



Patents: First to invent vs. first to file

In the United States, we currently have a “first-to-invent” patent system. Theoretically, that system awards a patent to the first person to invent some new thing; but, in practice, there are problems.

For example, when the Patent Office cites a publication against a patent application, the applicant may challenge the citation by proving a date of invention before the date of publication. This is good for the applicant, but it can be hard on honest competitors. Since you cannot know when the actual date of invention is by looking at the public records, you cannot know an application won’t be filed, after you see something of interest in a publication. This problem can be managed, but it is real.

Another problem occurs when inventors compete to solve the same problem, and they invent solutions so similar that both inventors really came up with the same invention. Their patent applications are said to “interfere” with each other. Since the Patent Office is supposed to issue the patent to the first to invent, it has to figure out who the first one was. To do that, the office holds a type of trial to see who the first was

to “conceive” the invention and when the invention was “reduced to practice.” That can be a very expensive process when the commercial success of a new invention is still in question.

The office and the courts now presume whoever was the first to file was also the first to invent. After all, the best evidence of what was invented, and when, is the application itself; we know the invention claimed in the application was invented at least as of the filing date. If you want an earlier date of invention, you have to prove it.

Few inventors who are the second to file have evidence corroborating their story that they were actually the first to invent. So, under the first to invent system, there is little glory in being the first to invent but the second to file. Organizations without patent counsel make mistakes leading to this predicament regularly.

Many believe the patent reform legislation pending before Congress is really a “first to file” statute. The fear is someone will steal another’s invention and quickly file a patent application on it, and the true

inventor will not be able to win. Because of this fear of stealing, many hold on to the idea of a first to invent system being better. However, that view ignores two unfortunate facts: (1) the first person to invent rarely can prove it when the first to invent is the second to file, and (2) reliance on “first to invent” laws in the United States handicaps the U.S. inventor without handicapping foreign inventors, most of which are on a “first to file” system. The fact is disputes about who was first to invent are more of a drag on the system and the economy.

Under the pending legislation, there is a presumption the first inventor to file is the first inventor, but it does require the filer be *an inventor*. Someone who derives the invention from a true inventor is not to receive a patent. Some argue such a system has the same problems as a first to invent system, but many believe the process of proving someone derived the invention will be less burdensome than proving a second filer was the first to “conceive the invention” and “diligently reduced the invention to practice.” Also, there is interplay of the

“first-inventor-to-file” provisions of the bill and the so-called “grace period” designed to help less sophisticated inventors.

The bill the Senate passed is a net improvement over the system we now have — it does a better job of funding the Patent

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and Trademark Office, it should reduce some of the expense of enforcement of patents, it should make challenges to poorly examined patents easier, and it should reduce the ability for infringers to harass a patent owner. The bill still could use some changes to improve it; but, overall, it would likely give us a better system than what we have now.

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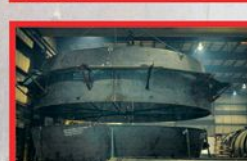
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