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New Patent Law Could Have Significant Impact

Firms prepare to move faster as U.S. implements 'first-to-file' model

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When the U.S. Patent and Trademark Office opens its first satellite office in Detroit this year, Hartford-based Cantor Colburn will be ready to capitalize on the opportunities it presents. That's because the firm opened a Motor City office in 2002.

The satellite office is expected to be the first of several nationwide as federal officials seek to expand the number of patent examiners to implement sweeping patent law changes and reduce a backlog. Cantor Colburn, which has about 105 attorneys in five offices nationwide, is prepared to hit the ground running when the patent law changes take full effect early next year.

Among other things, the law changes the nation's system from a "first-to-invent" model to "first-to-file" beginning March 16, 2013. Philmore H. Colburn II, co-managing partner of Cantor Colburn, says that means more patent applications will be filed earlier in the process.

"That's going to increase demand for patent attorneys as well," he said in a recent interview. He added some people are racing to file patents before full implementation of the law, which will also make it easier for competitors to challenge patents soon after they are approved.

Philmore H. Colburn II, co-managing partner of Hartford-based Cantor Colburn, said the firm's Detroit office makes it well positioned to handle business from a new U. S. Patent and Trademark satellite office opening in that city.

"I would think you're going to want to get applications filed before Jan. 1 of next year to take advantage of the first-to-invent law," he said.

The law also establishes a lengthy internal review process during which patents can be challenged. Previously, the courts were the primary avenue to challenge the validity of a patent.

Firms with intellectual property practices in Connecticut have already begun to prepare for the changes. The Connecticut Intellectual Property Law Association (CIPLA) is also hosting a number of educational seminars for intellectual property practitioners, said George M. Macdonald, president of the association.

"Certainly this is the most significant change to patent law since 1952," said Macdonald, who is assistant general counsel for Danbury-based Pitney Bowes, a Fortune 500 manufacturer. "I think it has the admirable goal of simplifying aspects of patent law while harmonizing [procedures] with other countries. At CIPLA, we've decided to provide educational opportunities by featuring events with USPTO officials and other national experts."

One such program is set for Feb. 9 at the Graduate Club in New Haven. It will feature Janet Gongola, patent reform coordinator for the federal patent office. More events can be found at the association's web site at www.cipla.net.

Provisional Applications

Practitioners throughout Connecticut are investigating how to maximize the benefits of the new law for clients.

Mark D. Giarratana, a partner in the Hartford office of McCarter & English, said the first-to-file system will likely lead to an explosion of provisional patent applications, which can be finalized within a year under the new law. "Because of this system, there will be increased pressure on patent attorneys to file the applications more quickly than they did in the past," he said.

That will include the provisional applications, which allow inventors to secure a filing date before submitting a complete application up to a year later. "In order to get the earliest possible filing date, I think there will be pressure on attorneys and clients to file more provisional applications," he said.

The reforms, he said, also will move more patent challenges from the courtroom to the patent office via a new nine-month review period.

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"One of the more significant changes is a general theme of moving things that we used to do in litigation in federal court into the patent office," Giarratana said. "The procedures and the way the documents are prepared and filed and argued … is different than what you might apply in federal court. You're not dealing with a judge, much less a jury,"

He said those most capable of dealing with those changes will be hybrid practitioners who have both litigated patent cases and also argued their merits before the patent board. Giarratana has that type of experience, having litigated for 25 years and handled client cases in the patent office.

Under the law, an inventor who discloses his invention in any of a variety of ways would also have a year to file a final patent and still be able to take advantage of the first-to-file status. During that one-year window no evidence of prior art — defined under the law as including patents and printed publications such as offers for sale — can be used to invalidate the patent.

The nine-month review period and first-to-disclose provisions will mean it is more important than ever for competitors to monitor rivals, a task Giarratana sees lawyers taking on for clients.

At Day Pitney, Elizabeth A. Alquist, chair of the Intellectual Property Department, said the firm is proactively preparing for the new law. "We are always investing in the infrastructure of our patent practice to be prepared for the changes ahead and the potential ramifications to our clients," she said via e-mail.

At Cantor Colburn, Pamela Curbelo, partner and co-chair of the Chemical, Materials and Life Science Department, said the firm is closely tracking forthcoming regulations from the patent office concerning implementation of the law.

"[We] are establishing processes to streamline application drafting while maintaining quality, and are instituting processes for apprising our clients of opportunities to preemptively challenge competitors' patents in the post-grant review," she said.

She said that preparation is par for the course for the firm, which has been growing in the past few years, opening a Houston office in 2010. The firm also has offices in Atlanta and Washington, D.C.

She said intellectual property practices are continuing to grow as industries rebound along with the economy.

As for whether the patent law will help jump start the economy, as envisioned by President Barack Obama, the jury appears to be out. Giarratana, for instance, foresees some short-term increase in business for lawyers as clients seek advice on the intricacies of the new law. But some small companies may balk at the higher costs in the short term to defend their patents in the review process.

As is evidenced with the 100 new patent examiners the government is hiring in Detroit, there is at least one employment base growing already — the government.

"I think if anything the patent office is certainly going to grow," Giarratana said. "Whether it's a jobs recovery act? I think that's very questionable." ■