USPTO Implementation of the America Invents Act

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Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office
Goals of Patent Reform Legislation

- Encourage innovation and job creation
- Support USPTO's efforts to improve patent quality and reduce backlog
- Establish secure funding mechanism
- Provide greater certainty for patent rights
- Provide less costly, time-limited administrative alternatives to litigation
Progress Report: Rulemakings

• 19 provisions related to USPTO operations to implement

• 7 Group 1 provisions implemented

• 7 Group 2 provisions addressed in Notices of Proposed Rulemaking (NPRMs) to issue in mid- to late January 2012 on 12 Month Timeline

• 2 Group 1 provisions in progress on 17 Month Timeline

• 3 Group 3 provisions to begin work on 18 Month Timeline
### Implemented Provisions

**Group 1; Effective on September 16, 2011 or within 60 days**

<table>
<thead>
<tr>
<th>AIA Provision</th>
<th>Implementation Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Tax strategies are deemed within the prior art</td>
<td>Memo to Examiners, Sept. 20, 2011</td>
</tr>
<tr>
<td>3. Best mode</td>
<td>Memo to Examiners, Sept. 20, 2011</td>
</tr>
<tr>
<td>4. Human organism prohibition</td>
<td>Memo to Examiners, Sept. 20, 2011</td>
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</table>
## Prioritized Examination Stats
(as of 12/15/11)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Pending</th>
<th>Granted</th>
<th>Dismissed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2011</td>
<td>98</td>
<td>748</td>
<td>6</td>
<td>852</td>
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<tr>
<td>FY2012</td>
<td>462</td>
<td>331</td>
<td>6</td>
<td>799</td>
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<table>
<thead>
<tr>
<th>Examination Status</th>
<th>First Action on Merits mailed</th>
<th>Final Dispositions mailed</th>
<th>Number of Allowances of Final Dispositions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Track 1 applications</td>
<td>421</td>
<td>13</td>
<td>9</td>
</tr>
</tbody>
</table>
Implementation Ongoing: 12 Month Timeline (Group 2; Effective on September 16, 2012)

1. Inventor’s oath/declaration

2. Third party submission of prior art in a patent application

3. Supplemental examination

4. Citation of prior art in a patent file

5. Inter partes review

6. Post-grant review

7. Transitional program for covered business method patents
# 12 Month Timeline

<table>
<thead>
<tr>
<th>SEPT 16 2011</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUNE</th>
<th>JULY</th>
<th>AUG</th>
<th>SEPT 16 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare G2 NPRMs</td>
<td>OMB Review of G2 NPRMs</td>
<td>Public Comment on G2 NPRMS USPTO Public Roundtables on NPRMs</td>
<td>Prepare G2 FRs</td>
<td>OMB Review of G2 FRs</td>
<td>Delayed Effective Date of G2 FRs USPTO Public Roundtables on FRs</td>
<td>USPTO Prepare Internal Guidance, MPEP Updates, Examiner Training, etc. on G2 FRs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12/27/2011
Inventor’s Oath/ Declaration
(Effective September 16, 2012)

• Patent granted on application filed by assignee must be to the real party in interest

• Individual under obligation of assignment may include required statements in executed assignment and need not file separate oath/declaration

• Applicant’s citizenship no longer required

• Deceptive intent eliminated from 35 U.S.C. §§ 116, 251, 253, and 256
Citation of Prior Art in a Patent Application (Effective September 16, 2012)

- Allows third parties to submit printed publications of potential relevance to examination if certain conditions are met:
  - must provide explanation of relevance of submitted documents;
  - must pay associated fees; and
  - must include statement by the third party making the submission affirming that submission is being made in compliance with new 35 U.S.C. 122(e)
Supplemental Examination
(Effective September 16, 2012)

- Patent owner may request *supplemental examination* of patent to “consider, reconsider, or correct information” believed to be relevant to the patent; if a validity issue is raised within 3 months from request, USPTO will reexamine the patent.

- Prompt elimination of invalid patent claims.

- *No inequitable conduct allegations* can be based upon information *considered, reconsidered, or corrected* during supplemental examination.

- Provides an alternative to having court consider misconduct and validity issues in later patent infringement litigation.
Contested Case Proceedings
(Effective September 16, 2012)

• \textit{Inter partes} reexamination
  – Modified by AIA
  – Phasing out

• \textit{Inter partes} review
  – Will replace \textit{inter partes} reexams, but there will be overlap for years

• Post-grant review (PGR)

• Transitional program for business method patents
**Inter Partes Review**

**Day of Enactment**
- Sept 16, 2011
- Inter partes reexamination

**One Year**
- Sep 16, 2012
- Inter partes reexamination

**Four Years**
- Sept 16, 2016
- Inter partes review

- Director may limit the number

- a "substantial new question of patentability"

- "reasonable likelihood that the requester would prevail"
Post-Grant Review Proceedings

• Creates nine-month window in which patentability of a patent can be reviewed.

• Requires threshold showing that it is "more likely than not" that at least one of the claims challenged is unpatentable.

• Petitioner may raise invalidity of the patent or any claim.

• Generally limited to patents for which first-to-file provisions apply.
Transitional Program for Covered Business Methods  (Effective September 16, 2012)

- Sunsets in 8 years
- Follows paradigm for PGR
- Applies to any covered business method patent pending on September 16, 2012:
  - Not drawn to technological invention; and
  - Asserted in pending litigation
Implementation Ongoing: 17 Month Timeline  (Group 1)

- Fee Setting Authority
  - Authority to set or adjust fees became effective on September 16, 2011
  - Authority to be exercised by rulemaking

- Micro-entity
  - Micro-entity status became effective on September 16, 2011
  - 75% discount is not available until USPTO exercises fee setting authority
17 Month Timeline

- Calculate Aggregate Cost and Revenue
- Prepare Fee Setting NPRM
  - OMB Review of Fee Setting NPRM
  - Public Comment on Fee Setting NPRM
  - PPAC Public Hearing
  - PPAC Report
- Prepare, Review, and Vet Micro Entity NPRM
  - OMB Review of Fee Setting NPRM
  - Public Comment Period on Micro Entity NPRM
- Prepare Micro Entity Final Rule
  - OMB Review of Micro Entity FRs
  - Delayed Effective Date of Micro Entity FRs
- USPTO Prepare Internal & External Guidance on Fee Setting FRs
  - USPTO Prepare Internal & External Guidance on Micro Entity FRs
Implementation in Future: 18 Month Timeline* (Group 3; Effective on March 16, 2013)

1. First-to-File
2. Derivation proceedings
3. Repeal of Statutory Invention Registration
18 Month Timeline*  

- **JAN 2012**
  - Prepare G3 NPRMs
  - OMB Review of G3 NPRMs
  - Public Comment on G3 NPRMs
  - USPTO Public Roundtables on NPRMs

- **MAY**

- **JUNE**
  - Prepare G3 FRs

- **AUG**
  - OMB Review of G3 FRs

- **SEPTEMBER**
  - Delayed Effective Date of G3 FRs
  - USPTO Public Roundtables on FRs

- **JAN 2013**
  - USPTO Prepare Internal Guidance, MPEP Updates, Examiner Training, etc. on G3 FRs

- **FEB**
Progress Report: Studies

• 7 studies for USPTO to conduct as lead

• 2 studies in progress

<table>
<thead>
<tr>
<th>Topic</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior User Rights</td>
<td>January 16, 2012</td>
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<tr>
<td>Genetic Testing</td>
<td>June 16, 2012</td>
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<td>Misconduct Before the Office</td>
<td>Every 2 years</td>
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<tr>
<td>Satellite Offices</td>
<td>September 16, 2014</td>
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<tr>
<td>Virtual Marking</td>
<td>September 16, 2014</td>
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<tr>
<td>Implementation of AIA</td>
<td>September 16, 2015</td>
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## Progress Report: Programs

<table>
<thead>
<tr>
<th>Topic</th>
<th>Due Date from Enactment</th>
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</thead>
<tbody>
<tr>
<td>Pro Bono</td>
<td>Immediately</td>
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<tr>
<td>Diversity of Applicants</td>
<td>6 months</td>
</tr>
<tr>
<td>Patent Ombudsman for Small Businesses</td>
<td>12 months</td>
</tr>
<tr>
<td>Satellite Offices</td>
<td>3 years</td>
</tr>
</tbody>
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The USPTO website devoted to America Invents Act legislation

One-stop shopping for all America Invents Act information.

The full text of the bill and summary documents, including all the legislative history

Implementation plans

Announcements

Contact Information

http://www.uspto.gov/AmericaInventsAct
Thank You