

# ClientAlert

September 16, 2011

## America Invents Act Signed By President Obama

President Obama today signed the Leahy Smith "America Invents Act" into law. The new law, which is the most substantial change to the U.S. patent laws since 1952, results from nearly eight years of sometimes tumultuous debate about the role the patent system plays in today's American economy. Time will tell whether or not the new law represents "patent reform."

Many major aspects of the bill that change current law – the switch to a "first-inventor-to-file" system from the historic American "first-to-invent" approach and the creation of several new methods to challenge patents outside the courts – will not take effect for twelve to eighteen months, and will require the creation of substantial implementing regulations. Changes effective on enactment or shortly thereafter include:

- Elimination of the "best mode" defense to patent infringement (except in lawsuits currently pending before the courts),
- Abolition of qui tam "false marking" lawsuits (even in lawsuits currently pending unless a final judgment has been entered),
- Rejection of patentability of pending and future "tax strategy" patent applications,
- Adjustments to the fees collected by the U.S. Patent and Trademark Office (including a 15% surcharge on some fees), and
- Creation of a new prioritized examination "fast track" approval fee and request procedure.

Now is the time to begin considering both patent portfolio management changes and responses to the new Patent Office review proceedings (inter-partes review, post-grant review, and "transitional review" for "covered financial business methods"). The C&P IP group will be happy to help clients create and execute individualized plans during the transition to the "brave new world" of patents.

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**Our client alerts are for general informational purposes and should not be regarded as legal advice.  
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