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MEMORANDUM

**DATE:** February 19, 2019

**TO:** Patent Examining Corps

**FROM:**   
Robert W. Bahr  
Deputy Commissioner  
for Patent Examination Policy

**SUBJECT:** **Recent U.S. Supreme Court Decision (*Helsinn Healthcare S. A. v. Teva Pharmaceuticals USA, Inc.*) Concerning the Phrase “On Sale” in AIA 35 U.S.C. § 102(a)(1)**

The U.S. Supreme Court recently issued a decision in *Helsinn Healthcare S.A. v. Teva Pharmaceuticals USA, Inc.*, No. 17-1229 (January 22, 2019), addressing whether the changes to 35 U.S.C. § 102(a)(1) in the first inventor to file (FITF) provisions of the America Invents Act (AIA) altered the meaning of the phrase “on sale” as compared with pre-AIA 35 U.S.C. § 102(b). In implementing the FITF provisions of the AIA, the USPTO had previously indicated that “[t]he phrase ‘on sale’ in AIA 35 U.S.C. 102(a)(1) is treated as having the same meaning as ‘on sale’ in pre-AIA 35 U.S.C. 102(b), **except that the sale must make the invention available to the public.**” See MPEP 2152.02(d) (emphasis added). However, consistent with the Supreme Court’s decision in *Helsinn*, the clause “except that the sale must make the invention available to the public,” should be stricken from the prior sentence.

The Supreme Court in *Helsinn* “determine[d] that Congress did not alter the meaning of ‘on sale’ when it enacted the AIA, [and held] that an inventor’s sale of an invention to a third party who is obligated to keep the invention confidential can qualify as prior art under [AIA 35 U.S.C.] § 102(a).” *Helsinn*, slip op. at 8-9. Thus, a sale or offer for sale that does not disclose the subject matter of an invention or make the invention available to the general public may nevertheless qualify as prior art in an anticipation or obviousness rejection, regardless of whether the application or patent under consideration is subject to the FITF provisions of the AIA or the first to invent provisions of pre-AIA law. So, the phrase “on sale” in AIA 35 U.S.C. § 102(a)(1) is treated as having the same meaning as “on sale” in pre-AIA 35 U.S.C. § 102(b). MPEP 2133.03(b) contains a discussion of the meaning of the phrase “on sale” in pre-AIA 35 U.S.C. § 102(b).

The Manual of Patent Examining Procedure will be revised for consistency with *Helsinn* in due course.