

# USPTO Implementation of the America Invents Act



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# Group 1 Rulemakings and Other Actions

(60-Day and Under Effective Dates) (a.k.a. G1 Rulemakings)

<b>Date of Enactment (September 16, 2011)</b>	<b>10 Days After Date of Enactment (September 26, 2011)</b>	<b>October 1, 2011</b>	<b>60 Days After Date of Enactment (November 15, 2011)</b>
<ul style="list-style-type: none"> <li>• Inter partes reexamination threshold and termination</li> <li>• Tax strategies are deemed within the prior art</li> <li>• Best mode</li> <li>• Human organism prohibition</li> <li>• Venue change from DDC to EDVA for suits brought under 35 U.S.C. §§ 32, 145, 146, 154 (b)(4)(A), and 293</li> <li>• OED Statute of Limitations</li> <li>• Fee Setting Authority (effective after rulemaking)</li> <li>• Establishment of micro-entity (effective after rulemaking)</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritized examination</li> <li>• 15% transition surcharge</li> </ul>	<p>Reserve fund</p>	<p>Electronic filing incentive</p>



# 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



# IP Reexam Termination

(Effective September 16, 2012)

- Inter partes reexamination termination on September 16, 2012
- Establishes inter partes review to replace inter partes reexamination
- Inter partes review effective on September 16, 2012



# IP Reexam Termination (cont.)

<b>Request Date</b>	<b>Standard</b>
Before September 16, 2011	SNQ
On/after September 16, 2011 but before September 16, 2012	Reasonable likelihood
On/after September 16, 2012	Not available; must file a request for inter partes review



# IP Reexam Threshold & Termination

- Revision of Standard for Granting an Inter Partes Reexamination Request, 76 Fed. Reg. 59055 (Sept. 23, 2011)
- Impacts 37 C.F.R. §§ 1.913, 1.915, 1.923, 1.927



# Tax Strategies in Prior Art

## (Effective September 16, 2011)

- Strategy for reducing, avoiding, or deferring tax liability—whether known or unknown at the time of the invention or patent application—shall be deemed insufficient to differentiate the claimed invention from the prior art under 35 U.S.C. §§ 102 and 103
- Exception for method, apparatus, technology, computer program product, or system used solely
  - to prepare a tax return; or
  - for financial management



# Tax Strategies (cont.)

- Applies to:
  - any patent application pending on, or filed on or after, September 16, 2011; and
  - any patent issued on or after September 16, 2011 in a reexamination or post-issuance proceeding
- Memo to Examiners, Sept. 20, 2011



# 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



# Human Organism Prohibition (Effective September 16, 2011)

- Patent may not issue on a claim directed to or encompassing a human organism
- USPTO policy already captures a human organism prohibition. See *Animals – Patentability*, 1077 Off. Gaz. Pat. Off., 24 (Apr. 21, 1987)
- MPEP § 2105 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:
  - 35 U.S.C. § 32 = practitioner disciplinary action
  - 35 U.S.C. § 145 = BPAI decision
  - 35 U.S.C. § 146 = interference
  - 35 U.S.C. § 154(b)(4)(A) = patent term adjustment
  - 35 U.S.C. § 293 = non-resident applicant



# 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



# Micro-entity (cont.)

- Entitled to a 75% discount on fees, once the USPTO exercises its fee setting authority to set fees
- Applicants are not considered to be named on a previously filed application if he/she has assigned, or is obligated to assign, ownership as a result of previous employment
- Includes applicants who are employed by an institute of higher education and has assigned, or is obligated to assign, ownership to that institute of higher education



# 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



# Prioritized Exam (cont.)

- Changes to Implement Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures Under the Leahy-Smith America Invents Act, 76 Fed. Reg. 59050 (Sept. 23, 2011)
- Impacts 37 C.F.R. §§ 1.17 and 1.102



# Prioritized Exam Statistics

(As of October 13, 2011)

<b>Fiscal Year</b>	<b>Pending</b>	<b>Granted</b>	<b>Dismissed</b>
FY2011	842	--	--
FY2012	92	--	--



# 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 at <http://www.uspto.gov/about/offices/cfo/finance/fees.jsp>
- Notice of Availability of Patent Fee Changes Under the Leahy-Smith America Invents Act, 76 Fed. Reg. 59115 (Sept. 23, 2011)



# Reserve Fund

(Effective October 1, 2011)

- Account for all patent and trademark fees collected in excess of the annual appropriation amount
  - USPTO may spend fees in the Reserve Fund to the extent and in amounts authorized in annual appropriations
- Reaffirms Trademark “Fence”
- Establishes Patent “Fence”



# Electronic Filing Incentive (Effective November 15, 2011)

- Establish a \$400 fee, reduced by 50% for small entities, for all original (non-reissue) applications filed by non-electronic means
- Fee does not apply to design, plant, or provisional applications
- Fee must be deposited in a general account at Treasury and is not available for the PTO to spend in appropriations account
- Notice of Availability of Patent Fee Changes Under the Leahy-Smith America Invents Act, 76 Fed. Reg. 59115 (Sept. 23, 2011)



# Group 2 Rulemakings

(12-Month Effective Date, *i.e.*, September 16, 2012) (a.k.a. G2 Rulemakings)

- 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



# Group 3 Rulemakings and Other Actions

(18-Month Effective Date, *i.e.*, March 16, 2013) (a.k.a. G3 Rulemakings)

- First-Inventor-to-File
- Derivation proceedings
- Repeal of Statutory Invention Registration



# Studies: USPTO as Lead Agency

<b>Topic</b>	<b>Due Date from Enactment</b>
International Patent Protection for Small Businesses	4 months
Prior User Rights	4 months
Genetic Testing	9 months
Misconduct Before the Office	Every 2 years
Satellite Offices	3 years
Virtual Marking	3 years
Implementation of AIA	4 years



# 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



# Int'l Protection Study (cont.)

- Public input via:
  - Written comments (30 day window); and/or
  - Public hearings
    - October 27, 2011, 1 to 4 pm @ USPTO
    - November 1, 2011, 9 am to noon @ University of Southern California Gould School of Law
- Report due by January 14, 2012
- Request for Comments and Notice of Public Hearings on the Study of International Patent Protection for Small Businesses, 76 Fed. Reg. 62389 (Oct. 7, 2011)



# 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



# Prior User Rights Study (cont.)

- Public input via:
  - Written comments (30 day window); and/or
  - Public hearing
    - October 25, 2011, 8:30 to 11:30 am @ USPTO
- Report due by January 16, 2012
- Notice of Public Hearing and Request for Comments on the Study of Prior User Rights, 76 Fed. Reg. 62388 (Oct. 7, 2011)



# Studies: USPTO as Consultant

<b>Topic</b>	<b>Lead Agency</b>	<b>Due Date from Enactment</b>
Effects of First-Inventor-to-File on Small Business	Small Business Administration	1 year
Patent Litigation	General Accountability Office	1 year



# Programs: USPTO to Establish

<b>Topic</b>	<b>Due Date from Enactment</b>
Pro Bono	Immediately
Diversity of Applicants	6 months
Patent Ombudsman for Small Businesses	12 months
Satellite Offices	3 years



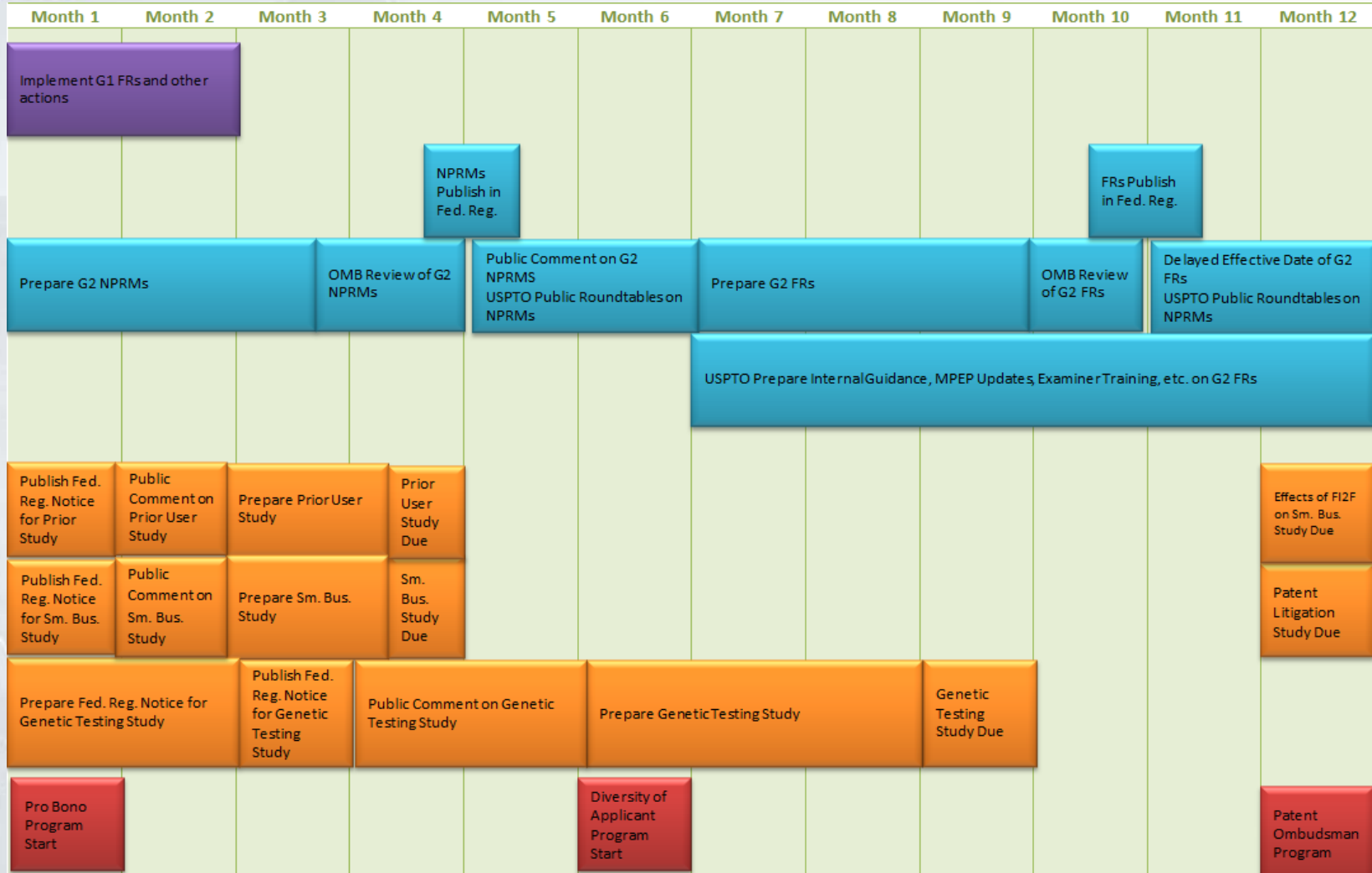
# Pro Bono Program

## (Effective September 16, 2011)

- Minnesota piloted a program to connect under-resourced independent inventors and small businesses with patent counsel
- Task Force forming to expand the program to other cities
- First meeting October 21, 2011, 9:30-11:30 am @ Dolley Madison House, DC



# Timeline: Major Milestones





# 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



# AIA Micro-site (cont.)

[aia\\_implementation@uspto.gov](mailto:aia_implementation@uspto.gov)

## Comments

Thank you for visiting the Comments area for AIA implementation. The agency welcomes, encourages, and will consider all comments received about AIA implementation. We also will post all comments received to foster a dialogue among stakeholders about AIA implementation.

### To Submit Comments

Comments may be submitted to the USPTO via email (preferred) or postal mail to the following addresses:

Please click on the respective Rulemaking to provide comments:

Group 1 Rulemakings
<a href="#">Inter partes reexamination threshold</a>
<a href="#">Tax strategies are deemed within the prior art</a>
<a href="#">Best mode</a>
<a href="#">Human organism prohibition</a>
<a href="#">OED Statute of Limitations</a>
<a href="#">Fee Setting Authority</a>
<a href="#">Micro-entity</a>
<a href="#">Prioritized examination</a>
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<a href="#">Supplemental examination</a>
<a href="#">Citation of prior art in a patent file</a>
<a href="#">Priority examination for important technologies</a>
<a href="#">Inter partes review</a>
<a href="#">Post grant review</a>
<a href="#">Transitional program for covered business method patents</a>
Group 3 Rulemakings
<a href="#">First-Inventor-to-File</a>
<a href="#">Derivation proceedings</a>
<a href="#">Repeal of Statutory Invention Registration</a>

Postal Mail: U.S. Patent and Trademark Office  
Mail Stop Comments—Patents  
Commissioner of Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450



# Public Comments

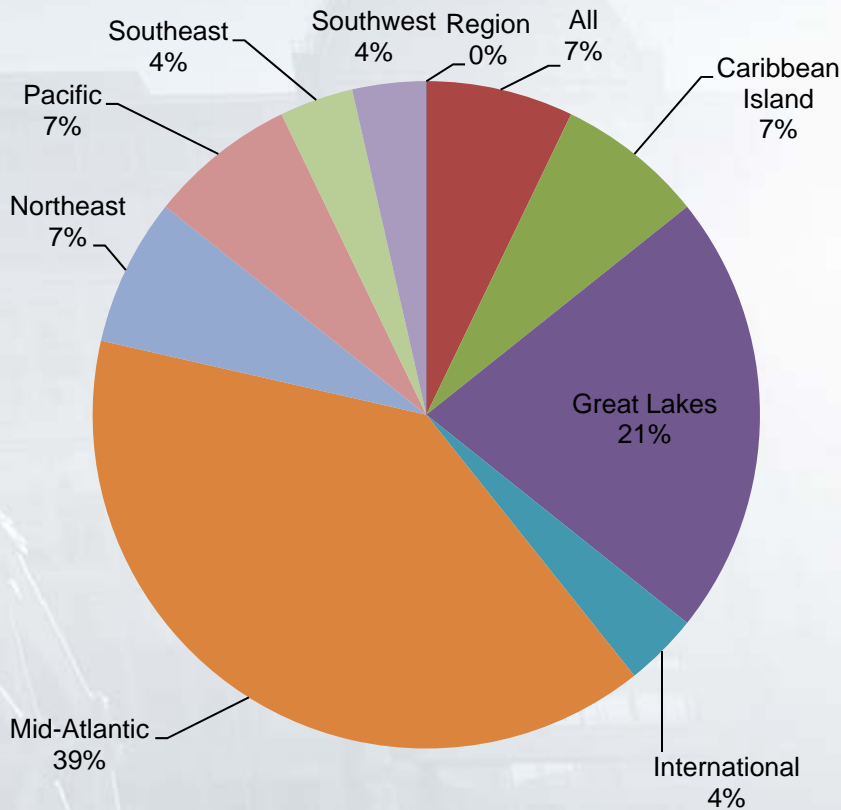
(As of October 19, 2010)

Submitter	No. of Comments
IP Organization	0
Government Agency	0
Academic	1
Law Firm	0
Company	4
Practitioner	17
Other	46
<b>TOTAL</b>	<b>68</b>

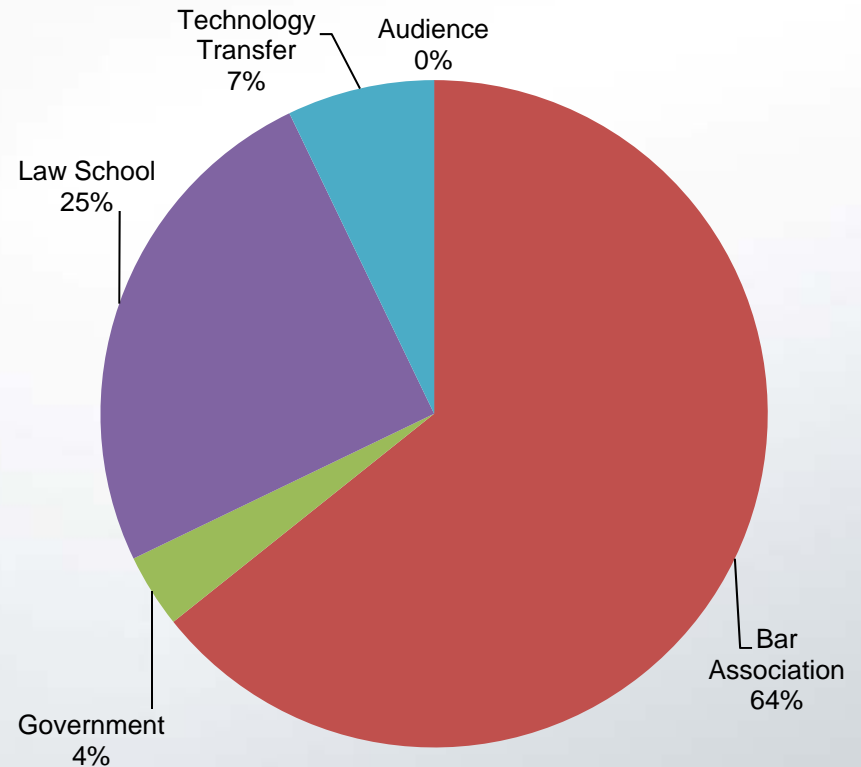


# USPTO Outreach on AIA

## Region



## Audience



# Thank You



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