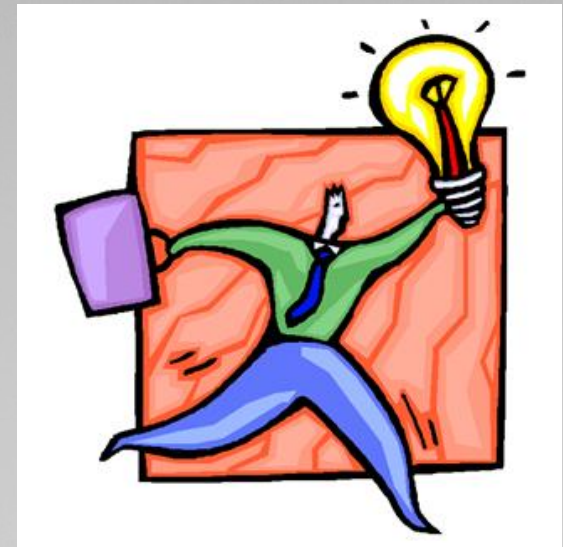


10 THINGS YOU NEED TO KNOW ABOUT PATENT REFORM

W. Edward Ramage
Chair, IP Group
Baker Donelson
eramage@bakerdonelson.com

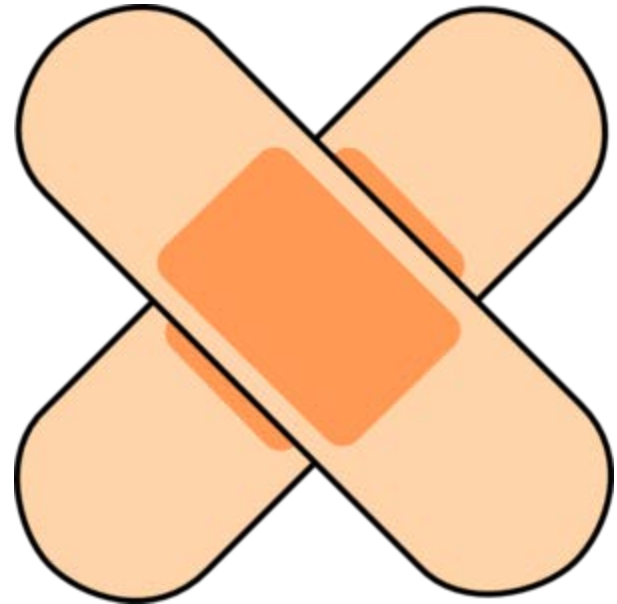
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BEARMAN, CALDWELL & BERKOWITZ, PC



EXPAND YOUR EXPECTATIONSSM

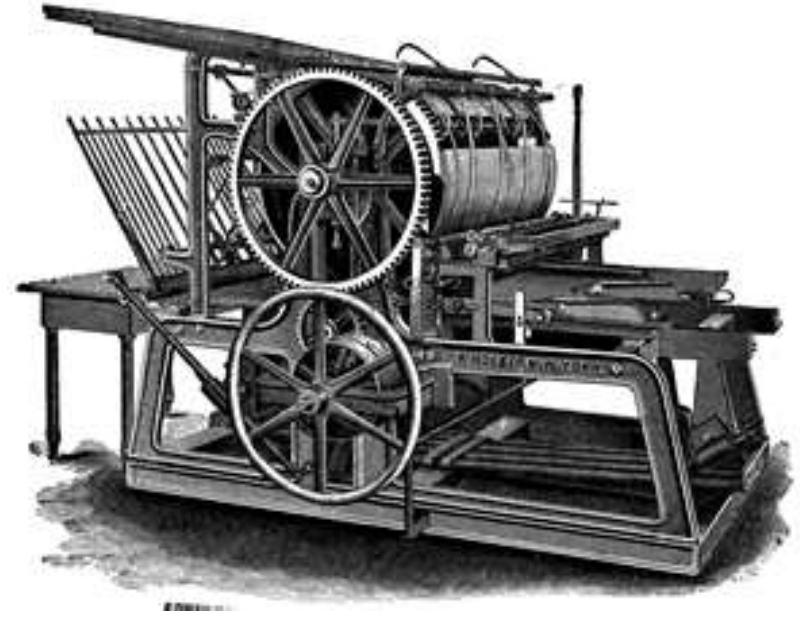
Patent Reform

- Signed by President Obama on Sept. 16th
- Melange of changes (major and minor)



1. It's Not Really "First-to-File"

- "First-to-Publish" can beat "First-to-File"
- Interaction of new Sections 102(a), (b)



Section 102(a): First-to-File



- Entitled to patent unless:
 - (1) patented, described in printed publication, in public use, on sale, or otherwise available to public before effective filing date (subject to one-year grace period), or
 - (2) described in patent or patent application by another effectively filed before effective filing date

Section 102(b)(1): 1-Year Grace Period

- Disclosure made < 1 year before filing is not prior art under 102(a)(1) if:
 - (1) disclosure was made by inventor, or another who obtained subject matter from inventor, or
 - (2) inventor or another who obtained from inventor had publicly disclosed the subject matter before the disclosure in question

Section 102(b)(2): Prior Art Disclosure

- Disclosure in patent or application is not prior art under 102(a)(2) if:
 - (1) subject matter disclosed obtained from inventor, or
 - (2) inventor or another who obtained from inventor had publicly disclosed the subject matter earlier, or
 - (3) both owned or under obligation to assign to same person

“First-to-File”

- INVENTOR A
 - Jan: invents
 - July: file patent app.

- INVENTOR B
 - Feb: invents
 - Dec: file patent app.



**Same result
even if B
invents first**

“First-to-Publish”

- INVENTOR A
 - Jan: invents
 - June: publishes article
 - July: file patent app.

- INVENTOR B
 - Feb: invents
 - April: publishes article
 - Dec: file patent app.



2. Don't Count on Publishing

- “Absolute Novelty” bar
- Will lose foreign filing rights

File Early, File Often!

Defensive Publication: not seeking patent protection, but protection from patenting



3. Prior Art Hurdles Are Higher

- “On sale” removed from grace period
- Public use no longer limited to U.S.
- Foreign patent applications will count for priority dates (i.e., for “effective filing date”)



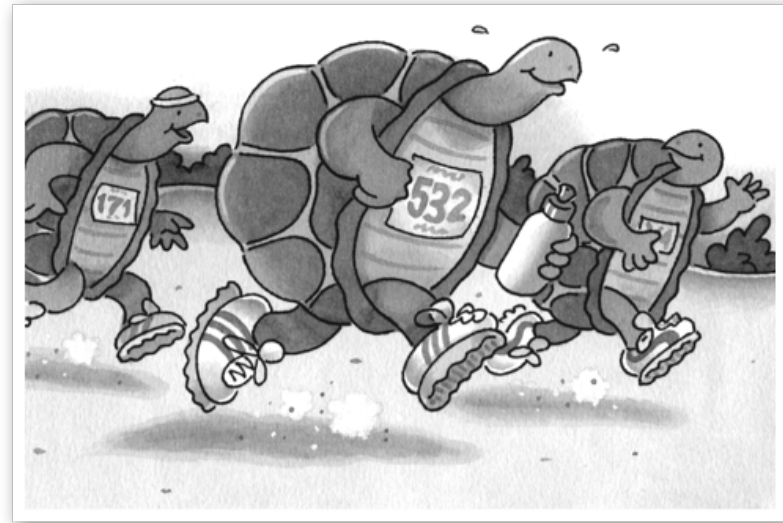
4. Don't Wait on FTF

- FTF applies to applications filed on or after Mar. 16, 2013
BUT....
 - can be affected by third-party publications on or after Mar. 16, 2012
 - changes in grace period



5. File New Apps Before FTF

- File before Mar. 16, 2013
 - new apps & CIPs
- Avoid broader definition of prior art
- Can still swear behind third party prior art
- Avoid post grant review



6. New Avenues for Attack

- Post Grant Review (“opposition”)
 - 9-mo. window
 - broader than re-exam
- Inter Partes Review
 - amended IP Re-exam
 - new standard (reasonable likelihood)
- Pre-Issuance Submissions



7. Supplemental Examination

- Similar to *Ex Parte* Re-exam, but not limited to patents and publications
- Patent owner can address any validity issues uncovered after patent is granted
- Patent owner can purge inequitable conduct
 - must be done before any attempt is made to enforce patent, or before owner receives a notice of invalidity
 - excludes substantial fraud



8. Derivation Is The New Interference

- PTO or civil action
- Resolves whether earlier inventor derived claimed invention from an inventor in later-filed application
- Good reason to keep inventor's notebooks and other documents establishing independent research and development of claimed subject matter

9. Mixed Bag re Litigation

- False Marking Cases
- Prior Commercial Use Defense
- Best Mode
- Attorney Opinions
- Joinder of Multiple Defendants
- Jurisdiction
- Venue
- Removal

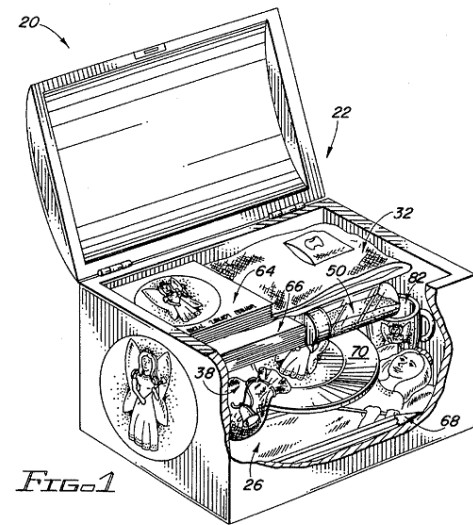
False Marking Cases

- *Qui tam* actions based on false marking eliminated
- Third party must show actual economic harm
 - damages limited to actual economic harm
- Marking product with expired patent number no longer false marking
- Applies immediately to all pending and future actions



Prior Commercial Use Defense

- Section 273 expanded beyond just business methods
- Includes machines, articles of manufacture, and compositions of matter used in manufacturing or commercial process
 - internal commercial use
 - arm's length sale or commercial transfer of a useful end result of such a commercial use



Prior Commercial Use Defense

- At least 1 year prior to effective filing date or public disclosure date of claimed invention
- Defense has burden of proof
 - clear and convincing evidence



Prior Commercial Use Defense

- Applies to entity that performed or directed the performance of commercial use, or entity that controls, is controlled by, or is under common control with that entity
- Not transferrable, except as part of transfer of entire enterprise or line of business
 - cannot expand sites

Attorney Opinions

- Failure of defendant to either obtain opinion of counsel re patent or to present such advice at trial may not be used to prove willful infringement or intent to induce



Federal Joinder

- No longer easy to sue a laundry list of defendants
- Join only if allegations arise out of common occurrence, transactions, or series of such, and there are common issues of fact
 - insufficient merely to claim infringement of same patent

10. Patents Not Easier or Cheaper

- Lots of uncertainty with disclosure, derivation and first-to-publish
- Narrower one-year grace period
- Broader prior art
- Post Grant Review



USER-OPERATED AMUSEMENT APPARATUS FOR KICKING THE USER'S BUTTOCKS

Armstrong, US 6,293,874 (Sep. 25, 2001)

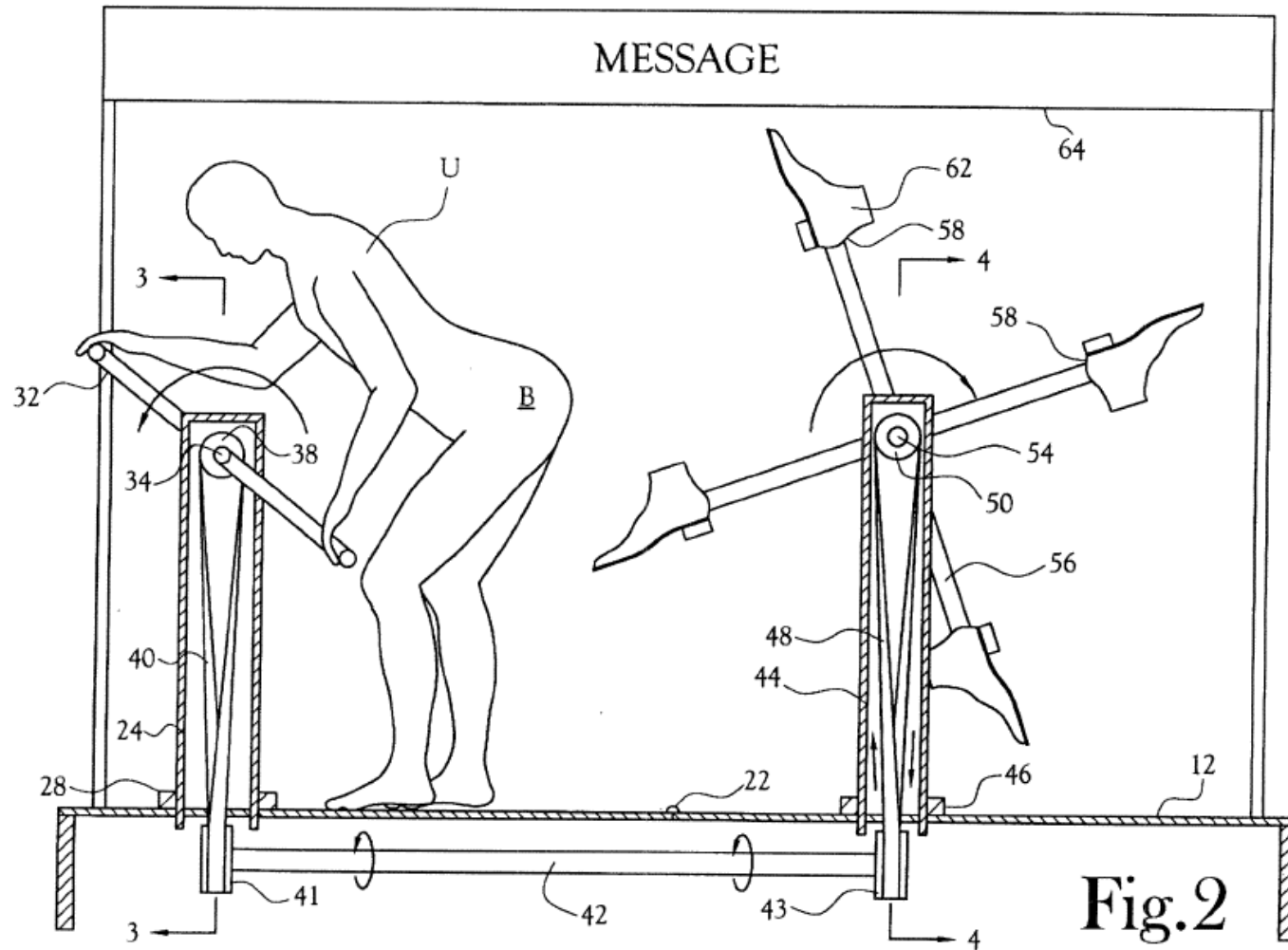


Fig. 2

W. Edward Ramage, Esq.

eramage@bakerdonelson.com

Phone (615) 726-5771

BAKER DONELSON
BEARMAN, CALDWELL & BERKOWITZ, PC

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