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OUTSIDE PERSPECTIVES

Challenging Your Competitors' Patent Applications: The New Rules Of Engagement Under The America Invents Act

SEPTEMBER 16TH, 2012 MARKED THE anniversary of President Obama's signing of the America Invents Act¹ (AIA), one of the most extensive changes to patent legislation in decades. It is also the date many of the reforms enacted by the AIA actually went into effect.



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Among the recently available provisions of the AIA are new procedures for parties to challenge the validity of someone else's patent or patent application, if they act quickly. The new rules are set up so that the options available to the "third party" challenger become more restrictive and more perilous as the patent ages. Therefore, if a third party is aware of old technology or "prior art" that it believes should invalidate or limit the scope of a new patent or pending patent application, it is crucial to be proactive where possible in order to ensure the most beneficial course of action is available against competitors. Preissuance submissions, post-grant review, and *inter-partes* review all encompass newly enacted methods under the AIA for a savvy competitor to attack an adversary's patent or patent application, but the options available to a challenger narrow in scope and increase in risk over time.

Preissuance Submission

Preissuance submission is the first of these consecutively-available methods, and allows anyone to make submissions during the patent application process to narrow or prevent a competitor's patent claims before the patent is issued by the United States Patent and Trademark Office ("PTO"). Unlike the former rules which only allowed preissuance submissions without comment, under

the AIA third-party submissions of prior art must include a short but comprehensive description of the alleged relevance of each document submitted. Provided the submission is properly made, it will become part of the prosecution history of the patent, and may serve to either limit the claims or block the patent from being granted altogether.

Preissuance submissions present a lower risk than the similar post-grant and *inter partes* review procedures which recently went into effect. A party making a preissuance submission, as opposed to challenging an issued patent, is not later barred from asserting that a patent claim is invalid on the same grounds raised in its prior art submission. In fact, there is no requirement to even identify the party behind the submission, who may remain anonymous for the purposes of this method. Furthermore, unlike post-issuance reviews, preissuance submissions need not be provided to the patent applicant, and therefore may potentially avoid opposition from an applicant who fails to monitor its application carefully. Parties choosing to make preissuance submissions have the additional advantage that the patents, patent applications, or other printed publications they submit do not necessarily need to be alleged prior art, but only "of potential relevance to the examination of an application."

Although preissuance submissions may be made regarding patent applications filed before September, there is still only a narrow window of time during which this practice is available for each application. Such submissions must be made before the patent examiner formalizes her decision that the applicant is entitled to a patent through the notice of allowance. In the absence of a swiftly issued notice of allowance, the submissions may be made for at least six months after the application is first published, or until the first rejection of any claim by the examiner, whichever is later.

Post-Grant and *Inter Partes* Reviews

Once a patent has been granted to a competitor, the newly available devices for challenging the patent through the PTO narrow to the more restrictive post-grant and, later, *inter partes* reviews which also carry more consequences for the challenger. Post-grant review is currently only available for certain business method patents, but otherwise will apply only to patents issuing from applications subject to first-inventor-to-file provisions which take effect in March of 2013. A third party may file a petition for post-grant review within the first nine months after a patent is granted or re-issued. Only after the time for post-grant review has expired, and after any such actual review has ended, is the final method of *inter partes* review available to challenge an issued patent.

In order to preserve their options, entities should be equipped to file a petition in the first nine months after a patent is granted in order to take advantage of the broader post-grant review process. Post-grant review petitioners may raise challenges to a patent beyond a patent's novelty and obviousness, the only grounds available during *inter partes* review. Furthermore, unlike the post-grant review process, *inter partes* review is limited to challenging the patent in question using only granted patents or printed publications.

Estoppel and Other Pitfalls

Would-be petitioners must use caution when deciding whether to challenge a patent using post-grant or *inter partes* review if they are considering initiating a suit for invalidity. While these rulings may be appealed, the petitioner is prevented, or "estopped," from asserting in a later civil action any grounds for invalidity which were or even reasonably could have been raised in the petition. If infringement litigation or a declaratory judgment action for invalidity is contemplated, the choice between these reviews as opposed to traditional civil litigation must be weighed carefully as only one of the two options may be pursued.

Conclusion

Under the newly activated provisions of the AIA, a company must enable itself to timely pursue all of the weapons available through the PTO to successfully prevent or reduce future patent infringement suits against it. This can be done by immediately and continuously monitoring the patent applications and issued patents within the applicable fields of technology sufficiently related to the company's product or methods that a patent granted to an adversary would affect the company's ability to compete. If identified early

enough, potentially damaging patents and the resulting litigation can be significantly narrowed or avoided altogether.

¹ Leahy-Smith Am. Invents Act, Pub. L. No 112-29, 125 Stat. 284-341 (2011) [hereinafter AIA].

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