



S. 23 - The Patent Reform Act of 2011: First-to-File Patent System Heads to the Senate Floor

02.04.2011

Image not found or type unknown



This Monday, February 28th, the U.S. Senate will have an opportunity to consider its first overhaul of United States patent law in almost 60 years. On February 3rd, a unanimous and bipartisan group of Senators, led by the bill's authors Patrick Leahy (D-VT), Orrin Hatch (R-UT), and Chuck Grassley (R-IA), ushered the Patent Reform Act of 2011 through the Judiciary Committee and recommended the bill to the Senate floor. The Senate has since agreed to bring the bill to the floor this Monday.

Among other reforms, the Patent Reform Act of 2011 would bring a first-to-file patent system to the United States. This first-to-file system would grant priority of invention to the first inventor who files a patent application with the U.S. Patent and Trademark Office. While most countries have already adopted the first-to-file system, the United States is an exception in that it currently uses the first-to-invent system.

In contrast to the proposed reform, the current U.S. system grants priority in an inventor who first conceives of the invention, instead of an inventor who first files the patent application. This priority is contingent, however, on the first inventor's reasonable diligence in reducing the invention to practice. Often under the current system, priority disputes arise between parties regarding alleged dates of conception and adherence to the diligence rule.

In addition to adopting the first-to-file system, the bill also contains provisions that would change certain

aspects of patent practice for parties working with the U.S. Patent and Trademark Office, as well as parties involved in patent litigation. The Congressional Research Service (“CRS”) has produced a summary of the bill as it is currently written. In part, the CRS states that the bill also:

--Sets forth a damages determination procedure that requires the court or jury to consider only court-identified methodologies and factors.

--Authorizes the court to increase damages up to three times (treble damages) the amount found or assessed (inapplicable to specified royalties for provisional rights to inventions claimed in published applications).

--Allows any party to request that the trier of fact decide infringement and validity questions before the issues of damages and willful infringement are tried (commonly referred to as sequencing or bifurcation).

--Revises specified defenses and evidentiary requirements, including a bar on using an accused infringer's failure to obtain the advice of counsel to prove that any infringement was willful or induced.

--Allows a person who is not the patent owner to request to cancel as unpatentable one or more claims of patent by filing a petition with the USPTO to institute: (1) post-grant review on any ground that could be raised under specified provisions relating to invalidity of the patent or any claim, and (2) inter partes review (replaces inter partes reexamination procedures) on specified novelty and nonobvious subject matter grounds based on prior art consisting of patents and printed publications.

--Limits the filing of petitions for post-grant review to the nine-month period beginning after the grant of patent or issuance of a reissue patent.

--Requires any petition for inter partes review to be filed after the later of: (1) nine months after the grant or reissue, or (2) the date of termination of a post-grant review.

The [summary](#), [full text](#), and [present status](#), of the bill can be found on the Library of Congress's legislative information website, THOMAS.

While bringing the Patent Reform Act before the full Senate is a milestone for the bill, it does not guarantee that it will pass without significant amendments or that it will become law at all. There are still several steps even if it passes in the Senate. First, the House would also have to consider the bill, make its amendments, and approve it. Following passage in the House, a conference committee consisting of members from the Senate and the House would meet, negotiate changes, and agree to send the bill back for approval by both chambers. It would then only become law after both chambers pass the

negotiated bill and the President signs it. In short, there are still many opportunities for significant changes to the Patent Reform Act of 2011, including the possibility that Congress does not pass it at all.

If Congress does pass the bill with the key provisions intact, however, it would mean significant changes in patent practice for individual inventors, businesses, patent attorneys, and other stakeholders as well.

Related People