US Patent Law for European Patent Professionals

AUDREY NEMETH

Foreword by David Molnia

Wolters Kluwer
Law & Business

US Patent Law for European Patent Professionals

Audrey Nemeth

Wolters Kluwer
Law & Business

Published by:
Kluwer Law International
PO Box 316
2400 AH Alphen aan den Rijn
The Netherlands
Website: www.kluwerlaw.com

Sold and distributed in North, Central and South America by:
Aspen Publishers, Inc.
7201 McKinney Circle
Frederick, MD 21704
United States of America
Email: customer.service@aspenpublishers.com

Sold and distributed in all other countries by:
Turpin Distribution Services Ltd
Stratton Business Park
Pegasus Drive, Biggleswade
Bedfordshire SG18 8TQ
United Kingdom
Email: kluwerlaw@turpin-distribution.com

Printed on acid-free paper.

ISBN 978-90-411-6044-7

Printed and Bound by CPI Group (UK) Ltd, Croydon, CR0 4YY.

Foreword by David Molnia

Although the European Patent Convention has coexisted with US patent law for nearly four decades, this work represents the first handbook specifically for European professionals on basic US practice in Intellectual Property. It has been a long time coming.

As a founding partner of the patent law firm df-mp, I have advised hundreds of multinationals over the past decades on how to obtain the best protection for their inventions in both the US and Europe. Being one of few legal professionals qualified as both a European Patent Attorney and US Patent Agent, I have witnessed the difficulty each practitioner faces when advising clients on global filing strategies, but at the same time only being experienced (and qualified) in one or two jurisdictions. This development is paralleled by the globalization-driven demand for obtaining patent protection in multiple major economic zones, the US and Europe being foremost among them. The difficulty lies in the fact that especially these two jurisdictions differ fundamentally from each other in many nuances of a practitioner's daily work.

The patent profession has struggled to adapt to these changing demands. Patent systems around the world are constantly developing and often even harmonizing, and patent professionals must invest significant time and effort in order to stay up-to-date on the laws of even a single jurisdiction. It is no wonder to me that many of my European colleagues struggle to create a mental framework for organizing their knowledge of the US patent system in relation to a patent system which they are already familiar with, namely the EPC, despite compelling incentives to do so.

To remedy this problem, I have personally devoted hundreds of hours over the past twelve years to developing and presenting courses comparing the legal systems of these two jurisdictions in my capacity as a lecturer on US patent law for European professionals. In related work, I recently contributed to the pending edition of "Das US Patent" by Mayer & Schlenk (a book providing an extensive theoretical discourse through US Patent Law for German practitioners).

Nevertheless, fundamental misunderstandings about the US patent system remain common among European patent professionals, even with (or perhaps despite) knowledge of certain formalities peculiar to US patent law, which they may have obtained over the years of practice.

One actually very straight forward question I am often confronted with at seminars, which however is very difficult to answer because it encompasses a variety of aspects of US patent law, is how to respond to a Final Office Action? Do you appeal, do you file a continuation or an RCE? Do you interview? Do you amend? The answer (as discussed in

Chapter 9) will depend on the specific circumstances of the case, however to understand their impact and draw the right conclusions requires great insight, which the European practitioner, who often must make the call or give the advice, may not have.

More generally, there are many seemingly straight forward conclusions to be drawn from the differences between US and European patent law, which upon closer consideration are flawed. For example, recently, a European colleague and I were discussing the US patent system. My colleague was incensed at the unfairness of so many aspects of the US system: for example, she noted, the existence of continuation-in-part applications (introduced in Chapter 2) allows new material to be added to an application at any point over the life of an application. The USPTO places no maximum time limit on the revival of abandoned applications (as discussed in Part IV). In both of these cases, the public has no way of knowing what information will make it into a US patent, or indeed whether a patent will ultimately be granted on an abandoned application at all. On the other hand, my colleague noted, US applicants and patent owners can fall victim to small errors in prosecution, which if interpreted as a failure to fulfill the "duty of candor" (discussed in Chapters 5 and 20) can lead to charges of fraud or inequitable conduct and render a patent unenforceable, even years after it has granted. In exasperation, she exclaimed "The US has no concept of legal certainty!"

The US has no concept of legal certainty.

I reflected for a long time on this statement. Does the US system really not value legal certainty? I would say no: the US system *does* value legal certainty, but defines the term differently. In the US, legal certainty for the public means a guarantee that the inventor and others associated with the prosecution of an application have fulfilled their duty to disclose enough information about the invention so as to justify a twenty-year monopoly on the invention – in essence, they have to disclose *everything they know*. In Europe, on the other hand, the interpretation of legal certainty for the public is more heavily focused on the requirement that no new matter be added to an application after the application's date of filing, and that no scope be added to the claims after the grant of a patent – in essence, the public must be able to deduce, as of the date of filing and once again on the date of issue, what constitutes the maximum scope of the invention.

To conclude, when Audrey Nemeth joined our firm, df-mp, and soon thereafter approached me with the idea for this book, I could only agree with her that such a comparison of the European and US patent law systems is long overdue. At the time, the 2011 America Invents Act (AIA) reforms were just coming into effect. Ms. Nemeth had a critical understanding of the new law, as the reforms had been extensively incorporated into the US Patent Bar Exam, which she had recently passed. Furthermore, Ms. Nemeth is a European Patent Attorney and therefore is able to see the structure and reforms in US patent law from a European perspective. These advantages led to her being able to focus on the current state of US patent law, rather than writing a lengthy history of outdated statutes with diminishing relevance, and to present strategic advice that reflects the state of US patent law today, following the 2011 America Invents Act (AIA) reforms.

Although it took nearly four decades from the founding of the EPO to the writing of this handbook, I hope that you, the reader, agree with me that it was worth the wait.

David Molnia (M.S. Elec. Eng., B.S. Physics)
European Patent Attorney; US Patent Agent; German Patent Attorney
Contributor to "Das US Patent (5. Auflage)," Mayer-Schlenk, 2015
Munich, Germany

Preface

The aim of this book is to present an overview of the patent system in the United States of America for European Patent Attorneys and other patent professionals who are familiar with the European Patent Convention (EPC).

An understanding of US patent law within the context of the US legal system has become increasingly important for patent professionals in Europe in recent decades. Europe and the US are closely linked economic zones, and many inventions for which protection is sought in Contracting States of the EPC are also manufactured and/or brought to market in the United States. As a result, European patent professionals are increasingly confronted with questions from multi-national clients on how best to protect and leverage their inventions within the US.

In the past, European patent professionals have often simply assumed that the system in the US is sufficiently similar to that under the EPC that essentially the same legal advice applies or have delegated matters to correspondence attorneys in the US. However, these approaches can lead to unnecessary costs for the client, and may result in the particular interests of the European client, which are usually best understood by his European representative, being not optimally served.

The US and European patent systems share many underlying principles. On one hand, both systems recognize the principle that inventors deserve a reward for their contribution to technology in the form of a temporary monopoly on their invention. On the other hand, both systems recognize the opposing principle, namely that public interest must be safeguarded by ensuring that the scope and duration of such a monopoly is limited and that the teaching of the invention is made available to the public. However, the US and European systems have different histories and are rooted in different legal systems, thus leading to various differences in the implementation of these principles, ranging from highly significant to inconsequential.

Before publication of this book, there were few sources of information specifically designed for European patent professionals seeking to learn about US patent law. Naturally, most European patent professionals are not disposed to invest in courses in US patent law directed toward an audience with no previous knowledge of IP, as a significant portion of any such course is useless repetition to a professional already versed in the drafting and prosecution of applications under the EPC. Similarly, courses directed toward US patent professionals are often difficult for European professionals to follow, as the multiple intricacies which set US patent law apart from European patent law make it difficult or impossible to gain a complete understanding of the subjects under discussion.

Therefore, it is the aim of this book to give an overview of the US executive, legislative and judicial systems as they relate to patent prosecution and litigation, so as to enable European patent professionals to efficiently and reliably serve the interests of their clients and companies in the US.

The first part, "The Basics of US Patent Law," provides a necessary foundation for further reading of the book. The structure and hierarchy of US patent laws, regulations, guidelines and case law is presented, the types of US patents, and the requirements for patentability in the US are discussed in detail.

The second part, "Prosecution of US Patent Applications," gives detailed overviews on preparing and filing applications, as well as examination proceedings before the USPTO from filing up to grant, including chapters on the US definitions of novelty and inventiveness. The second part closes with a description of appeal proceedings at the US Patent and Trademark Office (USPTO).

The third part, "The US Patent and Post-Grant Proceedings," includes chapters on the protection conferred by US patents, as well as analogous post-grant proceedings to the European Patent Office's (EPO) Opposition proceedings and Requests for Limitation and Revocation (Art. 105a EPC).

The fourth part, "Procedural Elements Relating to Part II and Part III," is a comparative listing in alphabetic order of procedural elements in the US with references to corresponding elements under the EPC.

The fifth and final part, "Advanced Topics," includes chapters on the structure, history and principles of the US patent system and a description of the USPTO's ties to the US judiciary.

Where applicable, references to the relevant statutes, rules or guidelines (all introduced in Chapter 1) are provided in the outer page margin.

- US statutes are referred to as "35 USC §[number]";
- US rules are referred to alternately as "37 CFR 1.[number]" or "Rule 1.[number]"; and
- Sections of the Manual for Patent Examination Procedure are referred to as "Chapter [n-00] MPEP" or "MPEP [number]."

The reader is advised to commit the abbreviations United States Code (USC), Code of Federal Regulations (CFR) and Manual of Patent Examination Procedure (MPEP) to memory, and to consult the indicated references for further information where necessary.

In general, the main focus of this work is to help the reader understand the general structure and formal aspects of US patent law. Less emphasis is given to practical scenarios and strategic considerations based on an understanding of the US patent system.

It is expected that readers are familiar with the stages of European prosecution up to grant, as well as opposition and appeal proceedings under the EPC. Furthermore, readers are expected to have experience in evaluating substantive questions of patentability within their technical field.

Although some readers will want to read the entire book, the structure is such that the book is also useful as a reference in answering particular questions, such as "Why is this Office Action marked 'Final,' and what are my options for responding?" (Chapter 9) or "How should I construct my arguments for inventive step – is there a US equivalent to the Problem-Solution approach?" (Chapter 8).

Please note that this book does not replace study of US patent law or obviate the need to consult US patent professionals on matters of US patent law. A thorough understanding of US patent law can only be achieved with months or preferably years of dedicated study.

Rather, the aim of this book is to simplify communication between European and US patent professionals by ensuring that both parties have a common understanding of basic US legal terms and of the available courses of action for the most common procedural scenarios. In spite of all due care taken during the writing of this book, the author does not accept any responsibility for errors. Any comments on inaccuracies or suggestions for improvement are welcomed.

Munich, December 2014

Acknowledgments

The author would like to thank the following people for their assistance and support over the course of the creation of this book.

First, I am grateful to readers Dr. Derk Visser, Rebecca Brown, Jakob Wallin, and Dr. Jula Draeger for their detailed feedback on legal, expository, syntactic and stylistic matters with regard to the contents of this manuscript. Furthermore, I would like to thank David Molnia for sharing his experience as a lecturer on US patent law for the past decade and for his initial input on structuring such a comparative legal handbook. Likewise, I owe thanks to Ingo Brückner for sharing his experience as a lecturer on US patent law, to Dr. Dominik Ho for his help in exploring existing literature in this field, and to Dr. Sandeep Basra for the inspiring discussion on legal certainty in US patent law.

Thanks are furthermore due to my editor Christine Robben for her engagement, timely feedback and willingness to accommodate special requests on behalf of the publisher. A word of thanks is also due to Frederik Alfken for his support in finding a publisher.

Most of all, I would like to thank the many friends and family who helped me in various ways during the writing of this book. In particular, I am grateful to Sonja & Jan for providing their vacation apartment to use as a writer's retreat. Furthermore, the Nickel family deserves many, many thanks for their support and help with taking care of Frederick, and the Nemeth family for their encouragement and enthusiasm for this project. Finally, I would like to thank Felix for supporting me through writing this book (during which I was doing "Amtsjahr" and we also had a toddler and a baby on the way), and Frederick for bringing sunshine and laughter to every day.

List of Tables

List of Figures

List of Abbreviations

ADS	Application Data Sheet
AE	Accelerated Examination
AIA	America Invents Act
Art.	Article
BPAI	Board of Patent Appeals and Interferences
CAFC	Court of Appeals to the Federal Circuit
CBM	Covered Business Methods
CIP	Continuation-in-Part
CFR	Code of Federal Regulations
CPA	Continued Processing Application
DoF	date of filing
EFS	Electronic Filing System
EP	European (in the sense of the European Patent Convention)
EPC	European Patent Convention
EPO	European Patent Office
EQE	European Qualifying Exam
FITF	First-Inventor-to-File
FTF	First to File
FTI	First to Invent
GL	Guidelines for Examination (of the European Patent Office)
IDS	Information Disclosure Statement
IPR	Inter Partes Review
IP	Intellectual Property
MPEP	Manual of Patent Examination Procedure
OA	Office Action
PCT	Patent Cooperation Treaty
PE	Prioritized Examination
PG-PUB	Pre-Grant Publication

PGR	Post-Grant Review
PPH	Patent Prosecution Highway
PTA	Patent Term Adjustment
PTAB	Patent Trial and Appeal Board
PTE	Patent Term Extension
RCE	Request for Continued Examination
SIR	Statutory Invention Registration
SNQ	Substantial New Question (of patentability)
TSM	Teaching, Suggestion or Motivation
US	United States (of America)
USC	United States Code
USPTO	United States Patent and Trademark Office

Table of Contents