

THE PATENT REFORM ACT

SECURING AMERICAN INNOVATION – CREATING AMERICAN JOBS

Breaking Down The Manager's Amendment To The Patent Reform Act - Right of the First Inventor to File

The Patent Reform Act (S. 515) will transition the nation's patent system to a "first-inventor-to-file" system. Every industrialized nation other than the United States uses a patent priority system commonly referred to as "first-to-file." As business and competition becomes more global, patent applicants are increasingly filing patent applications in other countries for protection of their inventions. The "first-to-invent" filing system in the United States differs from that in other patent-issuing jurisdictions, causing confusion and inefficiencies for American companies and innovators.

How the First-Inventor-to-File System Works

The Patent Reform Act **creates a new "first-inventor-to-file" system that will provide patent applicants in the United States with the efficiency benefits of the first-to-file systems used in the rest of the world.** The system will make the filing date that which is most relevant in determining whether an application is patentable.

The Patent Reform Act **establishes a new administrative proceeding to ensure that the first person to file the application is actually a true inventor.** If a dispute arises as to which of two applicants is a true inventor, it will be resolved through an administrative proceeding by the Patent Board.

The **first-inventor-to-file system will simplify the patent application system** and harmonize it with our trading partners, reduce costs, and improve the competitiveness of American inventors seeking protection globally.

The first-inventor-to-file system was supported by President Johnson's Commission on the Patent System; in the Clinton administration by the Secretary of Commerce's Advisory Commission on Patent Reform; by the National Research Council of the National Academies of Science in 2004; and is supported by the [Obama administration](#).

A First-Inventor-to-File System Protects Inventors from Their Own Prior Art

In a first-to-file system, prior art can include the inventor's own disclosure of his or her invention prior to the filing date of the application. Such systems do not provide the inventor with any grace period during which time he or she is allowed to publish his or her invention without fear of it later being used against him or her as prior art.

The Patent Reform Act, however, adopts a **one-year grace period for inventors.** This will protect inventors from having their own invention used against them as prior art, while encouraging early disclosure of new inventions, regardless of whether an application may later be filed for a patent on it. Prior art will be measured from the filing date of the application, and will typically include all art that publicly exists prior to the filing date, other than disclosures by the inventor within one year of the filing.

Why a First-inventor-to-File System is Important

In a first-to-file system, **the filing date of the application is most relevant: it is an objective date and is simple to determine** because it is listed on the face of the patent. In contrast, in a first-to-invent system, the date the invention claimed in the application was actually invented is the determinative date. Unlike the objective date of filing, the date someone invents something is often uncertain, and, when disputed, typically requires corroborating evidence.

In a first-to-file system, **the application with the earlier filing date prevails.** In the first-to-invent system, a lengthy, complex and costly administrative proceeding must be conducted at the USPTO to determine who actually invented first. These proceedings can take years to complete and can cost hundreds of thousands of dollars.

A first-inventor-to-file system, by moving toward a more harmonized international patent filing system, **will provide American inventors a more efficient system for obtaining patent protection globally.**