INSIGHTS

Stripped of Controversial Provisions, Lame-Duck Patent Reform Heads to Obama's Desk

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On January 1, 2013—immediately after passing the fiscal crisis bill—the House of Representatives agreed by voice vote (at 11:13 PM) to approve the Senate's Amendments to H.R. 6621. A controversial provision that would have eroded the patent term of approximately 200 patents still pending at the USPTO is noticeably absent, and the bill does nothing to resolve continuing questions regarding the implementation of the new first-inventor to file system. The remains of the bill provide primarily technical amendments to the America Invents Act (the AIA), the most notable of which resolves a "dead zone" created by the new post-grant and *inter partes* review procedures. President Obama is expected to sign the bill without delay.

The bill likely would not have passed both houses so handedly had it been anything more than a clarifying amendment to the AIA. With no time for any serious debate, the House of Representatives voted (308 to 89) on December 18, 2012 to approve an amended version of the bill that eliminated the provision (mentioned above) that threatened to cut short the long-understood term of patents filed prior to the General Agreement on Tariffs and Trade (GATT). As initially penned, this provision would have resulted in the immediate expiration of approximately 200 pending pre-GATT patents (the so called "submarine patents") the moment they issue. Instead, the House of Representatives passed H.R. 6621 with a limited provision calling on the USPTO to draft a report on pending pre-GATT patents.

The Senate, however, even rejected the House's call for a USPTO report and reduced the provision to a mere clerical amendment. According to Senator Patrick Leahy (D-VT):

We must also continue to focus on the troubling problem of several hundred "pre-GATT" patent applications that have now been pending before the Patent Office for over 18 years. The original version of this legislation in the House addressed that problem by providing a 1-year window for the pending applications to be processed.

Unfortunately, that language was removed before final passage in the House and replaced with a provision requiring the Patent Office to prepare a report. The amended bill the Senate has passed today strikes the report, but I will work closely with the PTO to identify the cause of the delays and ensure that the PTO has the tools it needs to address any abuses by those who may be trying to game the system and use the patent laws to impede, rather than encourage innovation.

Stripped of controversy, the amended bill sailed through the Senate, which passed it on December 28, 2012 by unanimous consent. As Senator Leahy succinctly stated, the amended bill "corrects several minor drafting errors and clarifies provisions concerning the inventor's oath, notice of patent term adjustments, derivation proceedings, and the terms of the Patent Public Advisory Committee." In addition, the bill addresses "an inadvertent 'dead zone' by clarifying the remedies available to those wishing to challenge patent applications."

The bill then moved back to the House of Representatives where it was scheduled to pass by voice vote on December 30, 2012. Procedural issues, however, delayed the vote until New Year's Day, when the House passed the Senate's version of the bill late in the night. Each of the technical and clarifying amendments to the America Invents Act is detailed <u>here</u>, and the full text of H.R. 6621 can be read <u>here</u>.

Although the bill does little to resolve the patent community's lingering concerns regarding the AIA, it does evidence Congress's interest and ability to correct technical and drafting issues as they are discovered. With an act as long and detailed as the AIA and an implementation schedule spanning years, drafting concerns will arise in the future, and the community can take heart that Congress appears ready to address them. That said, with Representative Smith leaving his post as Chairman of the House Judiciary Committee and moving to his new post as Chairman of the House Science, Space, and Technology Committee, only time will tell if another champion of the useful arts will emerge.

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