THE UNITED STATES PATENT SYSTEM – THE CHANGE IS COMING! – PART II

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As outlined in my previous article, the America Invents Act (AIA) will move the United States patent system from a first-to-invent system to a first-to-file system on March 16, 2013. Generally speaking, under the AIA, in a competition between two inventors filing patent applications for an identical invention, the inventor who filed his/her application first would likely be awarded a patent over the inventor who filed later.

One of the more interesting changes imposed by the AIA is the redefinition of prior art. As previously explained, prior art under the AIA comprises art which predates a patent application's filing date. For example, suppose inventor A invents a new product on January 1 and files a patent application for the product on July 1. Suppose further a competitor independently invents and publishes the product in a trade magazine on June 1. Under the AIA, the trade magazine is prior art and thus, may be used against inventor A's patent application.

It is important, however, that inventors and applicants understand that the AIA carves out exceptions for inventions that are disclosed early. For example, under the AIA, an inventor's public disclosure made one year or less before the filing date of a claimed invention may be used to discount other disclosures made within that one year period. For example, suppose inventor A invents a new product on January 1, publicly discloses his or her invention on March 10, and files a patent application on July 1. Suppose further that a competitor independently invents and publishes the product in a trade magazine on June 1. Under the AIA, the trade magazine is not usable as prior art against inventor A's application since inventor A publicly disclosed his invention before the trade magazine published. Thus, under the AIA, because inventor A disclosed his invention before the trade magazine published, inventor A may obtain a patent despite an identical invention being published in trade magazine before the patent application was filed.

Consider another scenario in which two parties seek a patent on an identical invention. Suppose inventor A invents his invention on January 1, publicly discloses his invention on June 1, and files a patent application on July 1. Suppose inventor B independently invents the same invention on February 1, publicly discloses the invention on May 1, and

files a patent application on August 1. Under the AIA, inventor A's disclosure cannot be used as prior art against inventor B's application because of inventor B's earlier public disclosure. However, under the AIA, inventor B's disclosure may be used as prior art against inventor A's application since inventor B's disclosure predates both of inventor A's disclosure and filing dates. Thus, inventor B's disclosure may prevent inventor A from obtaining a patent. In addition, because inventor B publicly disclosed his invention prior to inventor A's filing date, inventor A's application cannot be used as prior art against inventor B's application. In short, under this fact pattern, inventor B would likely prevail in getting a patent over inventor A despite having invented later and not being the first to file simply because he was the first to publicly disclose the invention.

Given the AIA may allow an inventor's public disclosures to discount a competitor's disclosures and applications from qualifying as prior art, it might be reasonable for a business to formulate an IP strategy which emphasizes early disclosure of an invention. As shown above, early disclosures may prevent a competitor from obtaining a patent and reduce the prior art that may be applied against an application for patent. It should be noted, however, that while such disclosures may be beneficial for these reasons, early disclosures may also ruin an inventor's opportunity to seek international protection in countries that require absolute novelty (meaning the invention cannot be disclosed publicly before an application is filed). Furthermore, an inventor's initial public disclosure may only be good for what it actually discloses. Thus, any early disclosures must be carefully drafted in order to ensure they cover the subject matter for which patent protection will be sought. On a final note, if an inventor does disclose an invention to the public with the intention of filing a patent application at a later date, the inventor must file the patent application within one year of the disclosure date in order to avoid being statutorily barred from obtaining a patent.

To be sure, understanding the changes in the definition of prior art will affect a business's patent strategy. Thus, businesses must educate themselves on the various provisions of the AIA in order to maximize the protection afforded therein and minimize loss.

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