

## The AIA May Not Be So Bad After All

How applicants can take advantage

*Gregory M. Reilly, New Jersey Law Journal*

April 4, 2016



Patent applicants in the U.S. have been living with the Leahy-Smith America Invents Act (AIA) for some time now. Indeed, the prior-art provisions of the AIA, which, among other things, changed the U.S. patent system from a first-to-invent standard to a first-to-file standard, became effective on March 16, 2013 (the "new law date"). However, because of the way the effective date of the AIA's prior-art provisions operates, we now live under a hybrid system, where the old prior-art provisions apply to some patents and patent applications ("old law" cases), and the new prior-art provisions apply to other patents and patent applications ("new law" cases).

To understand the new law, it is important to note that chains of related patent applications are common, and will remain so under the new law. An applicant may file one or more "child" applications before the issuance or abandonment of a pending "parent" application and claiming priority to the parent application. That practice can be repeated for successive "generations" in a "family" of applications. This may be done, for example, to claim some portion of the application disclosure that was not claimed in the prior related applications. As long as the disclosure that supports a particular claim presented in a child application is carried through to that application from some earlier application up the priority chain, that claim will be considered to have been "effectively filed" as of the filing date of that earlier application.

Turning back to the effective date provision of the AIA, the new prior-art provisions of the AIA apply to any patent application or resulting patent that contained, at any time, a claim having an effective filing date on or after the new law date, as well as to applications that claim priority to any earlier application which contained such a claim. See Pub. L. No. 112-29, §3(n)(1), 125 Stat. 284, 293 (2011). The old prior-art provisions continue to apply to applications filed before the new law date, as well as to most child applications filed after the new law date that claim priority to such applications filed before the new law date. Many old law cases continue to be filed and prosecuted in the U.S. Patent and Trademark Office. Until all of the old law cases have ceased to be enforceable (at least 24 years from now), we will continue to live with both the old law and the new law.

Many practitioners consider the new prior-art provisions of the AIA to be, on the whole, worse for patent owners than those under the old law, primarily because of the change to the first-to-file regime. That is, because it is no longer possible under the new law to avoid prior art by proving that the inventors invented the claimed invention before the relevant date of the prior art, it is widely thought that there will be a larger amount of prior art available under the new law than under the old law. That widespread belief is evident at least from the tremendous surge of patent application filings that occurred shortly before the new law date.

But, the AIA prior-art provisions are actually not always worse for patent owners than the old law. There are at least some instances where the AIA may be significantly better for patent owners. As discussed below, it turns out that the AIA actually makes it possible to effectively "convert" a pending old law patent disclosure into a new law patent disclosure. In some cases, an invention made years ago which was properly rejected under the old law can be resurrected and properly patented under the new law.

In both hypothetical scenarios below, two inventors (Adam and Brenda) work for an innovative technology company and jointly invent a new invention, for which their employer files a patent application. After that patent application is filed, Adam and Brenda, along with another colleague, Carl, continue to further develop and refine that invention and related inventions. Their employer then files a subsequent patent application directed to the further developments by all three inventors.

### **Scenario 1**

*The first application had not yet been published when the second application was filed.*

In the U.S., a pending patent application will normally be published about 18 months after the earliest filing date in the family. In this first scenario, the first application naming Adam and Brenda had not yet been published when Adam, Brenda and Carl jointly invented the improvements that were the subject of the second application.

Under the old law, the first application would have been available as prior art to prevent the patenting of the second application if the claims of the second application were deemed "anticipated by" (i.e., lacking in novelty over) the disclosure of the first application. However, the first application would not have been available under the old law to preclude patentability of the second application for being obvious in view of the disclosure of the first application, pursuant to old 35 U.S.C. §103(c) (since that earlier unpublished application was commonly owned with the later application). By contrast, pursuant to §102(b)(2)(C) of the new law, the first application would not be available at all as prior art to the second application, as long as both applications were commonly owned by the time the second application was filed.

The above distinction will be particularly significant in situations where the first application discloses a first species of invention (e.g., drug molecule A), and then the second application discloses one or more other species of that invention and tries to more broadly claim the genus encompassing the first species and other species (e.g., the class of drug molecules which includes molecules A, B, C, D, etc.). Under the old law, the second application claiming the genus was properly rejected as being anticipated by the first application's disclosure of an encompassed species. Under the new law, no such rejection can be made.

Even outside of the above genus-species scenario, however, the distinction between the old and new laws can also be significant where the examiner rejects the claims in the second application as being anticipated by the disclosure

in the first application solely due to the breadth of the interpretation given to the applicant's claims (as examiners are charged with interpreting an application's claims using the "broadest reasonable interpretation" of the words). In order to avoid such rejections under the old law, an applicant often had to more clearly define the distinctions over the first application in the claims of the second application, which generally involved narrowing the claims in some way. Under the new law, however, the first application is no longer available as prior art to the second application, and thus no such narrowing of claim scope would be necessitated.

## **Scenario 2**

*The first application published less than one year before the second application was filed.*

In this scenario, the improvements that were the subject of the second application were invented later than in the prior scenario, i.e., after the first application published, but the second application was filed within one year of that first publication. Note that, after that one-year mark, the publication of the first application would become prior art to the second application equally under both the old and new laws.

Under the old law, the first (now published) application would be available as prior art for both anticipation and obviousness purposes to the claims of the later application, unless it could be shown that the first application was not "by another" (i.e., the group of inventors that invented the invention claimed in the second application was identical to that of the invention disclosed in the first application). In this hypothetical, however, the applicant would not be able to make such a showing because the presence of Carl as a joint inventor on the second application would cause the inventive entities of both applications to be different. Under the new law, however, the prior published application could be eliminated from the prior art if it was "made by the inventor or joint inventor" (under 35 U.S.C. §102(b)(1)(A)), where new §100(g) defines "joint inventor" as "any 1 of the individuals who invented or discovered the subject matter of a joint invention." Thus, in this hypothetical, since the first publication was made by a subset of the inventors on the second application, the new law would eliminate the first application as prior art to the second application.

## **Taking Advantage**

As indicated by the examples above, there are situations where the new patent law is more favorable to patent applicants. There are also other instances beyond the scope of this article where the new patent law is more advantageous to patent applicants than the old law.

Although it has not been explored by many commentators, there is an opportunity under the new law to take a currently pending, old law patent disclosure and "convert" it to a new law patent application, in order to take advantage of the new law's prior-art provisions. As mentioned above, the prior-art provisions of the new law apply to an application (or patent) if, *at any time*, the application contains a claim covering disclosure that was first filed on or after the new law date, or if the application claims priority to any earlier application which contained such a claim. Therefore, a patent applicant with a pending application subject to the old law can file a child application that adds new subject matter to the disclosure, adds at least one claim directed to that new subject matter, and also presents one or more claims directed entirely to the old subject matter. The new law will apply to all of the claims in that child application. The claims of the application directed solely to the old subject matter will retain the original effective filing date of the old-law application, but will be governed by the new law. This is true even if the applicant later cancels the new law claims.

Thus, patent owners who have pending portfolios of old law applications may want to consider which disclosures could benefit from a "conversion" to the new law, particularly if the patent owner is already facing rejections based on its own earlier patent applications. Note that the above-discussed "conversion" is permanent, and it will also carry forward to all children of the converted application. Therefore, if the value of a particular invention warrants it, applicants may want to consider "hedging their bets" by filing one line of new law child cases and keeping a parallel line of old law child cases pending.

*Reilly is an associate with Lerner David Littenberg Krumholz & Mentlik in Westfield. His practice encompasses all aspects of intellectual property law.*

**Reprinted with permission from the April 4, 2016 issue of the *New Jersey Law Journal*. ©2016 ALM Media Properties, LLC. Further duplication without permission is prohibited. All rights reserved**