

UPDATE

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THE AIA TOOLBOX: INTAKE, CHECKLISTS, AND FASTER DRAFTING TECHNIQUES



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The United States has moved from a first-to-invent (FTI) regime to a first-inventor-to-file (FITF) regime under the Leahy-Smith America Invents Act (AIA). Most companies strive to file quickly to win the race to the U.S. Patent and Trademark Office (USPTO). What can companies do to ensure that the patent applications they are trying to file quickly are also high-quality patent applications? Generally, the key is to eliminate gaps between conception of the invention, disclosure of the invention to the application drafters, and filing the application with the USPTO. Ways to reduce these gaps include tailoring the invention submission process to the inventor, using an AIA-compliant checklist to ensure that all questions for inventors are expeditiously addressed at the initial invention disclosure meeting, and streamlining the preparation of the application by employing faster drafting techniques.

TAILORING INVENTION INTAKE FOR INVENTORS

A key to reducing the time from invention conception to patent application filing is to make the invention submission process convenient and more painless for everyone involved, particularly the inventors. Many companies continue to use the traditional, pre-AIA invention disclosure forms that caused inventors much angst. Inventors complained about the length of the forms, and the number and type of questions in these one-size-fits-all forms. Since these forms were painful and time-consuming, inventors postponed completing them. Invention submissions sat on inventors' desks and were delayed in getting to in-house counsel. Under the AIA's FITF regime, it is more important than ever to address this bottleneck.

The pre-AIA one-size-fits-all approach is no longer efficient. While the old disclosure forms will still work in some cases, they do not encourage inventors to submit inventive concepts as quickly as needed under the AIA. Rather, the invention submission process must be tailored to the [MORE ►](#)

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specific type of inventor/inventive teams. Some factors to consider when determining the best approach for obtaining disclosures include: (1) inventors' time constraints and availability; (2) company intellectual property (IP) culture (e.g., inventor incentive programs); (3) inventors' patent experience and training; and (4) size and location of the inventive team.

For example, if meeting requests to inventors are ignored, taking another approach is prudent. For non-responsive inventors, one effective strategy is for patent counsel to call the inventor instead of sending an e-mail.

"The bedrock of an innovation culture is proper IP training."

Some busy inventors receive hundreds of e-mails each day and a request for an invention disclosure meeting could get buried in their inbox. Efficient handling of a non-responsive inventor is especially critical under a FITF regime. As such, an even more effective strategy is to create a corporate culture that values IP. Intertwining innovation with the company's compensation structure and annual employee review creates a culture that values IP. Many companies already have programs in place to monetarily reward employees for submitting an invention disclosure, assisting patent counsel in filing a patent application, being listed as an inventor on a granted patent, or being listed on a patent licensed¹ to a third party. At exactly what stage in the process the inventors are compensated can also influence the effectiveness of a company's inventor incentive program. Only compensating inventors at patent grant or upon licensing, which might not occur until many years after the invention conception, can leave the incentive too far into the future to be

effective. Meanwhile, paying inventors for every invention submission, whether or not it is pursued in a patent application, might open the floodgates to low-quality invention submissions.² Striking a balance is important. Empirically, more companies pay inventors at patent application filing than at any other time.³

Sometimes even more effective than monetary rewards are accolades and "bragging rights." Some companies reward their most proactive inventors at a private, annual dinner with the CEO. Trophies or plaques have also proven effective for

some companies in developing a strong corporate IP culture. Companies have also built inventor halls of fame that enshrine top inventors that have been granted many patents. One survey suggests that inventor incentive programs have better results when implemented by the R&D department as opposed to the legal department within an organization.⁴ The objective is to promote a corporate culture that values IP to eliminate non-responsiveness from inventors during the disclosure and drafting process.⁵

The bedrock of an innovation culture is proper IP training. Explaining the effect of FITF will help employees understand why faster disclosures are required. Additionally, employees trained to flag IP issues are in a better position to bring them to the patent counsel's attention in a timely and efficient manner. The training they receive must be tailored to the company's industry. For example, with consumer goods companies, capturing and patenting the user experience aspects of a paper towel roll or re-sealable plastic bags can be very valuable.⁶

1. See Kassab, Chris, "Ford Offers Employees Added Incentives to Become Inventors," available at ford.com, Sept. 12, 2011 ("The second new award, the Technology License Income Award, will recognize Ford inventors named in an original patent issued to Ford if the patented invention is licensed to a third party by Ford for royalty income. The award is 30 percent of the royalty income received up to a maximum award of \$50,000 to be divided between inventors.")
2. A word of caution here: If you are putting a new incentive structure in place and find that the size of your inventor teams has changed drastically, take a minute to scrutinize the inventor team. The requirements for being a co-inventor remain the same pre-AIA and under the AIA. Although the desired timeline for filing has been shortened, we must still stand guard of application formalities, such as identifying correct inventorship.
3. See IPO – Employee Inventor Compensation Practices Survey, Report of the IPO Asian Practices Committee, February 2004.
4. See Bell, Jacqueline, "Invention Incentive Programs Get Results: Survey," January 2009, available at <http://www.law360.com/articles/85031/invention-incentive-programs-get-results-survey>.
5. Also being sued for patent infringement by a competitor promotes a stronger IP culture because it heightens the company's awareness to patents, which triggers more disclosures and filings. Another proactive approach is educating the company that good fences make good neighbors. In particular, companies with strong patent portfolios are less likely to be sued because plaintiffs will fear the potential countersuits that may be brought against them.
6. See Bloomberg BNA, "The Total User Experience: Improving the Content and Quality of Your Company's Patent Application Process Post-AIA," December 2013, available at <http://www.bna.com/total-user-experience-w17179879898>.

These potential inventors should be trained to spot these types of features when they arise and elevate the issue to patent counsel. More importantly, a well-trained inventor will provide quality, concise invention submissions⁷ that will translate into faster, high-quality patent application filings. Providing IP training to employees has, in economic terms, spillover benefits that far outweigh the cost and effort of providing the training. The training can be as basic as helping scientists, programmers, and marketers better appreciate the amount of detail that needs to go into a patent application by way of a high-level discussion about the written description and enablement requirements of patent law. The training should also include information about the company's inventor reward programs. As a result of the training, the company's invention disclosure submissions should see a noticeable improvement.

“It is important to customize the checklist for each specific company, and to periodically revisit it to keep it fresh.”

Creating a robust IP training program and a corporate culture that values IP will also create cheerleaders for IP amongst the employee ranks. These innovation enthusiasts will help drive invention submissions, and can also serve as gatekeepers when patent counsel comes across non-responsive inventors in their teams. Having a gatekeeper is particularly helpful when faced with large inventive teams. Gatekeepers can help facilitate an efficient, coordinated review of the draft patent application, as well as follow-up with non-responsive co-inventors. Moreover, when dealing with a large inventive team, it's even more important to obtain early-on the country of residence of each inventor.

If inventors reside in a country with foreign filing license requirements (e.g., India), counsel must build in time to obtain a foreign filing license before filing in the U.S. It is best to start the licensing process concurrent with other tasks in the pre-filing timeline to avoid filing delays.

DEVELOP AN INVENTION DISCLOSURE MEETING CHECKLIST

It is critical for attorneys to use a robust invention disclosure meeting checklist to ensure efficient use of inventor time and to avoid delays. To be effective, the checklist should be manageable and easy to reference. A sample one-page checklist can be downloaded from <http://witcon2014.com/sessions/>.

It is important to customize the checklist for each specific company, and to periodically revisit it to keep it fresh. For example, a consumer goods company might include

strategic questions directed at capturing the user experience. Meanwhile, every company should confirm their checklist is up-to-date with the requirements of the AIA. For example, under the AIA, attorneys must educate inventors about the expanded universe of prior art, which now includes worldwide public uses. Furthermore, while the AIA provides for a public disclosure “grace period” of sorts, if any such public disclosure has occurred, attorneys should capture and preserve the pertinent facts surrounding the disclosure. These facts and documents will form the basis of any future invocation of a 35 USC 102(b)(1) exception, or affidavits under 37 CFR

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7. The *Hayes Court* explained that it's about quality, not quantity: “While some inventions require more disclosure, the adequacy of the description of an invention depends on its content in relation to the particular invention, not its length.” See *In re Hayes Microcomputer Prods.* (Fed. Cir. 1992).

[AIA TOOLBOX, FROM PAGE 3]

1.130(a) or 1.130(b) for attribution or prior public disclosure, respectively.

Having a checklist ensures that each topic is sufficiently covered during what may be the attorney's first, and possibly only meeting, with all of the inventors. With the checklist in hand, the attorney can ask all the questions he or she needs, and then return to the office to efficiently draft a quality patent application.

FASTER DRAFTING TECHNIQUES

Even with responsive inventors who are sufficiently incentivized, what can patent attorneys do to ensure that the patent applications they are drafting on a shortened timeline are also of high quality? Faster drafting techniques include using patent application templates, implementing dedicated prosecution teams, facilitating faster application review, and avoiding straying too far from the objectives of an invention or mission creep in drafting applications.

Patent Application Templates

Patent application templates can be helpful to jumpstart the drafting process. As with the invention disclosure meeting checklist, the patent application template must be tailored to the company's industry and product offerings. For example, the template for a banking institution might include stock figures showing a systems level diagram of interactions between ATM machines, tellers, vaults, bar code scanners, and the MICR strip on a check. Meanwhile, the stock figures for a consumer goods company would be very different.

Companies typically have numerous product lines and multiple divisions. Consequently, most companies will need more than one patent application template. Specifically, a versatile template will include numerous figures with corresponding descriptions. It's up to the attorney to select

which figures are appropriate to include in the patent application for the particular invention. Moreover, the custom template should take into account the company's foreign filing predilections and the idiosyncrasies of those jurisdictions — e.g., avoiding foreign language translation costs by excluding unnecessary text in the figures.

When preparing a starter template for a company, in addition to conferring with in-house counsel and business clients, consider the following information:

- Organizational charts of the divisions and departments of the company;
- Company's product offerings and groupings;
- 10K filing, if a publicly-traded company;
- Recent patents and published patent applications;
- Closest competitors' recent patents and published patent applications; and
- 3-5 "blue sky" prophetic features of the industry.

Of course, a discussion about patent application templates would be incomplete without a word of caution. Attorneys should remain vigilant of how the stock material is prepared and where that stock material is used/re-used.⁸ The *Cold Spring Harbor Laboratories* case⁹ and the *Tethys Biosciences* case¹⁰ provide us with some guidance when using stock material.

The *Cold Spring Harbor Laboratories* case is a lawsuit brought by Cold Spring Harbor Laboratories (CSHL) against its attorney. CSHL developed a method to regulate gene expressions by using synthetic RNA molecules called "short hairpin RNAs." CSHL alleged that when its attorney drafted its patent application, he bulk copied portions from another of his client's applications into

8. See Hricik, David, "Copying Text from One Client's Patent into Another's Application," 5 No. 5 *Landslide* 22, May/June 2013.

9. *Cold Spring Harbor Laboratory v. Ropes & Gray LLP*, 840 F. Supp. 2d 473 (D. Mass. 2012).

10. *Tethys Bioscience, Inc. v. Mintz*, 98 U.S.P.Q.2d 1585 (N. D. Cal. 2010).

the detailed description section of CSHL's new application. CSHL argued that because of this, the USPTO rejected CSHL's patent application in view of the publication from which the text was copied. The CSHL case was dismissed for improper venue and transferred to Massachusetts state court where the parties eventually reached a settlement.¹¹

Meanwhile, the *Tethys Biosciences* case involves Tethys Bioscience alleging that its attorney took portions from Tethys Bioscience's provisional patent application and later reused it in another client's patent application. In response to a motion to dismiss, the Court

“Recurring interactions between the same attorneys and inventors allows everyone to work together cohesively and more efficiently.”

held that Tethys Bioscience had sufficiently stated its claim. The Court reasoned that even if the copied portions were high-level background information that a person with ordinary skill in the art would have known, the manner in which that information was presented in the provisional patent application was not publicly known. The attorney had a duty of confidentiality to his client, and sometimes this can mean that otherwise public information is barred as confidential based on the specific facts of the case. The *Tethys Bioscience* case settled and was dismissed without a final verdict from the Court.

Therefore, key points to remember when creating a company's patent application template include setting expectations and providing full disclosure. Practitioners should provide full disclosure to clients as to the source of stock language in the template and look to the USPTO's rule book for guidance when reusing material from earlier applications and patents.¹² As explained earlier, since

templates need to be customized to the particulars of the company, it is best to create fresh content. However, if any of the content will be recycled, regardless of whether or not the source is public, make this clear to all parties involved. The situations in *CSHL* and *Tethys Bioscience* might have been avoided altogether had full disclosure occurred upfront between all the parties involved.

Establishing Dedicated Prosecution Teams

Maintaining dedicated prosecution teams streamlines the drafting of applications. Recurring interactions between the same attorneys and inventors allows everyone to

work together cohesively and more efficiently. Moreover, the attorneys on the prosecution teams will gain institutional knowledge about the company's product lines and operation, which will help attorneys draft subsequent applications more quickly. For example, the drafting attorney will be on the same page as the inventor, and the invention disclosure meetings will go smoothly. The inventor will also be at ease, knowing the attorney understands the technology.

Faster Application Review

Inventors may have many responsibilities outside of filing patent applications. Therefore, reviewing a lengthy technical patent application with multiple examples, diagrams, schematics and complicated claim language is not always an inventor's top priority. Patent counsel may need to periodically check in on the application review process to manage inventor feedback to ensure timely review.

On multiple-inventor applications, **MORE ►**

11. Judge Richard G. Stearns of the District Court of Mass. has been quoted on several occasions for his statement in *CSHL v. Ropes & Gray* regarding copying: “This citation to a popular how-to reference book, which states that copying is an accepted practice in patent drafting, is dubious at best and, at worst, an insult to the professional standards of the patent bar.”
12. The USPTO's rules contemplate some amount of “recycling.” Under the Office's incorporation by reference practice, prior publications can be incorporated by reference into a patent application as if they were copied directly into the application. Likewise, the Office recognizes continuation-in-part applications that allow patent applications to claim the benefit of a previous application filing. However, in both instances, the Office requires that the source of the copying be expressly identified in the patent application.

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assigning a proactive inventor to facilitate the drafting of the application and to collect all of the feedback from the inventors greatly streamlines the review process. Encouraging inventor participation in the review process by shifting awards to patent filings may also speed up review of draft applications. Additionally, setting client-imposed deadlines on outside counsel also advances applications to filing.

Avoid Mission Creep

Avoiding mission creep, or shifting away from the main objectives of inventions during drafting, can help to reduce application preparation time. Drafting robust descriptions of the invention in patent applications is important. However, when preparing applications, it is easy to become carried away and to list multiple examples that expand beyond the original objectives of an application. This can delay the ultimate filing of the application and may also increase drafting costs because attorneys will spend more time preparing the application.

Once an application is developed with enough examples to broadly cover the key inventive concepts, the application should be filed. The additional inventive concepts discussed that are not included with the filing can be included in subsequent filings.

CONCLUSION

With these additions to our patent practitioner's AIA toolbox, we are closer to successfully filing quality patent applications for clients in record time. Streamlining the patenting process also offers the benefit of reducing the cost per application by reducing the drafting time, which results in cost savings to companies. Moving forward, the impetus is on us, as in-house counsel and outside counsel, to keep our tools sharp. It is important to revisit the patent application template periodically (perhaps even quarterly) to keep it from getting dull. As your company's industry, product offerings, and competitors change, so should your template, checklist, and inventor intake process. ■

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