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PATENT PORTFOLIO STRATEGY FOR THE AMERICA INVENTS ACT

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ABSTRACT

The Leahy-Smith America Invents Act made significant changes to U.S. patent law when it was enacted on September 16, 2011. Some provisions did not immediately take effect, however, and arguably the most important of these delayed provisions are the new rules under section 102 relating to prior art and the transition from a “first to invent” system to a “first inventor to file” system. This Article provides a guide to understanding the new rules relating to prior art and the impact these changes have on patent prosecution. Then, several strategies and techniques are discussed for managing a patent portfolio in addition to tips on how to take advantage of both pre- and post-AIA rules.

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INTRODUCTION

The Leahy-Smith America Invents Act (“AIA”) was enacted on September 16, 2011.¹ Among its other significant changes to patent law, the AIA will change the definition of “prior art” for most patent applications, including continuing patent applications, filed on or after March 16, 2013.²

The AIA, like the pre-existing Title 35 of the United States Code, effectively defines “prior art” in 35 U.S.C. § 102.³ Broadly speaking, “prior art” refers to any prior knowledge or activity that legally exists earlier in time than the efforts of the patent applicant,⁴ and from which the applicant must substantively distinguish his invention in order to receive a patent for his efforts.⁵

For example, in one of Thomas Edison’s early patents for the incandescent lamp, U.S. Patent No. 223,898,⁶ he explained that the basic idea for the incandescent lamp was already known, presumably before he discovered his invention:

Heretofore light by incandescence has been obtained from rods of carbon of one to four ohms resistance, placed in closed vessels, in which the atmospheric air has been replaced by gases that do not combine chemically

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¹ Leahy-Smith America Invents Act, Pub. L. No. 112-29, 125 Stat. 284 (2011) [hereinafter AIA] (codified as amended in scattered sections of 35 U.S.C.).

² See AIA § 3(n), 125 Stat. at 293.

(n) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this section shall take effect upon the expiration of the 18-month period beginning on the date of the enactment of this Act, and shall apply to any application for patent, and to any patent issuing thereon, that contains or contained at any time—

(A) a claim to a claimed invention that has an effective filing date as defined in section 100(i) of title 35, United States Code, that is on or after the effective date described in this paragraph; or

(B) a specific reference under section 120, 121, or 365(c) of title 35, United States Code, to any patent or application that contains or contained at any time such a claim.

Id. “The date of the enactment of this Act” is September 16, 2011, so “the expiration of the 18-month period beginning on the date of the enactment of this Act” is March 16, 2013. *Id.*

³ *Id.* sec. (3)(b)(1), § 102, 125 Stat. at 285–87.

⁴ See *id.*; 35 U.S.C. § 102 (2012).

⁵ See AIA sec. 3(b)(1), § 102(a), 125 Stat. at 285–86; 35 U.S.C. §§ 102(a), (b), (e) (setting out the pre-AIA novelty requirement for patentability).

⁶ Electric Lamp, U.S. Patent No. 223,898 (filed Nov. 4, 1879).

with the carbon. . . . [O]wing to the *low resistance* of the lamp, the leading-wires must be of large dimensions and good conductors, and a glass globe cannot be kept tight at the place where the wires pass in and are cemented; hence the carbon is consumed, because there must be almost a perfect vacuum to render the carbon stable⁷

Edison thus explained a feature of the prior art—rods of carbon—and their disadvantage—low resistance. In claim 1 of his patent, Edison defined his invention in a way that substantively avoided this prior art:

I claim as my invention—

1. An electric lamp for giving light by incandescence, consisting of a *filament* of carbon of *high resistance*, made as described, and secured to metallic wires, as set forth.⁸

Thus, in Edison’s case, the prior art incandescent lights used low resistance carbon rods as the light generating element. One aspect of his invention, differentiating this prior art, was the use of high resistance carbon filaments as the light generating element.⁹ By establishing this difference between his invention and the prior art, Edison was able to obtain a patent on the novel feature of his invention.

The AIA, when it becomes effective, will radically change the definition of prior art under U.S. law, in many cases, expanding the universe of prior art. Some of the principal expansions of prior art in the AIA are as follows.

I. CHANGE FROM “FIRST TO INVENT” TO “FIRST INVENTOR TO FILE”

The AIA converts U.S. patent law from a “first to invent” system to a “first inventor to file” system.¹⁰ Thus, the following pre-AIA definitions of prior art are based on activity before the inventor’s date of invention:

(a) the invention was . . . patented or described in a printed publication in this or a foreign country, before *the invention thereof* by the applicant for patent, or

. . . .

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States *before the invention* by the applicant for patent or (2) a patent granted on an

⁷ *Id.* at 1 ll. 32–59 (emphasis added).

⁸ *Id.* at 2 ll. 74–78 (emphasis added).

⁹ *Id.* ll. 74–78.

¹⁰ See AIA, Pub. L. No. 112-29, § 3, 125 Stat. 284, 285–93 (2011).

application for patent by another filed in the United States *before the invention* by the applicant for patent¹¹

The corresponding post-AIA definitions of prior art define prior art based on activity before the inventor files a U.S. patent application describing the invention:

(1) the claimed invention was patented [or] described in a printed publication . . . *before the effective filing date* of the claimed invention; or

(2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the case may be, names another inventor and was effectively filed *before the effective filing date* of the claimed invention.¹²

As a logical proposition, the applicant must discover an invention before a patent application describing the invention can be prepared and filed in the United States Patent and Trademark Office (“USPTO”). This is so because the patent application must have a written specification providing a full description of the invention:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor or joint inventor of carrying out the invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the inventor or a joint inventor regards as the invention.¹³

While it is, in some instances, possible for an invention to be conceived and the patent application documenting it to be prepared and filed on the same day, this is very unusual. Delays of weeks or months between conceiving an invention and filing a patent application are more common. Thus, information published, patented, or described in a patent application after the inventor conceived of the invention and before the inventor filed the application becomes prior art under the AIA, as shown above.

The practical effect of this change in the law is that the date of invention is no longer relevant as proof of prior invention in most instances.¹⁴ One of the classic

¹¹ 35 U.S.C. § 102 (2012) (emphasis added).

¹² AIA sec. 3(b)(1), § 102(a), 125 Stat. at 286.

¹³ 35 U.S.C. § 112(a), (b) (formerly § 112, ¶¶ 1, 2). Note that section 112 was not substantively amended by the AIA, although several minor amendments were made. See AIA § 4(c), 125 Stat. 284, 296.

tools in the patent prosecutor’s bag of tricks has been the ability to antedate or “swear behind” prior art applicable under 35 U.S.C. § 102(a) or (e),¹⁵ so that a reference having an effective date after the applicant’s date of invention, but before the applicant’s effective filing date, could be disqualified as prior art, at least in the USPTO.¹⁶

The AIA makes the applicant’s date of invention irrelevant as a basis to avoid prior art.¹⁷ Instead, the relevant facts will be whether the applicant filed his or her patent application before the effective date of the prior art and/or whether the applicant disclosed the subject matter of his or her subsequent patent application before the effective date of the prior art.¹⁸

II. CHANGE OF STATUTORY BAR

The conditions to obtain the benefit of the grace period created by 35 U.S.C. § 102(b) have been tightened in 35 U.S.C. § 102(a)(1) of the AIA. Compare the pre-AIA law in the first block quote to the AIA provision in the second block quote below:

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale *in this country, more than one year prior to the date of the application for patent in the United States . . .*¹⁹

(a)(1) the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public *before the effective filing date of the claimed invention . . .*²⁰

This change provides a narrower grace period in several respects.

First, unlike pre-AIA law, the AIA revision does not include a one-year grace period, except for disclosures by, or originating with, an inventor.²¹ A third-party

¹⁴ See AIA sec. 3(b)(1), § 102(a), 125 Stat. at 285–86 (making the “effective filing date” of the claimed invention the date relevant to prior art).

¹⁵ See 35 U.S.C. §§ 102(a), (e) (2012); 37 C.F.R. § 1.131 (2012).

¹⁶ See 35 U.S.C. §§ 102(a), (e); 37 C.F.R. § 1.131.

¹⁷ Compare 35 U.S.C. § 102(a) (limiting prior art published, patented, or “known or used by others” to evidence dated “before the invention thereon by the applicant for patent”), and 35 U.S.C. § 102(e) (limiting U.S. patent application prior art to applications filed “before the invention by the applicant for patent”), with AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102(a), 125 Stat. 284, 285–86 (2011) (providing a new definition for “prior art,” to be codified at 35 U.S.C. § 102(a), that does not reference a date prior to the invention); see also AIA §§ 3(o), (p), 125 Stat. at 293 (stating that the Congressional intent in enacting the AIA was to promote the core policies of patent law, as set out in the Constitution).

¹⁸ AIA sec. 3(b)(1), § 102(a), 125 Stat. at 285–86.

¹⁹ 35 U.S.C. § 102(b) (emphasis added).

²⁰ AIA sec. 3(b)(1), § 102(a), 125 Stat. at 285–86 (emphasis added).

²¹ *Id.* § 102(b)(1), 125 Stat. at 286.

(b) EXCEPTIONS.—

(1) DISCLOSURES MADE 1 YEAR OR LESS BEFORE THE EFFECTIVE FILING DATE OF THE CLAIMED INVENTION.—A disclosure made 1 year or less before the effective

disclosure “patented, described in a printed publication, or in public use, on sale, or otherwise available to the public” even one day before the applicant’s effective filing date can bar a patent.²²

Second, the universe of prior art has been expanded by the AIA to include information in public use or on sale anywhere in the world.²³ The first block quote immediately above indicates that only subject matter in public use or on sale in the United States can be a bar,²⁴ while the AIA provision quoted in the second block quote eliminates the limitation to activity “in the United States.”²⁵

Third, another category of prior art has been added to the statutory bar under the AIA: “[T]he claimed invention was . . . otherwise available to the public . . .”²⁶ This catch-all is added to the catalog of the four types of prior art set out in 35 U.S.C. § 102(b) and continued in essentially the same words in the AIA:

“patented”
 “described in a printed publication”
 “in public use”
 “on sale”²⁷

It is not clear whether the addition of this catch-all will prove to be significant, but one possible example of a new type of information “available to the public,” but not within the four items of prior art above might be an oral disclosure that is not a public use, sale, or offer for sale. Under this catch-all of the AIA, such an oral disclosure would seem to qualify as prior art.

filing date of a claimed invention shall not be prior art to the claimed invention under subsection (a)(1) if—

(A) the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(B) the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

Id.

²² *Id.* § 102(a)(1), 125 Stat. at 285–86.

²³ *See id.*

²⁴ 35 U.S.C. § 102(b) (2012).

²⁵ AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102(a), 125 Stat. 284, 285–86 (2011).

²⁶ *Id.* § 102(a)(1), 125 Stat. at 286.

²⁷ Compare 35 U.S.C. § 102(b) (“[T]he invention was *patented* or *described in a printed publication* . . . or *in public use* or *on sale*”) (emphasis added), with AIA sec. 3(b)(1), § 102(a)(1), 125 Stat. at 286 (“[T]he claimed invention was *patented, described in a printed publication, or in public use, on sale* or otherwise available to the public”) (emphasis added).

III. EARLIER EFFECTIVE FILING DATE FOR FOREIGN-ORIGIN U.S. PATENT APPLICATION PRIOR ART

Comparing the pre-AIA rule—35 U.S.C. § 102(e)—to the post-AIA rules below— from sections 3(a) and 3(b) of the AIA, setting out the new sections of 35 U.S.C. §§ 100 and 102(a)(2)—one can find another increase in the universe of prior art under the AIA. Many U.S. patent applications and patents, applied as prior art, will have an earlier effective date as a result.

PRE-AIA RULE

(e) the invention was described in—(1) an application for patent, published under section 122(b), by another filed *in the United States* before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed *in the United States* before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for the purposes of this subsection of an application filed in the United States only if the international application *designated the United States* and was *published* under Article 21(2) of such treaty *in the English language*].²⁸

POST-AIA RULES

(2) the claimed invention was described in a patent issued under section 151, or in an application for patent published or deemed published under section 122(b), in which the patent or application, as the case may be, names another inventor and was *effectively filed before the effective filing date of the claimed invention*.²⁹

(i)(1) The term ‘*effective filing date*’ for a claimed invention in a patent or application for patent means—

(A)

(B) the filing date of the earliest application for which the patent or application is entitled, as to such invention, to a right of priority *under section 119, 365(a), or 365(b)* or to the benefit of an earlier filing date under section 120, 121, or 365(c).³⁰

The essence of the old rule under 35 U.S.C. § 102(e), as quoted above, is that a published or patented third-party U.S. patent application is prior art as of its earliest

²⁸ 35 U.S.C. § 102(e) (emphasis added).

²⁹ AIA sec. 3(b)(1), § 102(a)(2), 125 Stat. at 286 (emphasis added).

³⁰ *Id.* sec. 3(a)(2), § 100(i)(1), 125 Stat. at 285 (emphasis added).

corresponding U.S. application filing date.³¹ If the U.S. application filing date is based on the date of filing a Patent Cooperation Treaty (“PCT”) international patent application, that date counts only if the PCT patent application was published in the English language.³² In short, the alleged prior art reference needs to be a U.S. patent application filing or its PCT equivalent (designating the United States and written in English), and only its earliest effective U.S. filing date can be used to date it as prior art.³³

The AIA, as quoted above, still requires the putative prior art reference to have been filed as a U.S. patent application and either published or patented in the United States.³⁴ What is new is that the AIA removes the restriction that the effective date of the putative prior art can only be a U.S. filing date.³⁵ The U.S. patent or patent application used as a prior art reference now can have, as its effective date, the filing date of an earlier, *foreign* patent application to which the U.S. patent application claims priority.³⁶ Additionally, a PCT patent application designating the United States (which counts under both the old and new law as a U.S. patent application) no longer needs to be published in English to qualify its PCT application filing date as its effective filing date.³⁷

Some examples will be useful to show these differences. Assume that a third party (i.e., anyone except the patent applicant attempting to get a patent) has filed the following four patent applications disclosing the same subject matter, the fourth of which is being considered as possible prior art against a U.S. patent application addressed under the post-AIA prior art laws:

- (1) a German national patent application, on January 15, 2010;
- (2) a PCT patent application, written in the German language, designating every PCT country including the United States, on January 15, 2011, claiming the priority of the German application under the Paris Convention, which is then published in German on July 15, 2011;
- (3) a first United States patent application which is the United States national stage of the PCT application, entering the national stage in the United States on July 15, 2012, and later published or patented; and
- (4) a second United States patent application, which claims priority as a continuation of the first United States patent application filed on January 31, 2013, while the first United States patent application remains pending.

What is the effective date of Application 4 as prior art under post-AIA law?

³¹ See 35 U.S.C. § 102(e).

³² See *id.*

³³ See *id.*

³⁴ See AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102(a)(2), 125 Stat. 284, 286 (2011).

³⁵ See *id.* sec. 3(a)(2), § 100(i)(1), 125 Stat. at 285.

³⁶ See *id.*

³⁷ Compare *id.* sec. 3(b)(1), § 102(a)(2), 125 Stat. at 286 (omitting language referencing the English language), with 35 U.S.C. § 102(e)(2) (2012) (including language that PCT applications need to be published in the English language).

Under pre-AIA law, Application 4 claims the priority of another U.S. patent application disclosing the same subject matter (Application 3), so Application 4 has, as its effective filing date, the date of Application 3. However, Application 4 is not improved as prior art by the earlier filing date of Application 2. Application 2, while designating the United States, was not published in English during the PCT phase.³⁸ Application 4 cannot rely, under any circumstances, on the filing date of Application 1, as that is not a U.S. filing date and not the PCT counterpart of such. In short, under pre-AIA law, the effective filing date of Application 4 is July 15, 2012.

Under post-AIA law, Application 4 again is antedated to the filing date of Application 3 for use as prior art. The law has not changed in this respect.³⁹ Application 4, however, can also claim the filing date of Application 2, as the requirement that a PCT application be published in English has been eliminated. Application 4 can further claim the filing date of Application 1. Although Application 4 must be a U.S. patent application under this provision of the prior art law, it can claim priority to a foreign patent application, as under the Paris Convention, to gain the foreign filing date as its effective filing date for prior art purposes under this provision.⁴⁰ Thus, under the AIA, the effective date of the application, as prior art, moves back to January 15, 2010—the filing date of the German patent application from which priority is claimed, through a string of patent applications, to the U.S. patent application under consideration as prior art. The AIA, thus, moves the effective date of Application 4 as prior art back from July 15, 2012, to January 15, 2010.

Additionally, as pointed out previously, an applicant trying to patent comparable subject matter is still further behind in overcoming the prior art, as the pre-AIA law compares the prior art date to the applicant's date of invention, and the post-AIA law compares the prior art date to the applicant's earliest effective filing date.⁴¹ As noted above, a filing date of an application describing the invention is nearly always a later date for the inventor than the date on which the invention was conceived.

IV. REDUCTIONS IN UNIVERSE OF PRIOR ART UNDER THE AIA

The AIA also has some prior art provisions favorable to the patent applicant because they reduce the universe of prior art. These provisions are, however, fairly narrow exceptions to the general rule that the AIA expands the universe of prior art.

First, an applicant working under the AIA can rely on his own foreign patent filing activity to avoid the one-year statutory bar, as modified by the AIA.⁴² Under pre-AIA section 102(b), the applicant was required to file a *U.S.* patent application

³⁸ The PCT patent application separately qualifies as prior art as of its publication date, July 15, 2011, under pre-AIA 35 U.S.C. §§ 102(a), (b), but its earlier filing date has no relevance in dating it as prior art under § 102(e) of pre-AIA law.

³⁹ AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102 (a)(2), 125 Stat. 284, 286 (2011).

⁴⁰ Paris Convention for the Protection of Industrial Property art. 4(A), Mar. 20, 1883, 21 U.S.T. 1583, 828 U.N.T.S. 305 [hereinafter Paris Convention] (revised in Stockholm July 14, 1967).

⁴¹ See *supra* notes 28, 29, and 30.

⁴² See AIA sec. 3(a)(2), § 100(i)(1)(B), 125 Stat. at 285.

within one year after a barring event in order to avoid the statutory bar.⁴³ Under the AIA, the applicant is only required to have an *effective filing date*,⁴⁴ which can be a foreign filing date,⁴⁵ within one year after his own public disclosure of the invention raises a potential bar.⁴⁶ This provision, of course, is primarily useful for a non-U.S. applicant, as a patent applicant anywhere in the world typically files a first application in his or her home country and then claims the priority of that home country application in one or more later applications,⁴⁷ which are filed as PCT patent applications or direct U.S. patent applications.

Two factors reducing the frequency of this beneficial situation are that:

- in many important countries of the world for patent filing, such as essentially all of the countries in Europe, one must file a first patent application (which normally would be filed as a national application in the country where the inventors reside) before public disclosure of any kind,⁴⁸ and
- to get the priority of a foreign patent application in the United States under the Paris Convention, one must file a U.S. national application or a PCT application designating the United States within one year after filing the prior foreign patent application to which priority is claimed.⁴⁹

As a result of these two requirements, few foreign-origin applicants make any public disclosure before filing their national patent applications, and few foreign-origin applicants interested in U.S. patent protection file their U.S. or equivalent PCT application more than one year after filing the first home-country patent application, which would bar a valid Paris Convention priority claim.⁵⁰ As a result,

⁴³ 35 U.S.C. § 102(b) (2012).

⁴⁴ AIA sec. 3(b)(1), § 102(a)(1), 125 Stat. at 285–86.

⁴⁵ *Id.* sec. 3(a)(2), § 100(i)(1), 125 Stat. at 285.

⁴⁶ *Id.* sec. 3(b)(1), § 102(b), 125 Stat. at 286.

⁴⁷ See Kimberly A. Moore, *Xenophobia in American Courts*, 97 NW. U. L. REV. 1497, 1543 (2003) (“Conventional wisdom among patent attorneys is that foreign inventors generally file U.S. patent applications based upon previously filed foreign patent applications . . .”).

⁴⁸ See Convention on the Grant of European Patents art. 54, Oct. 5, 1973, 1065 U.N.T.S. 199:

NOVELTY

(1) An invention shall be considered to be new if it does not form part of the state of the art.

(2) The state of the art shall be held to comprise everything made available to the public by means of a written or oral description, by use, or in any other way, before the date of filing of the European patent application.

(3) Additionally, the content of European patent applications as filed, of which the dates of filing are prior to the date referred to in paragraph 2 and which were published under Article 93 on or after that date, shall be considered as comprised in the state of the art.

Id.

⁴⁹ See Paris Convention, *supra* note 40, art. 4(C).

⁵⁰ *Id.*

few non-U.S. applicants, who apply for a U.S. patent, file a U.S. patent application more than one year after first disclosing their inventions anywhere in the world.

Second, several prior art provisions of 35 U.S.C. § 102(a) of pre-AIA law were not carried over, at least explicitly, in the AIA. The portion of pre-AIA section 102(a) reciting information “known or used by others in this country”⁵¹ does not appear in so many words in the statute as modified by the AIA.⁵² This type of prior art is information not found in a patent application, patent, or a printed publication, not in public use, not on sale, but simply “known” or “used” by those other than the inventor. A rare example of the application of this interstitial type of prior art is *Coffin v. Ogden*.⁵³

The AIA eliminated 35 U.S.C. § 102(g), an aspect of the pre-AIA law governing interferences—proceedings between two different inventors claiming similar subject matter to determine which one, if either, has “priority,” and thus, is entitled to a patent.⁵⁴

Another provision of the pre-AIA law of prior art that does not appear to have been retained in the AIA is 35 U.S.C. § 102(f), as applied to show obviousness under § 103.⁵⁵ 35 U.S.C. § 102(f) of pre-AIA law states simply (combining section 102(f) with the preamble of section 102): “A person shall be entitled to a patent unless . . . (f) he did not himself invent the subject matter sought to be patented . . .”⁵⁶ This section of the pre-AIA statute is sometimes referred to as the prohibition against “derivation” of the invention from another—essentially, filing a patent application on an invention the applicant did not conceive him- or herself, after learning of the ideas of the true inventor.⁵⁷ Derivation is referred to by many as “stealing an invention” from the true inventor.⁵⁸

Under pre-AIA case law, 35 U.S.C. § 102(f) was found to be a “prior art” section of 35 U.S.C. § 102. Section 103 of the pre-AIA statute used section 102 as the definition of prior art, stating in relevant part:

A patent may not be obtained though the invention is not identically disclosed or described *as set forth in section 102*, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious . . .⁵⁹

Thus, the Federal Circuit held under pre-AIA law that section 102(f) prior art could also be used in an obviousness analysis under 35 U.S.C. § 103.⁶⁰

⁵¹ 35 U.S.C. § 102(a) (2012).

⁵² AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102(a), 125 Stat. 284, 285–86 (2011).

⁵³ *Coffin v. Ogden*, 85 U.S. 120 (1874). The Federal Circuit has cited *Coffin v. Ogden* only one time pertinent to the meaning of “known or used by others in this country.” See *Woodland Trust v. Flowertree Nursery*, 148 F.3d 1368, 1370 (Fed. Cir. 1998).

⁵⁴ See 35 U.S.C. § 102(g).

⁵⁵ 35 U.S.C. § 103.

⁵⁶ 35 U.S.C. § 102(f).

⁵⁷ *Contour Design, Inc. v. Chance Mold Steel Co.*, 693 F.3d 102, 110 (1st Cir. 2012).

⁵⁸ See Timothy R. Holbrook, *Possession in Patent Law*, 59 SMU L. REV. 123, 153 (2006).

⁵⁹ 35 U.S.C. § 103(a) (2012) (emphasis added).

⁶⁰ *OddzOn Prods, Inc. v. JustToys, Inc.*, 122 F.3d 1396, 1401 (Fed. Cir. 1997).

We now take the opportunity to settle the persistent question whether § 102(f) is a prior art provision for purposes of § 103. As will be discussed, although there is a basis to suggest that § 102(f) should not be considered as a prior art provision, we hold that a fair reading of § 103, as amended in 1984, leads to the conclusion that § 102(f) is a prior art provision for purposes of § 103.⁶¹

Section 103 of the statute, as prescribed by the AIA, continues this statutory scheme of relying on section 102 as the only definition of prior art useful for proving obviousness, as it similarly states in relevant part:

A patent for a claimed invention may not be obtained, notwithstanding that the claimed invention is not identically disclosed *as set forth in section 102*, if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious⁶²

The law against derivation persists in the AIA, to the extent that it does not allow another to validly patent an invention derived from a third party, without improving upon or otherwise varying it.⁶³

§ 291. Derived Patents

IN GENERAL.—The owner of a patent may have relief by civil action against the owner of another patent that claims the *same invention* and has an earlier effective filing date, if the invention claimed in such other patent was derived from the inventor of the invention claimed in the patent owned by the person seeking relief under this section.⁶⁴

§ 135. Derivation proceedings

(a) INSTITUTION OF PROCEEDING.—An applicant for patent may file a petition to institute a derivation proceeding in the Office. The petition shall set forth with particularity the basis for finding that an inventor named in an earlier application derived the claimed invention from an inventor named in the petitioner's application and, without authorization, the earlier application claiming such invention was filed.⁶⁵

But section 102(f) has been canceled by the AIA, and no discussion of derivation remains in 35 U.S.C. § 102.⁶⁶ Thus, unlike pre-AIA 35 U.S.C. § 102(f), neither of these derivation provisions is codified in section 102 of the statute by the AIA, and

⁶¹ *Id.*

⁶² AIA, Pub. L. No. 112-29, sec. 3(c), § 103, 125 Stat. 284, 287 (2011) (emphasis added).

⁶³ *See id.* sec. 3(h)(1), § 291, 125 Stat. at 288–89.

⁶⁴ *Id.* (emphasis added).

⁶⁵ *Id.* sec. 3(i), § 135, 125 Stat. at 289.

⁶⁶ *See id.* sec. 3(b)(1), 125 Stat. at 285–87.

neither says anything about obviousness. This change raises a question, presently open: Is one who learns of another's invention in a confidential setting (thus not available to the public), develops an obvious modification, and files a patent application on the obvious modification entitled to a patent on the obvious modification?

A third potential reduction in the universe of prior art under the AIA stems from another open question regarding whether the prior law of "public use" and "on sale" has effectively been narrowed by the addition of the catch-all phrase, "or otherwise available to the public," in the AIA definition of prior art.⁶⁷

Still further, the defense to "commonly owned" prior art found in pre-AIA 35 U.S.C. § 103(c) has been moved to post-AIA 35 U.S.C. § 102.⁶⁸ This change broadens the defense to prior art, and thus narrows the scope of prior art, in two respects. One respect is that the new defense avoids all types of commonly owned prior art under 35 U.S.C. § 102 as amended by the AIA, while the pre-AIA defense only applied to commonly owned prior art under pre-AIA 35 U.S.C. § 102(e), (f), and (g).⁶⁹ The other respect is that the new defense applies to rejections based on lack of novelty, under 35 U.S.C. § 102, as well as rejections based on obviousness under 35 U.S.C. § 103.⁷⁰

V. MOST APPLICATIONS WILL FARE BETTER UNDER PRE-AIA LAW; A FEW WILL FARE BETTER UNDER THE AIA

The take-home message from the above discussion is that some patent claims will fare better under pre-AIA law and others will benefit from the AIA, when determining their patentability. The task of the applicant or portfolio manager, thus, will include determining whether pre-AIA law is more advantageous than post-AIA law in a given instance and steering a particular patent claim one way or the other, depending on the determination.

The claims can be steered by paying careful attention to the effective-date provisions of the AIA, which are explored next.

A. *When Will the AIA Apply?*

When will the AIA prior art rules begin to apply? The primary effective date provision for Section 3 of the AIA reads as follows:

(n) EFFECTIVE DATE.—

⁶⁷ AIA, Pub. L. No. 112-29, sec. 3(b)(1), § 102(a)(1), 125 Stat. 284, 286 (2011). A description of the two opposing positions and their relative merits is provided in a recent PatentlyO article. See Dennis Crouch & Jason Rantanen, *Did the AIA Eliminate Secret Prior Art?*, PATENTLYO (Oct. 10, 2012), <http://www.patentlyo.com/patent/2012/10/did-the-aia-eliminate-secret-prior-art.html>.

⁶⁸ See Examination Guidelines for Implementing the First Inventor To File Provisions of the Leahy-Smith America Invents Act, 78 Fed. Reg. 11059, 11082–83 (Feb. 14, 2013) [hereinafter Examination Guidelines].

⁶⁹ *Id.*

⁷⁰ *Id.*

(1) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this section shall take effect upon the expiration of the 18-month period beginning on the date of the enactment of this Act, and shall apply to any application for patent, and to any patent issuing thereon, that contains or contained at any time—

(A) a claim to a claimed invention that has an effective filing date as defined in section 100(i) of title 35, United States Code, that is on or after the effective date described in this paragraph; or

(B) a specific reference under section 120, 121, or 365(c) of title 35, United States Code, to any patent or application that contains or contained at any time such a claim.⁷¹

The first question raised by this effective date provision is, what is the pertinent date? “The date of the enactment of this Act” was September 16, 2011, so “the expiration of the 18-month period beginning on the date of the enactment of this Act” is March 16, 2013, and that is the first day the first-inventor-to-file provisions of the AIA will be effective.⁷²

The second question raised by this effective date provision is, what claims in a patent application will draw treatment under the AIA prior art provisions? Section 3(n) of the AIA states in relevant part:

(1) [T]he amendments made by this section . . . shall apply to any application for patent, and to any patent issuing thereon, that contains or contained at any time—

(A) a claim to a claimed invention that has an effective filing date . . . that is on or after [March 16, 2013].⁷³

The “effective filing date” of a patent application is defined in 35 U.S.C. § 100(i)(1) as modified by Section 3 of the AIA as follows:

(i)(1) The term ‘effective filing date’ for a claimed invention in a patent or application for patent means—

(A) if subparagraph (B) does not apply, the actual filing date of the patent or the application for the patent containing a claim to the invention; or

(B) the filing date of the earliest application for which the patent or application is entitled, as to such invention, to a right of priority under

⁷¹ *Id.* § 3(n), 125 Stat. at 293.

⁷² *See* Changes To Implement the First Inventor To File Provisions of the Leahy-Smith America Invents Act, 78 Fed. Reg. 11024, 11024 (Feb. 14, 2013).

⁷³ *Id.*

section 119, 365(a), or 365(b) or to the benefit of an earlier filing date under section 120, 121, or 365(c).⁷⁴

The following are “right[s] of priority under section 119, 365(a), or 365(b) [and] benefit[s] of an earlier filing date under section 120, 121, or 365(c) identified in 35 U.S.C. § 100(i)(1)(B)”:

- (1) 35 U.S.C. § 119(a)–(d) as amended by the AIA provides for a Paris Convention right of priority for a U.S. patent application filed within one year after, and claiming the priority of, a previously filed foreign patent application.⁷⁵
- (2) 35 U.S.C. § 119(e) provides a right of priority for a U.S. patent application filed within one year after, and claiming the priority of, a provisional U.S. patent application.⁷⁶
- (3) A right of priority under section 365(a) for a U.S. national application is established by filing and claiming priority to “a prior filed international application which designated at least one country other than the United States.”⁷⁷
- (4) A right of priority under section 365(b) is established by claiming in “an international application designating the United States[,] . . . [a] right of priority based on a prior foreign application, or a prior international application designating at least one country other than the United States.”⁷⁸
- (5) A right of priority under section 120 is established by claiming that a non-provisional U.S. patent application is a continuation or continuation in part of a prior non-provisional U.S. patent application and meeting the other requirements of 35 U.S.C. § 120.⁷⁹
- (6) A right of priority under section 121 is established by claiming, responsive to a restriction requirement, that a non-provisional U.S. patent application is a divisional of a prior non-provisional U.S. patent application and meeting the other requirements of 35 U.S.C. § 120.⁸⁰
- (7) A right of priority under section 365(c) is established by claiming in “an international application designating the United States . . . the benefit of the filing date of a prior national application or a prior international application designating the United States[.]”⁸¹

⁷⁴ *Id.* sec. 3(a)(2), § 100(i)(1), 125 Stat. at 285.

⁷⁵ 35 U.S.C. § 119(a)–(d) (2012) (as amended by AIA § 3(g)(6), 125 Stat. at 288).

⁷⁶ *Id.* § 119(e).

⁷⁷ *Id.* § 365(a).

⁷⁸ *Id.* § 365(b).

⁷⁹ *Id.* § 120.

⁸⁰ *Id.* § 121.

⁸¹ *Id.* § 365(c).

- (8) A right of priority under section 365(c) is also established, “[i]n accordance with the conditions and requirements of section 120,” by claiming in “a national application . . . the benefit of the filing date of a prior international application designating the United States.”⁸²

In short, effective claims of domestic, foreign, or international priority, causing the effective filing date of a claim to precede March 16, 2013, will allow many applications filed after that date to be treated under pre-AIA law. If, however, a patent application contains, at any time, any patent claim having an earliest effective date on or after March 16, 2013, then it is subject to the AIA prior art provisions. The AIA also will apply to any application for a patent that ever claimed priority to an application that contained at, any time, any patent claim having an earliest effective date on or after March 16, 2013.⁸³

Therefore, all claims in any patent application will be subject to the same prior art law.⁸⁴ That is a first indication of what must be done to achieve the best result for a given claim—all of the claims in a particular application that is subject to the AIA must be limited to those that do the best in that environment, and all the claims in a particular application not subject to the AIA should be limited to those that do the best in that environment.

B. How Can the AIA be Chosen?

The AIA will be easy to choose as the governing law on or after March 16, 2013: As explained above, any application that is filed on or after March 16, 2013, and contains even one claim at any time that is not entitled to an effective filing date before March 16, 2013, will be governed by the AIA prior art provisions.⁸⁵

Thus, one can properly elect the AIA prior art provisions, on or after March 16, 2013, by filing a continuation-in-part application or a new application containing at least one claim clearly lacking support in any priority application filed before March 16, 2013.

C. How Can the AIA Be Avoided?

The second question is how can you preserve entitlement to the old law, which will usually be more favorable?

⁸² *Id.*

⁸³ Christopher A. Brown, *Developments in Intellectual Property Law*, 45 IND. L. REV. 1243, 1244 (2012).

⁸⁴ *See id.*

⁸⁵ *Id.*

1. *The Effective Date of the AIA*

Original, continuation, continuation-in-part, and divisional patent applications filed on or after March 16, 2013, claiming and entitled to an effective filing date⁸⁶ before March 16, 2013 for *every claim ever presented*, are entitled to the benefit of the old law allowing the prior inventor to avoid 102(a) and 102(e) rejections by proof of prior invention.⁸⁷

The counterpoint of this provision is that if *any* claim is *ever* presented in a patent application filed on or after March 16, 2013, that is not fully supported by a priority patent application filed before March 16, 2013, the application in which it is presented, and all other subsequent applications claiming the priority of the application in which it is presented, will be examined and tested for validity under the AIA prior art rules.⁸⁸ This is an instance in which one bad “apple” or claim not entitled to pre-AIA priority spoils the “barrel”—all the claims in the application containing the bad claim and all subsequent applications claiming the priority of the application containing the bad claim.

Moreover, even if a patent application filed on or after March 16, 2013, initially contains only claims entitled to an effective filing date before that date, that is not good enough. The application must *never* be amended to add any claim that is not fully supported by a priority application filed before March 16, 2013, and no claim in the application can be amended to leave it without full support by such a priority application.⁸⁹ Even if the offending claim is quickly removed from the application, it might be too late.⁹⁰ This means that it will be extremely important to find adequate

⁸⁶ AIA, Pub. L. No. 112-29, sec. 3(a)(2), § 100(i)(1), 125 Stat. 284, 285 (2011) (adding a definition for “effective filing date” to 35 U.S.C. § 100(i)(1)).

(i)(1) The term ‘effective filing date’ for a claimed invention in a patent or application for patent means—

(A) if subparagraph (B) does not apply, the actual filing date of the patent or the application for the patent containing a claim to the invention; or

(B) the filing date of the earliest application for which the patent or application is entitled, as to such invention, to a right of priority under section 119, 365(a), or 365(b) or to the benefit of an earlier filing date under section 120, 121, or 365(c).

Id.

⁸⁷ See AIA § 3(n)(1), 125 Stat. at 293. Note that an original non-provisional U.S. patent application can secure an effective filing date before its actual filing date by claiming priority to a provisional U.S. patent application or a foreign patent application filed in a country that adopted the Paris Convention, in each case under 35 U.S.C. § 119.

⁸⁸ See *id.*

⁸⁹ See *id.*

⁹⁰ If a post-AIA claim (having an effective filing date on or after March 16, 2013) was presented on the day the application containing it was filed, it will not be possible to restore pre-AIA status for the remaining claims by canceling the post-AIA claim. See Examination Guidelines, *supra* note 68, at 11083. It may be possible to restore pre-AIA status if a claim amendment presented after the application was filed, and after March 15, 2013, introduces post-AIA “new matter.” The USPTO has stated that if a claim is amended after the filing date of the application to add prohibited “new

support for any new claim or claim amendment added to an application upon filing or during prosecution. One slip-up can be fatal, even if the Examiner does not catch it.

2. Strategy For Maintaining Entitlement to Pre-AIA Prior Art Provisions

To avoid inadvertent loss of pre-AIA prior art provisions, the following strategy is suggested. File an original or continuing patent application shortly before March 16, 2013, serving as the “root” application for any claims you can think of that might not or will not be entitled to the priority of an earlier patent application, and make sure that they are properly supported by an enabling disclosure and written description and otherwise compliant with 35 U.S.C. § 112. If you do a good job with this by Friday, March 15, 2013, in a newly filed “root” patent application, all of those claims will have an effective filing date before March 16, 2013. For example, if you use means-plus-function claims (which are not recommended in most cases, but still are used by some practitioners),⁹¹ make sure you have filed a “root” patent application containing those claims before March 16, 2013 with the proper disclosure in the specification, disclosing a particular structure for carrying out the recited function, as required by 35 U.S.C. § 112(f).⁹² If your claims might not have an enabling disclosure or might violate other requirements of 35 U.S.C. § 112 and you can correct this problem in a continuation-in-part application, file that continuation-in-part application by Friday, March 15, 2013.

When a continuing patent application is, or might be, needed at any time on or after March 16, 2013, maintain a line of pending continuation or divisional

matter” not supported by the application in which the claim appears, the amendment will not change a pre-AIA application into an application subject to the AIA. The USPTO reasons thus:

As 35 U.S.C. 132(a) prohibits the introduction of new matter into the disclosure, an application *may not* contain a claim to a claimed invention that does not have support under 35 U.S.C. 112(a) in the application (that is directed to new matter). Thus, an application *cannot* “contain” a claim to a claimed invention that is directed to new matter for purposes of determining whether the application ever contained a claim to a claimed invention having an effective filing date on or after March 16, 2013.

Id. (citation omitted, emphasis added). Notice the transition in the above quote from stating that the application *may not* contain new matter (indicating new matter is not legal) to what the application *cannot* contain (indicating new matter is not possible). It is not clear that this interpretation will be persuasive outside the USPTO, as the latter does not necessarily follow from the former. The author further questions whether this logic will apply if the USPTO does not recognize that a claim amendment filed after March 15, 2013, has introduced new matter, particularly if the amended claim remains in an issued patent. A future court facing this situation might find it difficult to rule that the patent, or the application from which it was issued, does not “contain” a claim to new matter that is physically present in the application or patent and was never rejected as directed to new matter.

⁹¹ See Dennis Crouch & Jason Rantanen, *Means-Plus-Function Claims*, PATENTLYO (Jan. 6, 2010, 1:47 PM), <http://www.patentlyo.com/patent/2010/01/means-plus-function-claims.html> (finding that only 15% of issued patents in 2009 contained means-plus-function claims and that practitioners use them “primarily as a back-up”).

⁹² 35 U.S.C. § 112(6) (2012).

applications containing only claims that were originally filed and fully supported in an antecedent patent application filed no later than Friday, March 15, 2013 (checking and documenting in each case that this condition is met for every claim). This conservatively prosecuted line of patent applications should have no trouble with loss of the right to prosecution under the old statute. This application, and its progeny similarly filed and prosecuted, is your “trunk,” preserving a clean chain of priority extending back to a “root” application filed on or before March 16, 2013. Do not ever amend any of these “trunk” applications by adding new claims or amending the old ones, other than to rewrite dependent claims accurately in independent form. You may want to prosecute these “trunk” applications at length by using Requests for Continued Examination and appeals, to keep the “trunk” as short as possible while still maintaining a clean line of co-pendency. Keep at least one of your “trunk” claims continuously pending as long as you might need it in order to prosecute additional claims—potentially for up to twenty years after your earliest priority date.

To prosecute any amended or new claims, file one or more separate “branch” patent applications claiming priority to your “root” application through your “trunk” applications. Of course, more than one such “branch” patent application can be filed to isolate potentially problematic “branch” claims from each other, as well as from the conservatively prosecuted “trunk” claims. That way, you preserve one chain of priority for the “trunk” claims that are clearly entitled to prosecution under the old law. Mixed or negative results with other “branch” applications do not affect any of the conservatively prosecuted “trunk” applications.

If your portfolio has March 15, 2013, or earlier support for every claim you are pursuing in a given application, you maintain your “trunk” applications properly, and you have a lot of additional claims that you can prosecute over time in a series of continuation patent applications, you can preserve access to the old prior art law for twenty years from the earliest non-provisional U.S. filing date or, with a favorable patent term adjustment or patent term extension, even longer.

So do not throw out your current statute and rules. Even if you are new to patent law, you may need the old rules for half or more of your career. But you will need to be very careful to avoid introducing the bad “trunk” claim that is not entitled to pre-AIA priority because it will poison the patent application in which it is presented and all subsequent “trunk” and “branch” applications claiming pre-AIA priority through the application containing the bad “trunk” claim.

3. Warning: No Safety Net

Remember that your failure to preserve pre-AIA treatment for your patent portfolio is a mistake that an Examiner will not necessarily catch, so you may have no safety net. Future litigators will be checking your work years or even decades in the future and using any mistakes that they find to invalidate claims which are not, in fact, entitled to pre-AIA prior art provisions. So, it is up to you not to make such mistakes and to be very careful when prosecuting claims that arguably do not find support in a pre- March 16, 2013, priority application.

4. How to Correct Errors, Using This Strategy

Finally, if you do inadvertently introduce a “bad” claim into a branch application that also contains “good” claims having a priority before March 16, 2013, all is not lost if you have pursued the above strategy properly. “Branch” and antecedent “trunk” patent applications claiming priority only to the clean chain of applications, that do not have any bad claims, will not be infected by the “bad” claim.

CONCLUSION

The America Invents Act makes significant changes to patent law, with the most significant arguably being how “prior art” is redefined. These changes will require applicants and practitioners to give more attention than before to the priority date to which each claim in a patent application and its predecessors are entitled, both upon filing and during prosecution. It is important to be sure, whenever possible, to prosecute any claims having a priority before March 16, 2013, only with other claims that clearly are similarly entitled, so that the benefit under the old law is not lost. Finally, pre-AIA applications should be on file no later than Friday, March 15, 2013, to claim benefits under the old law.