## America Invents Act

## 09.23.11

The Leahy-Smith America Invents Act was signed into law by President Obama on September 16, 2011. The Act makes numerous changes to the U.S. Patent system.

First-Inventor-to-File System:

- Transitions from a first-to-invent system to a first-inventor-to-file system. Effective March 16, 2013.
- Maintains a one-year grace period for inventors to file a patent application.
- Replaces interference proceedings with derivation proceedings, which determine whether an earlier application was derived from an inventor named in the petitioner's application without authorization.

Fee Changes:

- 15% increase in most USPTO fees. Effective September 26, 2011.
- 75% reduction in most fees for micro entities, as defined under 35 U.S.C. 123(a). Institutions of higher education are considered to be micro entities in most cases. Effective September 16, 2011.
- \$400 fee for applications (excluding design, plant, and provisional applications) not filed electronically. Effective 60 days after enactment.
- Prioritized Examination fee \$4800.

Post-Grant Review:

- A person who is not the owner of a patent may petition for post-grant review within 9 months after the date the grant of the patent.
- The petition must demonstrate that it is more likely than not that at least one of the claims challenged in the petition is unpatentable.

Patentable Subject Matter:

- No patent may issue on a claim directed to or encompassing a human organism.
- Strategies for reducing, avoiding, or deferring tax liability are deemed insufficient to differentiate an invention from the prior art.

## Litigation:

- Prior Commercial Use Defense: A prior commercial use defense may be used against patents issued on or after the date of enactment.
- Willful Infringement: Failure to obtain the advice of counsel cannot be used to prove willful infringement (35 U.S.C. 298).
- Best Mode: Failure to disclose the best mode cannot be a basis for holding any claim of a patent invalid or otherwise unenforceable.
- False Marking: False marking claims can only be filed by the United States or a person who has suffered a competitive injury as a result of a violation.
- Joinder: Joinder of accused infringers is permitted only if the act of infringement arises out of the same series of transactions or occurrences.

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