

THE PATENT REFORM ACT

SECURING AMERICAN INNOVATION – CREATING AMERICAN JOBS

Breaking Down The Manager's Amendment To The Patent Reform Act – Post-Grant Review And Other Patent Quality Enhancements

The Patent Reform Act (S. 515), as amended by the Manager's Amendment, will make important changes to the nation's patent system to improve the quality of patents issued by the U.S. Patent and Trademark Office. The Patent Reform Act, as amended would allow third parties to participate in the process before a patent issues, and would also create a post-grant opposition proceeding to further improve the quality of patents issued.

The Patent Reform Act will invite third-party participation in the application process for pending patents.

The Patent Reform Act, as amended by the Manager's Amendment, **will allow third parties to submit and comment on information, such as prior art, related to a pending patent application**, to be considered by a patent examiner. Patent examination is currently ex parte, with no participation by those who may have the best knowledge of the prior art.

By allowing prior art to be submitted and explained, patent examiners will have a valuable tool to use to grant only high quality patents. **When third parties are permitted to comment on pending patent applications, the U.S. Patent and Trademark Office will have better information and will issue higher quality patents.**

The Patent Reform Act will establish a "first window" post-grant opposition proceeding.

The Patent Reform Act, as amended, **will establish a "first window" post-grant opposition proceeding**, open for nine months after the grant of a patent, **to allow challengers to weed out patents that should not have issued.**

The intent of the post-grant review process is to **enable early challenges of patents, while still protecting the rights of inventors and patent owners** against new patent challenges unbounded in time and scope.

The new, but time-limited, **post-grant review procedure will provide a meaningful opportunity to improve patent quality** and restore confidence in the presumption of validity that comes with issued patents in court.

Support for Post-Grant Review Procedures

"Significant improvements have been made in [post-grant review] procedures, reducing the ability to use those procedures for abusive serial challenges to patents and thereby reducing the administrative burden on the U.S Patent and Trademark Office. The resultant procedures will provide a faster, less costly alternative to civil action to challenge patents, improving patent quality by eliminated invalid patents while reducing abusive challenges and reducing litigation costs." -- *Higher Education Associations, March 5, 2010*

"We are grateful for the changes to the first-window post-grant review and inter partes review as these measures decrease the potential for abusive challenges while increasing certainty and improving patent quality." -- *AdvaMed, April 14, 2010*

"The bill is a significant step forward in improving U.S. patent law. Many of its provisions, including the adoption of a first-inventor-to-file system and the expansion of post-grant review options, will aide in strengthening the system as a whole." -- *American Intellectual Property Law Association, March 5, 2010*

Background on the Patent Reform Act

The Patent Reform Act was introduced in the Senate on [March 3, 2009](#), by Senator Patrick Leahy (D-Vt.) and Senator Orrin Hatch (R-Utah). The Senate Judiciary Committee held a hearing about needed reforms to the nation's patent system on [March 10, 2009](#). The Committee considered amendments to the legislation during business meetings on [March 26, 2009](#), and [March 31, 2009](#), and on [April 2, 2009](#), a bipartisan majority of the panel voted to advance the legislation to the full Senate for consideration. A Committee Report to accompany the legislation was filed on [May 12, 2009](#). On [March 4, 2010](#), Leahy, Hatch and others unveiled compromise legislation addressing outstanding concerns involving first-window post-grant review, inter partes review, willfulness, interlocutory appeals, PTO funding, and supplemental examinations.