

The following chart reflects a stratified list of recommendations that university personnel should consider in view of the new U.S. patent system, *i.e.*, the America Invents Act (AIA), which is intended to align the current U.S. regime with the prevailing international model—a system that awards priority to the “first-to-file” a patent application. While the AIA imparts a transformation of U.S. patent law that will have an overall impact on institutional patent policy, it will likely affect various university sub-groups in different ways. Accordingly, this chart is intended to capture relevant considerations for each category with respect to the AIA provisions most likely to impact institutions of higher education and its employees. For further information, please contact Randy V. Clower, Ph.D., J.D. at 716.847.5421 or at rclower@phillipslytle.com.

AIA Provision	Annotation	R&T	P-D	PI.	OTT	Univ. A.C.E.
University Employee						
AIA Changes		Researchers & Technicians	Post-Docs	Principal Investigators	Office of Technology Transfer	University Administrators, Counsel and Executives
AIA Provision	*Annotation	AIA Impact, Considerations and Recommendations				
First-Inventor-to-File		It May Be A Race To The Patent Office				
		Experimental efficiency and expediency of data analysis will be crucial for developing potentially patentable technologies. Remember, however, that patent disclosures still must be enabling.	Further to the R&T considerations, be aware of strict AIA timing rules (especially when changing labs/ accepting a new position). Rapid response time will be required at all stages of the filing process.	Consider allocating resources first to potentially patentable projects/research. Also, be prepared to make rapid decisions with respect to inventions not being pursued by the university, <i>i.e.</i> , spin-off company patent portfolio and filing decisions.	Understand which law applies and how non-AIA applications are “poisoned.” Prepare for rapid file/no-file decisions and consider filing “early” provisionals. Update budgeting policies to include best practices and the possibility of additional filings. Consider reviewing international agreements and faculty collaborations.	Implement or update policies with respect to university IP capture and oversight.

AIA Provision	Annotation	R&T	P-D	P.I.	OTT	Univ. A.C.E.	
Prior Art	The AIA expands prior art to eliminate distinctions based on geography with respect to public use/sale and priority. “Otherwise available to public” is a newundefined-category, while previous categories remain, <i>e.g.</i> , patents & printed publications, but <i>prior</i> art is now based on an application’s <i>effective filing date</i> , not the date of invention.	It Is A Race To The Patent Office (expansion of prior art)					Consider implementing or restructuring university-wide policies regarding dissemination of research and publications.
		Take steps necessary to eliminate/decrease the possibility of an <i>unintended disclosure</i> at conferences, while presenting (posters or talks), at departmental discussions, in emails and in other related communications. Consider the impact of disseminating data <i>via</i> social media and web conferencing.	Further to the R&T recommendations, consider consequences associated with technology disclosures while performing teaching duties, interviewing and/or changing labs. The importance of publishing should be balanced against AIA non-disclosure considerations.	Consider the unknown, <i>e.g.</i> , the “otherwise available to the public” category is amorphous and may include, <i>e.g.</i> , published grant awards, <i>etc.</i> “Publish or perish” should be balanced against goals for commercializing your technology.	Understand how research is disseminated within different disciplines. Emphasis should be placed on monitoring and oversight of research communications and publications, while also educating faculty. Consider implementing contingency plans for rapid filing(s) subsequent to a deleterious disclosure.		
Prior Art Exceptions	(i) A “personal” grace period excludes inventor(s) publications (or subject matter obtained from the inventor(s) and published) as prior art if the publication is within one year of filing the attendant patent application; (ii) prior publication, <i>i.e.</i> , before an intervening 3rd party disclosure, which precedes (“prior” to) filing; and (iii) the prior art technology was subject to common ownership or a joint research agreement (JRA).	Circumscribed Exceptions And Constructive Agreements					In 2011, revenues from invention licensing totaled >\$1.8B for U.S. universities. As such, consider instituting policies similar to above to maintain/increase licensing revenue.
		Similar to above, take steps necessary to minimize or eliminate the possibility of an unintended disclosure. Keep notebooks in good order/ updated because invoking any of the exceptions may require documentary evidence (consider witness signatures).	In addition to the R&T considerations, have frequent contact with any industry sponsors and understand the policies and provisions of related JRAs.	Understand that the grace period is only valid if the publication is no more than one year prior to filing and that this window applies to the scope of prior art, which does not protect against 3rd parties winning a race to publish or file (except for <i>de facto</i> preclusions <i>via</i> prior publication). Prior publication, however, can exclude foreign rights.	Common ownership agreements and JRAs should be reviewed and possibly revised. Also, consider the possibility of in-licensing potentially harmful prior art before filing (in contrast to previous rules, JRAs now only need to be instituted prior to filing, not prior to invention). Continue to educate faculty about risks relating to technology disclosures prior to OTT consideration and review.		

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Joint Research Agreements and Common Ownership	Under a joint research agreement (JRA) disclosed subject matter is excluded as prior art if: (i) JRA was in effect on or before the effective filing date; (ii) the claimed invention was within scope of JRA; and (iii) the JRA is identified in the patent application.	Exploit The Beneficial AIA Provisions				
		When research extends to more than one specific project, understand (and record) which project encompasses each experimental design if one or more projects are subject to a JRA.	Further to the R&T considerations, research encompassing more than one discipline should be carefully documented, while ensuring that appropriate research is within the purview of any possible JRA.	Notify your OTT about 3rd party publications that may be an impediment to patentability. Such publications may in fact present an opportunity for collaboration prior to filing. Suggest possible revisions to JRAs as research evolves.	Ensure that (i) the appropriate parties are included in a JRA; (ii) review JRAs for appropriate scope; and (iii) review patent applications for proper recitation of parties. Also, understand how different academic disciplines collaborate and disseminate research.	Joint research is beneficial to all parties, supports collaborative innovation, and is easier to invoke <i>via</i> the AIA; also consider updating policies with respect to outgoing and incoming faculty.
Post Grant Review (PGR)	Within nine months of patent issuance, a 3rd party can challenge the validity of a patent based on novelty, obviousness, enablement, inadequate support/disclosure, indefiniteness, and irregularities in reissue patents, if the information submitted is “more likely than not” to render unpatentable one or more challenged claims.	It’s Not Over When The Patent Issues				
		Minimal impact. Nevertheless, lab notebooks remain important for asserting or refuting patent invalidity.	Minimal impact. <i>See</i> R&T considerations.	PGR is quasi-litigation and therefore witness or inventor testimony may be required. Consider monitoring patent issuances in your field.	Consider allocating patent budget funds for defending against PGR challenges and/or ensure licensing provisions provide for the same. Also consider global screening of pertinent patent portfolios.	Consider policies addressing PGR costs, <i>etc.</i> Be cognizant of disgruntled former employees that may assert a PGR challenge. Also, consider PR ramifications of instituting a PGR (no anonymity).

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Derivation Proceedings	Contesting inventorship by proving prior conception and communication to the “deriving” party.	The First-Inventor-To-File Has Priority				
		Cognizance of an unintended disclosure and notebook/record keeping remains important. Carefully document unexpected results-save emails and other documents/communications which can help to establish or refute derivation.	In concert with R&T recommendations, understand the intricacies of “inventorship” with respect to lab members, collaborators and industry sponsors.	Measures for preventing derivation should reflect the frequency of collaborations and communications relating to the subject matter sought to be protected. Documenting results and associated communications remains important at least for supporting/establishing inventorship.	Address issues of derivation and inventorship at the time of disclosure (and going forward as necessary). A derivation proceeding can be costly and unpredictable, therefore, provide faculty and staff with guidelines for decreasing or preventing the possibility of derivation.	Consider implementing or revising policies concerning best practices for documenting faculty/staff communications.
Prior Use Defense	This defense extends to all subject matter if the use is <i>commercial and at least one year</i> before the earlier of the patent’s effective filing date or public disclosure of the invention. This defense is not applicable if the OTT/university owns the patent.	When A Defense To Infringement Is Not A Defense				
		Minimal impact. <i>See</i> P.I. considerations.	Minimal impact. <i>See</i> P.I. considerations.	When commercializing technologies, consider due diligence prior to finalizing patent filing decisions. As a startup executive, understand that this exception does not apply to OTT/univ. owned patent rights.	Because this exception does not apply to university owned patent rights, consider performing due diligence prior to patent right transactions, <i>e.g.</i> , assignments and licenses. This is another avenue for generating revenue.	Review university-wide policies regarding licensing and assigning patent rights.

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Supplemental Examination	Requesting the USPTO to consider, reconsider, or correct patent information on any basis.	It Can Be Fixed (but prevention is best)				
		See P.I. considerations. Notebook/record keeping remains important as documentary evidence.	See P.I. considerations. Notebook/record keeping remains important as documentary evidence.	Even after a patent issues mistakes can be corrected (but can be costly). Thus, consider discussing with your OTT guidelines for identifying relevant prior art before and after allowance, e.g., prior art omitted from an IDS.	Adherence to the duty of disclosure remains obligatory. If inequitable conduct is suspected, however, supplemental examination may be a viable option.	Implement or modify university-wide policies regarding duties of disclosure and, if inequitable conduct arises, consider options for mitigation.
Prioritized Examination	For additional fees, a prospective patentee can file an application and receive a final disposition within a year from filing.	A Rapid Disposition From The USPTO (for a fee)				
		Minimal impact. See P.I. considerations.	Minimal impact. See P.I. considerations.	If filing on your own accord, (i) consider whether the cost justifies prioritized examination; and (ii) use this provision only when a rapid disposition is necessary.	Assess licensee's goals, priorities and requirements. Consider license provisions requiring licensee payment of prioritized examination, if required.	Be cognizant of cost concerns and ensure policies are in place to adequately address monetary considerations.
Best Mode	The failure to disclose the best mode cannot be a basis for patent invalidation, but the USPTO retains the ability to reject applications for failure to disclose the best mode.	The Best Mode Requirement Remains				
		Consider various embodiments of your technology/ research and assess alternative possibilities for increasing efficiency, production and output, etc.	See R&T and P.I. considerations. Industry partners/ sponsors appreciate output and end-point efficiency.	In addition to empirical data and various modes of implementation, consider "prophetic" research alternatives that may improve research technologies.	While best mode rejections are atypical, ensure that faculty are aware of the continued requirement for disclosing the best mode.	Minimal impact. See OTT considerations.

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Micro-entity Status	Qualified entities receive a 75% cost reduction for certain patent fees. Universities are explicitly eligible for micro-entity status.	Fee Reductions For Qualifying Entities (Universities)				
		Minimal impact.	Minimal impact.	Minimal impact.	Although a 15% increase in all USPTO fees was implemented pursuant to the AIA, the micro-entity provision specifically reduces university costs by 75%. Over the life of a patent, this can amount to \$2,500 or more in savings. Align internal practices to comport with the micro-entity requirements.	Ensure that policies are in place to exploit the advantages of the AIA.
Pre-issuance Submissions	This provision provides for an anonymous submission of patents or printed publications “of potential relevance” for a pending application. The submission must be prior to the earlier of: (a) a notice of allowance or (b) the later of: (i) six months after publication or (ii) the first rejection of any claim. The submission must include an explanation of the submitted document’s relevance.	Monitoring Third Party Patent Portfolios				
		Minimal impact. <i>See</i> P.I. considerations.	Minimal impact. <i>See</i> P.I. considerations.	Known “competing” labs and/or startup companies should be monitored with respect to their patent portfolios, and the potential benefits of submitting a pre-issuance publication should be considered.	Pre-issuance submission strategies should be considered on a case-by-case basis. Anonymity protects against negative publicity and retaliation.	Carefully consider university policies with respect to non-disclosure of submitted publications, <i>i.e.</i> , ensure anonymity is maintained.

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Inter Partes Review (IPR)	IPR must be based on patents or publications, and can be requested up to the later of nine months after patent issuance or after PGR termination. A patentee may file a preliminary response to a petition for IPR explaining its impropriety and why it should not be instituted.	Fee Reductions For Qualifying Entities (Universities)				
		Minimal impact. <i>See</i> P.I. considerations.	Minimal impact. <i>See</i> P.I. considerations.	Notebook and record keeping remain important as documentary evidence. Carefully document unexpected results, which may impact patentability.	Consider licensing provisions that address allocation of patent budget funds for defending against IPR. Patent portfolio decisions should consider the likelihood of one or more parties invoking IPR.	Review/consider implementing policies that establish a university-wide documentation system.

*AIA provision annotations are not a substitute for the complete and final rules. Further details can be found at the U.S. Patent and Trademark Office website: http://www.uspto.gov/aia_implementation/ or by contacting Randy V. Clower, Ph.D., J.D. at 716.847.5421 or at rclower@phillipslytle.com.