

Paris, September 2011

INFORMATION

THE UNITED STATES ARE CHANGING THEIR PATENT RULES

After a decade of discussions for reforming patent legislation, the United-States finally passed the *Leahy-Smith America Invents Act*. The bill was signed by President Obama on September 16, 2011.

This Act brings numerous changes to U.S. patent law and Patent Office practice. A landmark change of the reform appears to be conversion of the “*first-to-invent*” exceptional system into the “*first-to-file*” worldwide standard.

Some of the main provisions of the Act are pointed out below.

► **First-to-file** (*Effective date: 18 months after enactment*)

The Act says “*First Inventor to File*”.

In line with patent laws in the rest of the world, the U.S will now consider as the key date, not the date of conception of the claimed invention but **the date of filing of the patent application** claiming the invention. This puts an end to interference proceedings. Instead, “*derivation proceedings*” are instituted, whereby an inventor having filed an application can prove that the subject matter of an earlier application filed by another derives from his own invention.

In the same time, the Act overhauls 35 U.S.C. § 102, notably by **expanding the definition of prior art**.

However, **the one-year grace period** is maintained and submitted to adjustments in order to comply with the “*first-to-file*” system.

► **3 Post-issuance review proceedings** (*Effective date: 1 year after enactment*)

■ 2 new procedures are open to a third party for reviewing a patent after grant:

- Within 9 months from issuance of a U.S. patent, a third party can challenge validity thereof by requesting a **post-grant review** before the Patent Office. The patent can be challenged on any ground except failure to disclose the best mode for carrying out the invention.
- After this 9-month time limit or after the date of termination of a post-grant review, an *inter partes* review can be requested before the Patent Office by a third party. However, the grounds for an *inter partes* review are **restricted to patentability** on the basis of patents or printed publications only.

Noticeably, pending civil actions challenging patent validity prevail over post-grant and *inter partes* reviews. Reciprocally, post-grant and *inter partes* reviews can impact later civil actions: e.g., the petitioner is estopped from asserting any ground for invalidity raised in the petition for post-grant or *inter partes* review.

- Besides, the Act provides **supplemental examination proceedings** allowing the patent holder to request reconsideration or correction of the patent in view of new information considered relevant to patentability.
- ▶ **Prior commercial use as a defense to infringement** (*Effective date: upon enactment*)
Prior commercial use, which was an exception to infringement of business method patents only, can now be invoked against patents in any field provided prescribed conditions are met.

Other provisions of the Act relate to, inter alia:

- a simplified procedure for filing an application in the name of non-inventors, such as companies and the like,
- third party submissions before grant,
- the fact that failure to describe the best mode does no longer result in patent invalidation,
- the possibility of virtual marking through reference to an internet address,
- false marking,
- prohibition of tax strategy patents,
- human organism non-patentability.

Also, a new micro-entity status is created, allowing to benefit from substantial fee discounts, provided prescribed conditions are met.

According to the Act, most of the official fee amounts will be significantly increased as from September 26, 2011. In particular, the surcharge will be of about 15% for the filing fee, the issue fee and the maintenance fees.

The Act further aims at ensuring that user fees will exclusively serve the activities of the Patent Office.

We will revert to you very soon with respect to the Act and consequences thereof, more particularly for providing detailed comments and useful advice in order to prosecute and enforce your U.S. patents.

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For more information, do not hesitate to revert to your usual contact or to Marie Audren (audren@regimbeau.eu) and Barbara Casadewall (casadewall@regimbeau.eu), European and French Patent Attorneys