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do Conhecimento na nova Economia

Patent Invalidity/Cancellation in the United States

– A Changing Landscape –



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Invalidity Overview: Courts and the USPTO

- Three ways to invalidate or cancel a patent:
 - In court as an infringement defense;
 - In a USPTO reexamination; and
 - As of **2012**: In a USPTO trial brought under the America Invents Act.
- All decisions apply to the public at large.



Invalidity in the Courts

- The party raising invalidity must have been accused of infringing the patent;
- May raise any patentability requirement (novelty, non-obviousness, inadequate disclosure, eligibility, etc.);
- Developments in the law may make properly granted patents invalid (Myriad, Bilski).



Invalidity in the Courts (continued)

- *Myriad*: U.S. Supreme Court holds that claims to isolated DNA are not eligible for patenting;
 - calls into doubt eligibility to other inventions that rely on isolation or purification.
- *Bilski*: U.S. Supreme Court holds that there is no prohibition against business method patents, and there is no single test for software eligibility;
 - emphasizes the abstract idea exception.



Reexamination at the USPTO

- Reexamination created in 1980 to permit the USPTO to reconsider its earlier decision;
- Must be based on prior art issues not considered originally, i.e., “Substantial New Questions” only;
- Requestor is not involved; and
- Can take a very long time—patent is not canceled until all appeals have finished.



AIA Trials at the USPTO

- Administrative Trials created in 2012 to mimic true district court actions;
 - discovery permitted when needed;
 - must be completed within one year.
- If filed within 9 months of patent issuing (as a Post-Grant Review), any issue can be raised.
- If filed later during the life of the patent (as an Inter Partes Review), only prior art can be raised.



AIA Trials at the USPTO (continued)

- Special Trials for “Covered Business Method” Patents:
 - patents claiming a non-technological financial method;
 - must have been asserted against;
 - any ground of invalidity may be raised;
 - proceedings will go away in 7 years.



Differences between court trials and USPTO Trials

There are three significant differences between court invalidity trial and USPTO trials:

- (1) Burden of Proof: clear-and-convincing v. preponderance-of-the-evidence;
- (2) Claim construction: the single best meaning v. the broadest reasonable interpretation;
- (3) No infringement controversy required at the USPTO.



USPTO proceedings do not require an infringement allegation

“If we have not received a substantive response by that time, we will file an *inter partes* review petition against one or more of [your] patents.”

At least one non-practicing patent holder has threatened to file a USPTO trial against an accused infringer.

There appears to be no connection between this threat and the alleged infringement.

December 14, 2012

VIA EMAIL AND REGULAR MAIL

Re: Infringement of Patents held by [REDACTED]

Dear [REDACTED]:

This is a follow-up to our previous letter, attached as Exhibit A. Our clients wish to have a prompt resolution of this issue. We respectfully request a response to this and the previous correspondence no later than 1:00pm Central Time on December 21, 2012.

Failure to respond by that date will be interpreted as [REDACTED] unwillingness to enter into discussions regarding this issue. If we have not received a substantive response by that time, we will file an *inter partes* review petition against one or more of [REDACTED] patents on December 21, 2012.

We trust that you will appreciate the spirit in which this letter is written and [REDACTED] goal of avoiding unnecessary adversarial proceedings to protect its intellectual property. Of course, the demands contained herein are made under Federal Rule of Evidence 408 and are without prejudice to any claims or rights which may be asserted on behalf of [REDACTED] should we fail to arrive at a prompt and amicable resolution.

Attachments

Thank you.
More USPTO and AIA
information at:
www.uspto.gov



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