 102 and 103

Date

- Effective Date: March 16, 2013
- Comments Due: October 5, 2012



Framework

Prior Art	Exceptions	Label
102(a)(1)	102(b)(1)(A)	Grace Period Inventor Disclosures & Grace Period Non-inventor Disclosures
	102(b)(1)(B)	Grace Period Intervening Disclosures
102(a)(2)	102(b)(2)(A)	Non-inventor Disclosures
	102(b)(2)(B)	Intervening Disclosures
	102(b)(2)(C)	Commonly Owned Disclosures



Appendix

- **Changes to Implement the First Inventor to File Provisions of the Leahy-Smith America Invents Act, 77 Fed. Reg. 43742 (July 26, 2012)**
- **Examination Guidelines for Implementing the First-Inventor-to-File Provisions of the Leahy-Smith America Invents Act , 77 Fed. Reg. 43759 (July 26, 2012)**



Fee Setting Goals and Strategies

- Ensure the patent fee schedule generates sufficient aggregate revenue to recover the aggregate cost to achieve two significant USPTO Goals:
 - Optimize patent timeliness and quality; and
 - Implement a sustainable funding model for operations
- Set individual fees to further key policy considerations:
 - Fostering innovation;
 - Facilitating the effective administration of the patent system; and
 - Offering patent prosecution options to applicants
- Comments are due November 5, 2012.



AIA Help

- AIA Telephone Help Line: 1-855-HELP-AIA
- E-mail: HELPAIA@uspto.gov
- USPTO Microsite (consistently updated):
http://www.uspto.gov/aia_implementation/index.jsp
- Website for the full 166 page AIA slide set:
http://www.uspto.gov/aia_implementation/120910-aia-roadshow-slides.pdf





AMERICA INVENTS ACT

IMPLEMENTATION

Questions?



AMERICA INVENTS ACT

IMPLEMENTATION

Thank You