

IP LAW ADVISORY

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Provisions of the America Invents Act of 2011 that go into
Immediate Effect

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President Obama signed into law the America Invents Act of 2011 on September 16, 2011 ("the Act"). Many of the changes implemented by the Act will be effective immediately, while others will go into effect one year after enactment, namely on September 16, 2012, or later. Provisions of the Act that go into effect immediately are as follows:

- The Director of the USPTO has fee setting authority;
- Certain USPTO fees increase by 15% starting September 26, 2011;
- Patent marking includes virtual marking, such as using a public website to associate a patented article with a patent number;
- Marking a product with an expired patent is not a false marking violation;
- False patent marking claims can only be brought by the U.S. government or a party that suffered competitive injury;
- Failure to disclose the best mode of an invention shall not be used in litigation to invalidate any claim of a patent or render a patent unenforceable, where the litigation was initiated on or after enactment of the Act;
- Institution of *Inter Partes* Reexamination requires "a reasonable

likelihood that the requestor would prevail" with respect to at least one challenged claim of a patent, until *Inter Partes* Reexamination is phased out after one year;

- Prior use is a defense to patent infringement for any patent issued on or after the date of enactment of the Act;
- Tax strategies for reducing, avoiding, or deferring tax liability are now prior art to existing patents and applications;
- Human organisms are not patentable;
- Multiple defendants cannot be sued in the same patent litigation except where they are jointly or severally liable, or the claims arise out of the same transaction;
- Legal actions involving the USPTO and service upon non-resident patentees shall be initiated in the United States District Court for the Eastern District of Virginia.

Further client advisories will be forthcoming detailing some of these provisions.