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IP Update

Patent Law Reform 2011

September 6, 2011

The U.S. Senate is poised to vote again on patent law reform and on September 6, 2011, voted 93 to 5 to end debate on the reform legislation. The Senate is currently considering the version of the legislation that was previously passed by the U.S. House of Representatives. The House voted by a margin of 304 to 117 on June 23, 2011, to reform U.S. patent laws by approving the America Invents Act (H.R. 1249). This vote follows approval in the U.S. Senate of very similar legislation (S. 23) on March 8, 2011.

If the Senate approves the House version of the legislation, the President would have the opportunity to sign the legislation. The President has previously indicated his support for patent law reform, and we expect he will sign this legislation if and when it is presented to him.

Both versions of the legislation passed by the House and Senate make significant changes to the U.S. patent system, most notably including conversion to a first-inventor-to-file system, introduction of enhanced post-grant review procedures conducted in the USPTO, and redefinition of the parameters of USPTO funding. The bill also addresses preissuance submissions by third parties; USPTO fee-setting authority; supplemental examination, which appears relevant to the issue of inequitable conduct; amendment of the reissue statute, which also appears relevant to the issue of inequitable conduct; micro entity fees; tax strategy patents; elimination of the best mode defense (although the best mode requirement remains in Section 112); special post-grant review for business method patents; USPTO satellite offices; creation of a USPTO

ombudsman; residency for Federal Circuit judges; and USPTO authority to prioritize examination of inventions.

Finnegan will continue to follow developing news on patent reform, and we will also provide analysis on how the changes, once enacted, will change the patent landscape. To sign up for *IP Updates* from Finnegan, please click [here](#).