

Reform of Invention Protection in the United States (by Me Julie Gauvreau)

Amendments have recently been introduced to American patent law (the «Law »). The two changes presented here appear to us to be especially significant. They are: 1) publication of application before issue ("Publication"); and 2) patent term adjustment ("PTA").

1. Publication

Until very recently, only issued patents were published. The Law was amended so that patent applications filed on or after November 29, 2000 are, subject to exceptions, published 18 months after their filing date or the priority date, as the case may be. The United States thereby adopts the international trend to publish patent applications. However, the Law creates certain exceptions to Publication that are absent in other jurisdictions. Hence, if the applicant certifies at the time of filing that the application will not be filed in other countries or through the PCT, the application will not be published. The Publication has its advantages and its drawbacks among which the most striking are as follows:

Advantage for the applicant/patentee: An infringer may be liable to the patentee retroactively from the Publication date of the application from which the infringed patent issued, if the infringing activities existed at that date. The patentee will be entitled to the retroactive compensation only if the published application claims were "substantially identical" to the issued patent claims.

Advantages for third parties: The invention is made available to third parties earlier and allows them to: 1) benefit more rapidly from this scientific advance; and 2) have a better idea of the state of the art when they themselves consider filing a patent application for an invention in the same field. Third parties may therefore better identify the novelty in their inventions and make a more informed decision on the advisability of filing patent applications.

Disadvantages for the applicant/patentee: The Publication gives the applicant's competitors access more rapidly to the applicant's scientific discoveries, allowing them to benefit from information which could make them more competitive. Furthermore, publication makes the application more vulnerable to competitors' attacks. Indeed, at Publication date, third parties may submit to the United States Patent and Trademark Office ("USPTO") prior art affecting the patentability of the invention claimed in the patent application. The USPTO thus has access to prior art which it may not have found otherwise.

In light of this, one should, prior to filing a patent application, weigh the advantages and drawbacks of Publication taking into account the expected life span of the technology and the level of competitiveness in the field.

2. PTA

This amendment to the Law seeks to prevent reductions of patent term protection caused by procedural delays at the USPTO. Subject to certain exceptions, PTA applies only to patents issued from applications filed on or after May 29, 2000.

The Law specifies delays within which the USPTO should perform certain actions. For instance, the Law provides that a patent should issue within three years following its filing date and within 4 months following the payment of the issue fee. The Law also provides that a first office action should issue (or that the USPTO should otherwise "act" on the application) within 14 months following the filing date of the application. If the USPTO misses these delays, the patent term will be extended by a number of days equal to the number of days exceeding the delays within which the actions should have occurred, subject to certain limitations. It should be noted that the PTA could be reduced by certain actions of the applicant itself. For instance, any request for an extension of time to reply to an office action will reduce the adjustment. The patent term may not however be reduced to less than 20 years from the date of filing.

This change in the Law ensures that the patentee will benefit fully from its monopoly by not having to bear the consequences of administrative delays that are beyond his control.