

[Intellectual property]

Changes are on the way in U.S. patent law

By Todd Van Thomme

As many of you probably know by now, on Sept. 16, 2011, President Obama signed the America Invents Act into law. This law represents years of lobbying and work by Congress, and is the most substantial change to the overall patent system since at least 1952.

Many of the provisions began the day the law was signed by the president, while still others will not become effective until March 16, 2013, and some will become effective at points in between.

At its heart, the law purports to change the U.S. patent system from protecting the first person who invents something to the first inventor who files a patent on the invention. That is, prior to

the new law taking effect in 2013, a person who first thought of an invention and worked diligently to prepare a patent application, or to actually make the invention and thereafter filed a patent application, typically would be awarded a patent. This is even if another person independently came up with the invention after the first person and filed a patent application first. Now, that all has changed. In other words, it is a race to see who can file a patent application first.

Companies will likely file more applications and try to push the speed of the patent application process to a faster pace.

The changes to the law also have changed the way one can seek to have the validity of an already-issued patent

reviewed by the Patent Office. Sounds like a good idea to avoid litigation, right? Well — as with everything it seems — there is a catch.

Fundamentally, the value of the new “post-grant review” way to challenge a patent boils down to how much you trust the Patent Office to do a good job. That is, the law also contains a provision that prevents someone challenging the validity of a patent at the Patent Office from later challenging the validity of that same patent in a court based upon any ground that actually was raised, or could have been raised.

As a result, if you don't trust the Patent Office to accurately determine the validity of an issued patent, you may not file any “post-grant review.”

Additionally, it is possible the patent owner will never sue you. The cost of preparing and filing the “post-grant review” could be substantial.

Also, because you would be barred from challenging the validity of the patent on a ground that you raised, or could have raised, you, as the challenger, need to understand at the outset that you more than likely will need to take the process to the end, including, if necessary, appealing the decision of the Patent Office to the Court of Appeal for the Federal Circuit, the appellate court that decides patent cases.

There are so many changes to the law that it is impossible to discuss them in a short summary, but other provisions include: changes to bar tax liability-related applica-

tions; changes to patent marking, such as placing the patent number on the product, versus now alternatively placing the patent number on a free website and the word “Patent” or “Pat” and the link to the free website on the product covered by the patent(s); and changes to what does and does not constitute prior art to a patent.

Oh, by the way, most of the fees went up 15 percent. Plus, Congress granted the Patent Office the power to set its own fees, and Congress did not agree to end the process of taking money from the Patent Office and putting it in the general fund for the politicians' “other” projects.

Todd Van Thomme is a partner at Price Heneveld in Grand Rapids.

NAMED TO BEST

MILLER JOHNSON
Attorneys and Counselors

U.S. NEWS & WORLD REPORT
ranks **MILLER JOHNSON** at the top
of GRAND RAPIDS law firms.

For the second consecutive year, Miller Johnson has been recognized for excellence by our clients and peers in the 2011-2012 U.S. News & World Report/Best Lawyers “Best Law Firms” survey.