



IP: First to file—it's not just a race to the Patent Office

AS MARCH 16, 2013 APPROACHES, THE AMERICA INVENTS ACT WILL ALTER PATENT FILING STRATEGIES

This is the third in a [series](#) of articles on the America Invents Act (AIA).

Publish or perish

“First to file” does not always mean the party who wins the race to the US Patent & Trademark Office (USPTO) is the one awarded a valid patent. Under the AIA, as of March 16, 2013, a third party's earlier publication can negate a first-filer's patent rights.

Consider two competing companies: Tortoise Technology Ltd. and Hare Innovations. Each is working to invent a new carrot juicing machine. Suppose Hare's inventors develop a carrot juicer on Jan. 25, 2013. On Feb. 1, 2013, Tortoise's inventors independently come up with an identical carrot juicer. On March 11, 2013, Tortoise publishes a detailed brochure describing all inventive aspects of its new carrot juicer.

On March 16, 2013, Hare files a U.S. patent application. Unfortunately for Hare, Tortoise's March 11, 2013 publication is prior art to Hare's application even though Tortoise

published just days before Hare's filing date and after Hare's invention date.

Hare's management will be hopping mad if Tortoise also files a patent application on or before March 11, 2014. As a result of Tortoise's publication of its invention before Hare's filing date, even though Hare won the race to the patent office, only Tortoise's patent rights are valid. Because the AIA still gives a one-year grace period to an inventor's own pre-filing publications, Tortoise's publication does not raise a statutory bar to Tortoise's patent rights.

Hare's only hope of obtaining a valid patent is to prove that either:

1. Tortoise's inventors derived the carrot juicer invention from Hare's inventors
2. Hare's inventors publicly disclosed their carrot juicer invention before Tortoise's March 11, 2013 publication.

Consider filing patent applications by March 15, 2013

If Hare instead files its application on or before March 15, 2013, the last effective filing date to which the pre-AIA first-to-invent laws apply, Tortoise's management might want to crawl into their shells. Tortoise's March 11, 2013 disclosure (published less than a year before Hare's filing date) would not be available as prior art. Hare would be able to obtain a valid patent (possibly through an interference proceeding, a soon-to-be relic of U.S. patent practice). By filing March 16, 2013, despite winning the race to the patent office, Hare gets passed over by Tortoise. Even though AIA offers a [prior user defense](#), that defense would only apply if Hare's prior commercial use commenced at least one year before Tortoise's filing date.

Consider making pre-filing publications starting March 16, 2012

If not concerned with foreign patent rights, beginning March 16, 2012, companies like Hare might consider publishing details about their inventions

even prior to filing a patent application, as the AIA provides a one-year grace period for one's own pre-filing publications, and those same publications could invalidate later-filed, third-party patents.

USPTO proposes rules to implement AIA's third-party submissions

Suppose Tortoise's detailed brochure was neither published in a manner commonly searched by U.S. patent examiners, nor brought to the attention of Hare's patent attorneys. Under the AIA, Tortoise could still make its brochure of record in Hare's patent application by making a preissuance [third party submission](#).

According to the USPTO's recently proposed rules to implement the AIA's third party submission provisions, Tortoise may submit, with no fee, up to three documents for the examiner's consideration, together with a concise explanation of their relevance to the examination of Hare's application and a statement that Tortoise is not within the circle of those having a duty to disclose information to the USPTO. Four to 10 documents would carry a fee of \$180, and each additional 10 documents would carry a \$180 fee. To be eligible for the fee exemption, the submission must be accompanied by a statement that it is Tortoise and its privies' first and only preissuance submission submitted in Hare's application. Additional submissions are permitted, but would carry the fee.

Docket deadlines for third party submissions carefully

The proposed rules point out a potential pitfall in the time limits for filing third party submissions. Because the AIA prescribes events (notice of allowance, or later of a first rejection on the merits or six months after the patent application's publication) before which third party submissions must be filed, the USPTO warns third parties to file their submissions by a date at least one day before the latest such cut-off event. For instance, assuming Hare's March 16, 2013 patent application publishes Sept. 18, 2014, and receives a first office action before March 18, 2015, Tortoise would have to file its third party submission with the USPTO on or before March 17, 2015.

Conclusion

Companies might consider the potentially significant impact on patent rights of the AIA's provisions taking effect March 16, 2013, and plan their patent filings accordingly. Early innovators may otherwise get passed by their slower competitors.

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