

Patent Reform Act of 2007

Bradley C. Wright

Patent Reform Legislation Advisory – Congress expected to act in early 2008. On September 7, 2007, the U.S. House of Representatives passed H.R. 1908, the Patent Reform Act of 2007. The Senate Judiciary Committee on July 19, 2007 had previously recommended approval, with certain amendments, of companion bill S. 1145. Among other things, the most comprehensive changes to patent law in decades would:

- Change the United States from a “first to invent” patent system to a “first inventor to file” system, putting pressure on applicants to file patent applications more quickly. This provision, however, would be contingent upon other countries adopting a grace period permitting applicants to file applications after having publicly disclosed their inventions (Section 3).
- Make it easier for companies to file patent applications directly if employees refuse to sign papers required by the U.S. PTO for filing (Section 4).
- Attempt to provide more certainty in calculating patent damages and limit damages for patented inventions to the economic value attributable to a patent’s contribution over prior technology (Section 5).
- Make it more difficult to prove willful infringement, thus reducing the chance that an infringer would be subject to punitive damages (Section 5).
- Establish a post-grant opposition system similar to opposition proceedings already used in Europe (Section 6).
- Limit the venues in which patent infringement suits could be brought, in an attempt to prevent forum-shopping in jurisdictions such as Texas (Section 11).
- Permit parties to appeal from claim interpretation rulings by district courts before a final judgment is rendered (Section 11).
- Allow the PTO to require applicants to conduct a search and prepare an examination report for patent applications (Section 12).
- Give the U.S. PTO more authority to create new rules for patent applicants (Section 14).

It is expected that Senate Judiciary Chairman Patrick Leahy (Vermont) will try to bring the Senate version of the bill, with certain amendments, to a vote in January or February 2008. The Solicitor of the U.S. PTO, John Whealan, has been dispatched to Capitol Hill to lobby the Senate on behalf of the PTO’s interests. Competing lobbying by various industry groups on different sides of various provisions has made passage of the bill uncertain.

Bradley C. Wright is a Partner at Banner & Witcoff and can be reached at bwright@bannerwitcoff.com.