

## IP Client Alert #2

### America Invents Act: Pros and Cons

#### PROS

- Allows accelerated examination merely by paying a surcharge.
- Continues the trend of moving validity issues out of the federal courts and into the USPTO by allowing a 9-month post-grant public opposition period for applications filed after Sept. 16, 2012, or March 16, 2013 for some applications.
- Allows owners to file applications directly.
- Allows commonly owned patents and applications to not be prior art against each other.
- Strengthens patent validity by stating that “failure to disclose the best mode” and “failure to have correct inventorship” may not be used to invalidate a patent.
- Allows third parties to submit prior art against pending applications if submitted within 6 months after publication or before the first Examination Report.
- Allows patent owners more ways to correct patents after grant. Expands post-grant patent reexamination for consideration of prior art to now include a second proceeding called supplemental examination which would allow the USPTO to consider any information that raises a substantial new question of validity.
- Provides a prior user defense against a charge of infringement for an infringer in all lawsuits after Sept. 16, 2011 who can show commercial use more than a year before the filing date.
- Provides inventors with a 75% discount on USPTO fees if they have no more than 4 patents and a gross income less than 3 times median household income.

#### CONS

- Patent related fees will increase 15%.
- A \$400 surcharge will be added for documents not filed electronically.
- Establishes a specific post-grant review program for business method patents involving financial products so the USPTO can determine if these “bank patents” are legitimate.
- Legal fees will increase due to added difficulty to provide legal advice.

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