



Patents

Class 14

Remedies for Patent Infringement

1. Civil Action - §281

- a. Remedy at law

2. Injunction - §283

- a. 4 factors the court will establish before issuing:

- i. Reasonable likelihood of success on the merits

- ii. Irreparable harm if injunction isn't granted

- iii. Balance of the hardships

- iv. Impact of the injunction on public interest

- b. Defend against a request for injunction by claiming the plaintiff's patent is invalid.

Remedies for Patent Infringement

3. Damages - §284 (\$\$\$\$\$\$\$\$\$\$)

- a. Reasonable royalties
- b. Lost profits
- c. Treble damages

4. Attorney's Fees - §285

- a. Rare, but awarded for bad-faith litigation
- b. Goes to prevailing party (plaintiff or defendant)

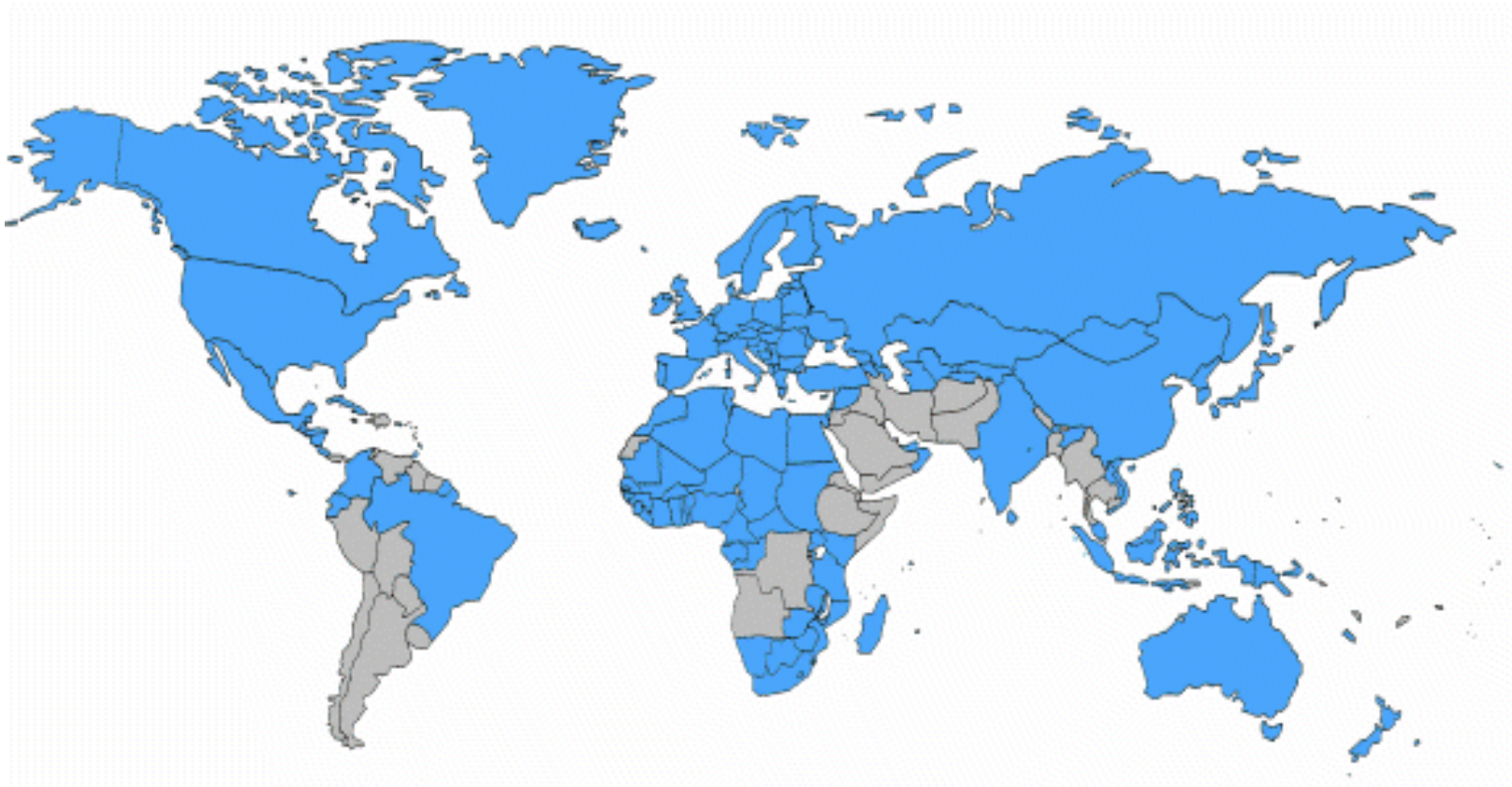
Patent Licensing & Assignment Agreements

- Can assign a patent and can assign a patent application
- The interest can be assigned by writing
- Does not *have* to be recorded with the PTO, but *should* be recorded with the PTO within 3 months.
- If not recorded with PTO within 3 months, the transfer becomes void against
 - A future purchaser;
 - Who paid money ("consideration") for the transfer;
 - Who did not have notice that it was previously transferred to someone else.

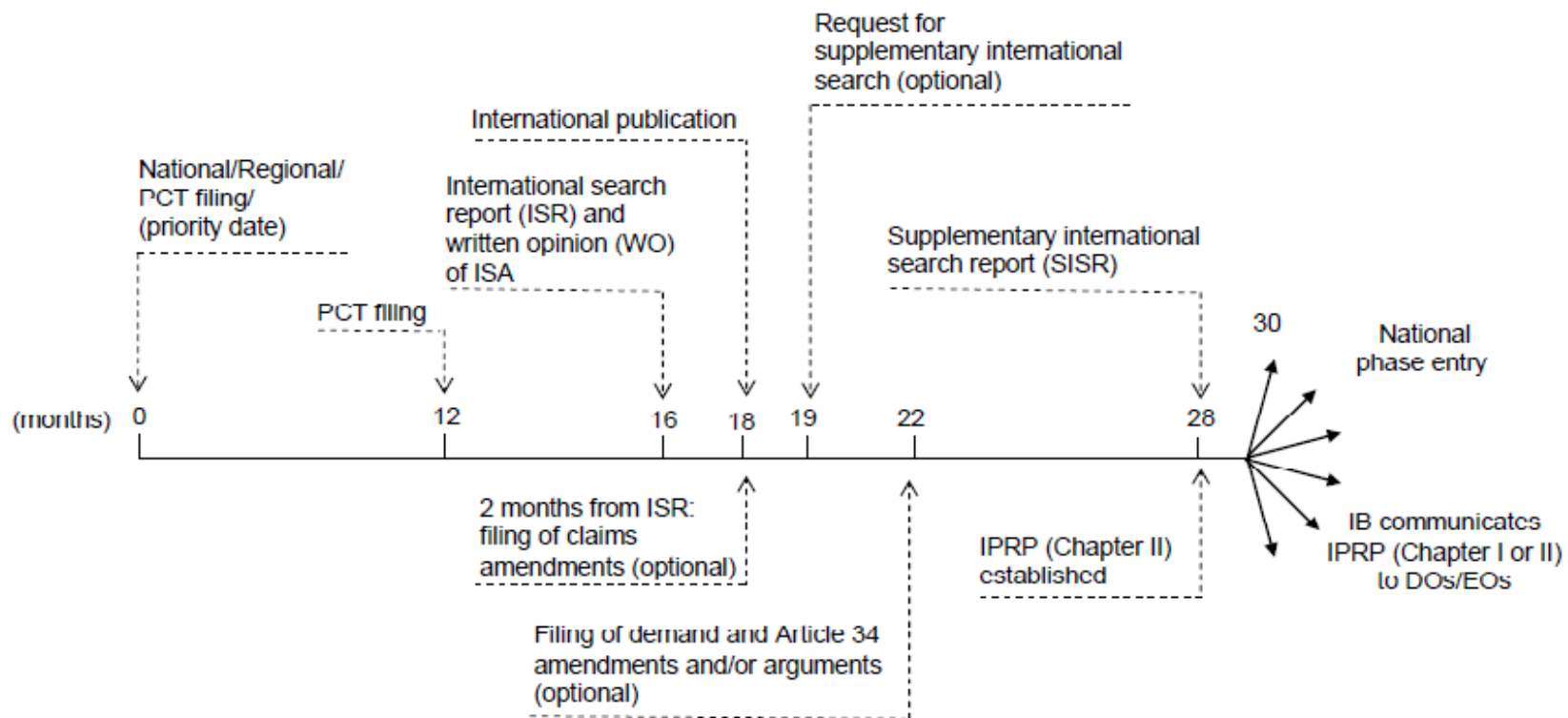
Patent Licensing & Assignment Agreements

- FIRST-TO-INVENT vs. FIRST-TO-FILE
- Patents filed after March 16, 2013 are subject to the first-to-FILE system (race)

Patent Cooperation Treaty (PCT)

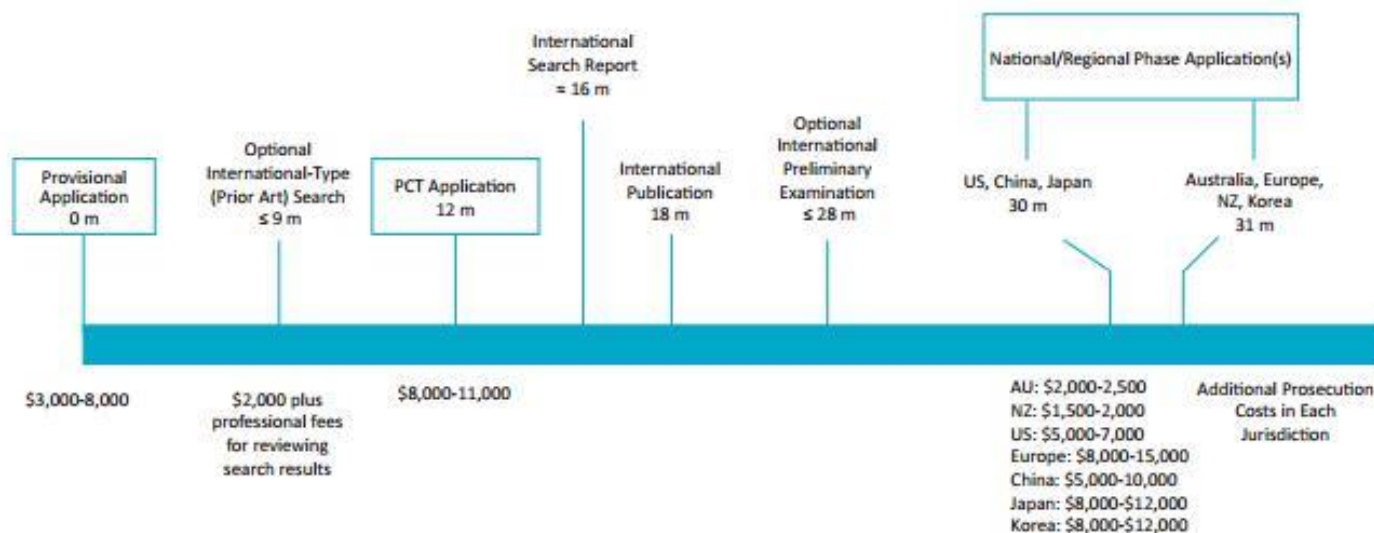


http://www.wipo.int/pct/en/basic_facts/faqs_about_the_pct.pdf



PCT Application Process

FB RICE



These costs do not include GST but do take into account Patent Office charges and exchange rates at the time of publication. They should be treated as a guide only and are subject to change. Costs at the various stages of the application process can vary significantly on a case by case basis depending on the complexity of the invention covered and the complexity of objections raised by the Patent Office. The information in the flowchart represents the usual steps in the PCT application process. For more detailed information and cost estimates for a specific case, please contact FB Rice.

March 2011

www.fbrice.com.au

Patent Reform 2011: Leahy - Smith "America Invents Act"

- **First-Inventor-to-File:** One-year grace period would remain in effect, but only for the inventor's own disclosures. Inventors will no longer be able to swear behind prior art nor will they be able to establish priority in an interference proceeding. A new creation in the bill is a "derivation proceeding" that would operate only in times where an original inventor alleges that a patent applicant derived the invention from the original inventor's work.
- **Damages:** The amended statute would require that a court "identify methodologies and factors that are relevant to the determination of damages" and that "only those methodologies and factors" be considered when determining the damage award. In addition, prior to the introduction of damages evidence, the court would be required to consider either party's contentions that the other's damage case lacks a legally sufficient evidentiary base. In addition, the statute would require a judge to bifurcate the damages portion of a trial if requested "absent good cause to reject the request, such as the absence of issues of significant damages or infringement and validity."

Patent Reform 2011: Leahy - Smith "America Invents Act"

- **Enhanced Damages:** Section 284 simply states that "the court may increase the damages up to three times the amount found or assessed." The amended statute would codify that holding with the words "Infringement is not willful unless the claimant proves by **clear and convincing evidence** that the accused infringer's conduct with respect to the patent was **objectively reckless**. [i.e., that] the infringer was acting despite an objectively high likelihood that his actions constituted infringement of a valid patent, and this objectively-defined risk was either known or so obvious that it should have been known to the accused infringer."

Patent Reform 2011: Leahy - Smith "America Invents Act"

- **Third-Party Challenges to Patent Rights:** The bill includes three expanded ways that a third party can use the USPTO to challenge a patent: Pre-Issuance Third-Party Submissions; Third-Party Requested Post-Grant Review; and *Inter Partes* Post Grant Review.
 - **Pre-Issuance Third-Party Submissions:** Under the amendment, third parties would be allowed to submit any printed publication along with a description of the relevance to the USPTO to be considered during the examination of a pending patent application.

Patent Reform 2011: Leahy - Smith "America Invents Act"

- **Third-Party Requested Post Grant Review:** A post-grant review proceeding would be created (similar to our current reexamination proceeding) that could be initiated by any party. The review would allow a third party to present essentially any legal challenge to the validity of at least one claim. A major limitation on the post grant review is the request for review must be filed within nine-months of issuance.
- **Inter Partes Review Proceedings:** Once the nine-month window for post grant review is expired, a party may then file for "*inter partes* review." This new system would replace inter partes reexamination and would be limited to consideration of novelty & obviousness issues based on prior art patents and printed publications. (It appears that third-party requested ex parte reexamination would remain a viable option as well).

Patent Reform 2011: Leahy - Smith "America Invents Act"

- **False Marking:** A large number of false patent marking cases have been filed in the past year. The bill would eliminate those lawsuits except for ones filed by the US government or filed by a competitor who can prove competitive injury.
- **Oath:** The bill would make it easier for a corporation to file a substitute inventor's oath when the inventor is non-cooperative.
- **Best Mode:** Although an inventor will still be required to "set forth" the best mode for accomplishing the invention, the statute would be amended to exclude failure of disclose a best mode from being used as a basis for invalidating an issued patent. The PTO will still have a duty to only issue patents where the best mode requirement has been satisfied.
- **Fee Setting Authority:** The PTO would be given authority to adjust its fees, but only in a way that "in the aggregate" recover the estimated costs of PTO activities. Along this line, a new "micro" entity would be created that would have additional fee reductions.

Patent Reform 2011: Leahy - Smith "America Invents Act"

- More info at:
 - <http://www.brookings.edu/research/papers/2011/09/patents-villasenor>
 - <http://scoop.jdsupra.com/2011/09/articles/legal-research/patent-reform-2011-legal-analysis-updates-of-the-america-invents-act/>