

**International
Comparative
Legal Guides**



Practical cross-border insights into patent law

Patents

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1 Patent Enforcement

1.1 Before what tribunals can a patent be enforced against an infringer? Is there a choice between tribunals and what would influence a claimant's choice?

Patent owners can bring actions in U.S. federal district courts, or at the U.S. International Trade Commission (the "ITC"), or both. District Courts offer monetary damages and injunctive relief, whereas the ITC offers exclusion orders and cease and desist orders against importation and further sale of infringing products.

At the ITC, cases are often tried within a year of the filing of the complaint, and are usually completed in less than 18 months. In the U.S. district courts, the time to trial can be over a year, or several years, after the complaint is filed. In some districts, such as the Western District of Texas, trial dates are generally scheduled earlier, on average, than other districts.

A patent owner must, at the ITC, establish that there are imports of infringing products into the United States, and that the patent owner or its licensees support a significant domestic industry protected by the asserted patents. In a District Court, the patent owner can file in any U.S. state in which an accused infringer is subject to personal jurisdiction, and where the venue is proper, and must establish that the accused infringer's conduct or products infringe the asserted patents and that the patent owner is entitled to damages as a result.

1.2 Can the parties be required to undertake mediation before commencing court proceedings? Is mediation or arbitration a commonly used alternative to court proceedings?

Unless the contractual relationship between the parties requires mediation or arbitration, there is no requirement that parties must engage in mediation or arbitration before litigation. For some judges in U.S. federal districts, and at the ITC, there can be deadlines in the procedural schedule for the parties to meet and confer to discuss mediation. Judges may also require the parties to engage in settlement discussions.

1.3 Who is permitted to represent parties to a patent dispute in court?

Due to the complexity of patent litigation, patent owners typically hire counsel experienced with the tribunal in which the litigation is taking place. Although strongly discouraged, individual patent owners are entitled to represent themselves in Court *pro se*.

1.4 What has to be done to commence proceedings, what court fees have to be paid and how long does it generally take for proceedings to reach trial from commencement?

Proceedings are generally commenced upon filing a complaint. To commence proceedings in U.S. district courts, the patent owner is required to also pay a court filing fee of approximately \$400, and is required to prove effective service on the accused infringers, which can be done by serving a summons to appear and a copy of the complaint. To commence proceedings at the ITC, the patent owner is not required to pay a filing fee, and is typically not required to prove effective service on the accused infringers (although the Commission may ask the patent owner to assist the Commission in doing so).

At the ITC, cases are often tried within a year of the filing of the complaint, and typically are completed within 14 to 18 months; in the U.S. federal district courts, the time to trial can be one to several years after the filing of the complaint. However, as noted in question 1.1, in some districts, trial dates are generally scheduled earlier in comparison to other districts.

1.5 Can a party be compelled to disclose relevant documents or materials to its adversary either before or after commencing proceedings, and if so, how?

Parties may obtain discovery on matters that are relevant to a claim or defense, that are not privileged, and for which the burden and expense of the requested discovery does not outweigh its anticipated benefit and importance to the case. The scope of discovery is broader than the scope of what ultimately will be admissible at trial. The Court's ground rules also govern many aspects of conducting discovery.

A party can be compelled to disclose relevant documents. At the ITC, once the Investigation is instituted (about 30 days after the filing of the complaint), the parties can serve discovery requests. In the U.S. federal district courts, the parties will typically first exchange initial disclosures which require that each party identify sources of discoverable information.

If a discovery dispute arises, the parties are encouraged to meet to resolve the issues, but may seek the assistance of the presiding judge, including by means of a motion to compel the discovery.

Importantly, third parties may also be compelled to provide discovery, if one of the named parties seeks a subpoena.

1.6 What are the steps each party must take pre-trial? Is any technical evidence produced, and if so, how?

Patent cases begin with pleadings, i.e., the patent owner's

complaint, followed by an answer, counterclaims, or any responsive pleadings by the accused infringer. The Court will then schedule an initial case management conference, where the parties discuss proposed procedural schedules, and any issues that might likely arise in discovery. Parties typically will submit a joint-proposed procedural schedule, discovery stipulation, and protective order governing the production of, and reasonable access to, confidential information. The Court will then enter a scheduling order to govern the sequence of the pre-trial events, which are highly dependent on the particular ground rules involved for that particular court.

In “fact discovery”, the parties will serve written interrogatories, requests for production of documents, and requests for admission, as well as notices of depositions of fact witnesses. Technical evidence is produced during fact discovery, e.g., if electronics or semiconductor technology is involved, circuit layout files may need to be produced, or for a microbiology case, genetic sequences and complex protein analyses may need to be produced. During the fact discovery period, parties will also exchange preliminary infringement, invalidity, and/or unenforceability contentions.

In “expert discovery”, the experts prepare technical and economic expert reports. After the reports are exchanged, the parties depose the experts. The manner in which technical evidence is prepared will vary, but may include experts conducting experiments on the allegedly infringing and patented products.

In the claim construction process, the Court may set a Markman hearing date to resolve disputed claim terms before trial.

Then, the parties may file any motions for summary judgment, based on the facts produced, and the Court’s claim construction, so that there are no genuine issues of material fact, and there are only issues of law for the Court to decide. These motions can serve to substantially limit the scope of the trial.

Some pre-trial motions, called motions in limine, can allow the parties to limit or exclude evidence or arguments by the opposing party.

Parties then provide their pre-trial statements that identify witnesses and exhibits, proposed jury instructions, and any objections they have concerning the opposing side’s exhibits or proffered testimony.

These pre-trial stages are common at both the ITC and U.S. federal district courts.

1.7 How are arguments and evidence presented at the trial? Can a party change its pleaded arguments before and/or at trial?

Depending on the preferences of the judge presiding over the case, arguments can first be presented in an opening statement.

Factual evidence is then presented initially through either (i) written witness statements (followed by live cross examination), or (ii) live direct witness testimony (followed by live cross examination). The patent owner has the burden of proof on infringement, and accused infringers bear the burden on invalidity. There may then be closing arguments.

The audience will be the judge in a bench trial or a jury. While district court actions typically involve a jury in patent infringement cases, some proceedings, such as abbreviated new drug application (“ANDA”) litigation involving generic drugs pending final U.S. FDA approval, do not involve a jury.

Parties can generally alter arguments before or at trial, if there is good cause for doing so.

1.8 How long does the trial generally last and how long is it before a judgment is made available?

A typical patent trial is five weekdays, but the length can be

shorter or longer depending on the number of issues, or number of patents, in the case.

In U.S. district courts, an infringement verdict can issue soon after trial, but a Court’s ruling on other post-trial issues can take a few weeks or months after trial.

At the ITC, the administrative law judge (“ALJ”) typically issues an initial determination two to three months after the evidentiary hearing, which is then affirmed or overturned by the Commission at a time before the initial target date for completion of the investigation (typically 14 to 18 months after the filing of the complaint).

The appeal process usually takes between one to two years after the trial concludes.

1.9 Is there any alternative shorter, flexible or streamlined procedure available? If so, what are the criteria for eligibility and what is the impact on procedure and overall timing to trial?

Generally, the ITC is the most expedited infringement forum available, and it is exceedingly rare for the ITC to stay proceedings pending a validity challenge elsewhere. Other Courts do not usually provide shorter procedures for ultimate determinations of patent infringement. However, some U.S. district courts like the Western District of Texas have procedural schedules that are faster than most other districts.

Also, accused infringers can seek expedited relief at the Patent Trial and Appeal Board (the “PTAB”) to challenge validity, e.g., in *inter partes* reviews (“IPRs”) and post-grant reviews (“PGRs”).

1.10 Are judgments made available to the public? If not as a matter of course, can third parties request copies of the judgment?

Yes, due to a presumption of public access to judicial records. However, depending on the confidential nature of the material, and the risk it may impose on a party if it were disclosed, some documents filed with the Court may be redacted, or filed under seal.

1.11 Are courts obliged to follow precedents from previous similar cases as a matter of binding or persuasive authority? Are decisions of any other jurisdictions of persuasive authority?

All jurisdictions are subject to binding authority (from higher courts in their own jurisdictions, the U.S. Court of Appeals for the Federal Circuit, and the Supreme Court) or persuasive authority. U.S. district courts look to the Federal Circuit precedent, in particular, for issues of patent law.

The PTAB, whose decisions in IPRs and PGRs are not binding on other forums such as the ITC, will sometimes issue decisions as “precedential” or “informative”, which indicates the level of precedential value.

1.12 Are there specialist judges or hearing officers, and if so, do they have a technical background?

At the ITC, all ALJs have developed an acute patent expertise.

In U.S. district courts, when a patent case is filed, it is randomly assigned to a judge; if the judge declines to accept the case, the case would then be reassigned.

The Justices at the U.S. Court of Appeals for the Federal Circuit, as well as administrative judges at the PTAB, have all developed patent expertise.

Many judges have a technical background, but not always.

1.13 What interest must a party have to bring (i) infringement, (ii) revocation, and (iii) declaratory proceedings?

To bring a patent infringement action, the “complainant” (at the ITC) or the “plaintiff” (at the U.S. district courts) will need to either be the patent owner, or an exclusive licensee with standing. In addition, complainants at the ITC also need to be supported by a significant domestic industry based on their own (or their licensees) patented products or technology.

U.S. patent tribunals do not have revocation proceedings *per se*, but accused infringers (and other parties) can challenge the validity of a patent at the PTAB through IPRs and PGRs. *Ex parte* re-examinations may also be brought by the patent owner. In IPRs and *ex parte* re-examinations, petitioners can challenge validity only on novelty (35 U.S.C. § 102) or obviousness (§ 103) grounds. With PGRs, additional challenges are available, including patentable subject matter (§ 101) and indefiniteness (§ 112).

Accused infringers can also bring declaratory judgment proceedings challenging a patent’s validity in U.S. district courts.

1.14 If declarations are available, can they (i) address non-infringement, and/or (ii) claim coverage over a technical standard or hypothetical activity?

Declarations can be used to support a parties’ arguments on how the patent claims should be interpreted, or factual background describing, e.g., (i) a patent owner’s earlier conception and reduction to practice of an invention, (ii) how the accused products work, (iii) relevant aspects of the prior art, or (iv) economic, financial, or market data relating to damages or other economic issues.

1.15 Can a party be liable for infringement as a secondary (as opposed to primary) infringer? Can a party infringe by supplying part of, but not all of, the infringing product or process?

Yes, a party may be liable for indirect infringement if it contributes to, or induces, direct infringement (35 U.S.C. § 271(b), (c)). With contributory infringement, liability may apply where the indirect infringer makes a component constituting a material part of the invention, knowing it to be made for direct infringement.

A party may also be liable for divided infringement when that first party performs some (but not all) steps of a patented method, and a second party performs the remaining steps. The second party’s actions must be attributable to the first party’s actions, such that the second party’s actions can be determined to be attributable to the first party.

1.16 Can a party be liable for infringement of a process patent by importing the product when the process is carried on outside the jurisdiction?

Yes, process patents have started playing a larger role in patent enforcement cases, particularly at the ITC where foreign manufacturing processes are at issue. A party is liable for importing products into the U.S. made abroad by a process patented in the U.S., with the following two exceptions: (i) the product is materially changed before importation; or (ii) the product is a trivial part of another product (U.S.C. § 271(g)). Those two exceptions are not applicable at the ITC.

1.17 Does the scope of protection of a patent claim extend to non-literal equivalents (a) in the context of challenges to validity, and (b) in relation to infringement?

The scope of patent protection extends to non-literal infringing embodiments under the doctrine of equivalents. The doctrine may be limited if the patent owner surrendered a particular scope in prosecuting the patent or if the accused infringer can show that the “equivalent” would have been covered by prior art.

A patent can be found to be obvious in view of non-literal equivalent prior art under 35 U.S.C. §103.

1.18 Can a defence of patent invalidity be raised, and if so, how? Are there restrictions on such a defence e.g. where there is a pending opposition? Are the issues of validity and infringement heard in the same proceedings or are they bifurcated?

Yes, an accused infringer can raise a defense or counterclaim of invalidity in a patent suit, or a potential accused infringer can file a declaratory judgment action in a U.S. district court asserting invalidity. Also, a party can challenge validity at the PTAB, through an IPR or PGR. However, a party could be estopped from raising, at both the ITC and district court, arguments it actually (or could have) raised before the PTAB.

1.19 Is it a defence to infringement by equivalence that the equivalent would have lacked novelty or inventive step over the prior art at the priority date of the patent (the “Formstein defence”)?

The U.S. does not have a direct equivalent to the *Formstein* defense. However, a patent owner’s assertion of infringement under the doctrine of equivalents may be limited in certain circumstances.

1.20 Other than lack of novelty and inventive step, what are the grounds for invalidity of a patent?

Other grounds include lack of enablement, indefiniteness, claims unsupported by a written description, and claiming unpatentable subject matter.

1.21 Are infringement proceedings stayed pending resolution of validity in another court or the Patent Office?

U.S. district courts have the discretion to stay proceedings pending resolution of validity before the PTAB, considering whether the stay will be prejudicial to the patent owner, and the stage of both proceedings. Some districts with relatively faster schedules, such as the Western District of Texas, will be less likely to stay proceedings.

At the ITC, because of its expedited proceedings, it is exceedingly rare for the ITC to grant a stay pending a PTAB decision, and will typically only consider a stay in the rare circumstance in which an ITC case is pending when a final written decision from the PTAB has already been issued.

1.22 What other grounds of defence can be raised in addition to non-infringement or invalidity?

Other equitable defenses, such as inequitable conduct, patent misuse, and equitable estoppel may be raised.

1.23 (a) Are preliminary injunctions available on (i) an *ex parte* basis, or (ii) an *inter partes* basis? In each case, what is the basis on which they are granted and is there a requirement for a bond? Is it possible to file protective letters with the court to protect against *ex parte* injunctions? (b) Are final injunctions available? (c) Is a public interest defence available to prevent the grant of injunctions where the infringed patent is for a life-saving drug or medical device? (Please cross-refer to your answer to question 3.2 if compulsory licensing may be available in this scenario).

Yes, preliminary and permanent injunctions are available, *ex parte*, through temporary restraining orders, and *inter partes*. For a preliminary injunction, the moving party must show: (i) a substantial likelihood of prevailing on the merits; (ii) irreparable harm if a preliminary injunction were not to be issued; (iii) that the balance of hardships weighs in favour of an injunction; and (iv) an injunction will further the public interest. There are similar elements for permanent injunctions, plus requiring a final ruling on the merits. If a preliminary injunction is granted, the Court may require the moving party post a bond in the amount the Court deems sufficient to cover costs if the enjoined party later prevails.

The public interest is a factor for injunctions. If the Court finds an injunction will harm the public, it may decline to grant one.

1.24 Are damages or an account of profits assessed with the issues of infringement/validity or separately? On what basis are damages or an account of profits assessed? Are punitive/flagrancy damages available?

Damages in the district court are typically tried with the other merits and can be accounted for using a number of approaches, including an analysis of (i) a reasonable royalty, (ii) a hypothetical negotiation between the parties, (iii) any of the 15 *Georgia-Pacific* factors that may be relevant, (iv) cost savings, (v) any acceptable non-infringing alternatives, and (vi) lost profits by the patent owner due to the infringement.

Triple damages are available if the infringement is wilful, and attorneys' fees may be granted in "exceptional cases". Damages are not available at the ITC, where an exclusion order is the relief provided to a prevailing patent owner.

1.25 How are orders of the court enforced (whether they be for an injunction, an award of damages or for any other relief)?

U.S. district courts employ actions for contempt of a court order. The ITC employs enforcement actions brought before the ITC or U.S. Customs. The United States Patent and Trademark Office (the "USPTO") enforces the cancellation of claims if ordered by the PTAB. Due to the difficulty in obtaining an injunctive relief in a district court, the ITC has become a preferred forum for patent owners seeking injunctive relief.

1.26 What other form of relief can be obtained for patent infringement? Would the tribunal consider granting cross-border relief?

In exceptional cases, parties can recover reasonable attorneys' fees.

1.27 How common is settlement of infringement proceedings prior to trial?

Settlement is very common before trial. *Lexology* estimates that 95–97% of patent infringement actions in the U.S. settle before trial.

1.28 After what period is a claim for patent infringement time-barred?

Damages are not recoverable for infringement occurring more than six years before the complaint.

1.29 Is there a right of appeal from a first instance judgment, and if so, is it a right to contest all aspects of the judgment?

Parties may appeal final judgments on the merits with the Federal Circuit as a matter of right. In some cases, a party may move for permission to file an interlocutory appeal before the conclusion of the case.

1.30 What effect does an appeal have on the award of: (i) an injunction; (ii) an enquiry as to damages or an account of profits; or (iii) an order that a patent be revoked?

When a party appeals, a judgment or order in an action for patent infringement cannot be stayed after entry unless the court orders otherwise. Thus, a stay of enforcement pending appeal is not automatic in a patent infringement case. The Courts generally permit the stay of an order requiring the payment of money by posting a supersedeas bond. The stay of an injunctive order is much more difficult to obtain.

1.31 Is an appeal by way of a review or a rehearing? Can new evidence be adduced on appeal?

In an appeal, the appellant presents legal arguments to a three-judge panel in a written brief, advocating that the trial court or administrative agency committed substantial error and that the trial court's decision should be reversed. The appellee/respondent argues in a reply brief that the trial court was correct or that any error made was not significant enough to affect the outcome. After, the appellate panel will issue a decision. New evidence is not adduced on appeal, although the appellate court may ask for specific information in the record below.

1.32 How long does it usually take for an appeal to be heard?

Appeals usually take at least six months for all briefs to be filed and the full review process to take place.

1.33 How many levels of appeal are there? Is there a right to a second level of appeal? How often in practice is there a second level of appeal in patent cases?

Appeals made to the Federal Circuit can then be appealed to the

United States Supreme Court. In the past decade, the United States Supreme Court has only heard 27 patent case appeals.

1.34 What are the typical costs of proceedings to a first instance judgment on: (i) infringement; and (ii) validity? How much of such costs are recoverable from the losing party? What are the typical costs of an appeal and are they recoverable?

The average overall cost (including appeals) for patent infringement suits that seek \$1–47 million in damages is \$1–10 million (with a median of \$1.7 million) and can include costs for district courts, challenges at the PTO, and the International Trade Commission. In exceptional cases, parties can recover reasonable attorneys' fees.

1.35 For jurisdictions within the European Union: What is the status in your jurisdiction on ratifying the Unified Patent Court Agreement and preparing for the unitary patent package? For jurisdictions outside of the European Union: Are there any mutual recognition of judgments arrangements relating to patents, whether formal or informal, that apply in your jurisdiction?

The United States has no mutual recognition of judgment arrangements relating to patents.

2 Patent Amendment

2.1 Can a patent be amended *ex parte* after grant, and if so, how?

Yes, a patent can be corrected or amended by: (1) reissue; (2) certificate of correction; (3) disclaimer; and (4) re-examination.

A reissue is available when a patent is deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or the patentee claiming more or less than it had a right to claim. To file a broadening reissue, a patent owner must seek correction within two years of the issue date, and identify at least one error in the original patent.

A certificate of correction is available for clerical or typographical mistakes that occurred in good faith, and the change would not constitute new matter or require re-examination.

A disclaimer is available when the patentee determines to disclaim individual claims.

Re-examination can be filed by anyone, including the patent owner. When the patent owner asks for re-examination, the procedure is an *ex parte* consideration of prior art. If the patent owner wants wider consideration of issues, including prior public use or on-sale, it may file a reissue application.

2.2 Can a patent be amended in *inter partes* revocation/invalidity proceedings?

Yes, patent claims can be amended during an IPR or PGR.

2.3 Are there any constraints upon the amendments that may be made?

A patent can be amended during an IPR, but only in one motion after conferring with the Board, and generally no later than the filing of a patent owner response. The motion could be denied where it: (1) does not respond to a ground of unpatentability

involved in the trial; or (2) seeks to enlarge the scope of the claims of the patent or introduce new subject matter. An additional motion to amend may be authorised for good cause, or on a joint request of the petitioner and the patent owner to materially advance a settlement.

3 Licensing

3.1 Are there any laws which limit the terms upon which parties may agree a patent licence?

Parties cannot contract for royalties that run after a patent expires (see *Kimble v. Marvel Entm't, LLC*, 576 U.S. 446 (2015)). District Courts will consider fair, reasonable, and non-discriminatory obligations ("FRAND") with standard essential patents ("SEPs").

3.2 Can a patent be the subject of a compulsory licence, and if so, how are the terms settled and how common is this type of licence?

Compulsory licences are generally disfavoured and not common in the U.S.

4 Patent Term Extension

4.1 Can the term of a patent be extended, and if so, (i) on what grounds, and (ii) for how long?

Patents are eligible for an unlimited number of extensions caused by certain delays in processing applications by the USPTO. Patents claiming a new drug may be extended by up to five years caused by regulatory review of the drug.

5 Patent Prosecution and Opposition

5.1 Are all types of subject matter patentable, and if not, what types are excluded?

35 U.S.C. § 101 defines patentable subject matter as any new and useful process, machine, manufacture, or composition of matter. Courts use the Alice/Mayo test to exclude abstract ideas and laws of nature from patentable subject matter (impacting diagnostic and software inventions).

5.2 Is there a duty to the Patent Office to disclose prejudicial prior disclosures or documents? If so, what are the consequences of failure to comply with the duty?

Yes, the USPTO places a duty of candor and good faith upon each individual associated with the filing and prosecution of a patent application, including an obligation to submit any known information that is material to patentability (i.e., not cumulative of the record, and would establish a *prima facie* case of unpatentability of a claim, or would materially refute or be inconsistent with a position of the applicant in arguing patentability). There is no affirmative duty to search for material information. The duty of disclosure continues after a patent has been issued. Failure to satisfy the duty of disclosure can be considered fraud and result in a finding of inequitable conduct, which may result in the patent being unenforceable.

5.3 May the grant of a patent by the Patent Office be opposed by a third party, and if so, when can this be done?

Yes, a grant of a patent by the USPTO may be opposed by a third party, by (i) *ex parte* re-examination, (ii) a PGR within nine months of issuance, or (iii) an IPR within one year of service of a complaint alleging infringement. Absent the filing of a complaint alleging infringement, there are no time limits on filing *inter partes* review proceedings. There are no restrictions on the filing of an *ex parte* re-examination.

5.4 Is there a right of appeal from a decision of the Patent Office, and if so, to whom?

Yes; the applicant has the right to appeal a decision by an Examiner to a three-member panel of the PTAB, whose decisions can then be appealed to the Federal Circuit. Review of a decision by the PTAB can also be obtained via civil suit in the Eastern District of Virginia (35 U.S.C. §§ 145-146). The decisions from the Eastern District of Virginia can also be appealed to the Federal Circuit, whose decisions can then be appealed to the United States Supreme Court.

5.5 How are disputes over entitlement to priority and ownership of the invention resolved?

For applications filed prior to March 16, 2013, interference proceedings, i.e., resolution of inventorship thus ownership, may be available.

For applications filed on or after March 16, 2013, interference proceedings are no longer available, and the first inventor to file is presumed to have priority. However, in cases where a party files an application on another's invention, derivation proceedings are available.

5.6 Is there a "grace period" in your jurisdiction, and if so, how long is it?

For applications filed prior to March 16, 2013, any disclosure that occurred within one year prior to the application filing may be removed as prior art if the applicant can prove that they invented the invention prior to the disclosure.

For applications filed on or after March 16, 2013, a disclosure made one year or less before the effective filing date of a claimed invention is not considered prior art to the claimed invention if the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

5.7 What is the term of a patent?

The term of a U.S. patent is 20 years from the earliest filing date of the application on which the patent was granted, and any prior U.S. or Patent Cooperation Treaty ("PCT") applications from which the patent claims priority, excluding provisional applications. In certain circumstances, the term of the patent can be increased or reduced.

For U.S. design patents filed on or after May 13, 2015, the term is 15 years from the issue date (14 years from the issue date for applications filed before May 13, 2015).

5.8 Is double patenting allowed?

Double patenting is allowed subject to certain restrictions. Statutory-type double patenting (where two patents claim exactly the same subject matter) is not allowed.

Non-statutory obviousness-type double patenting (where two commonly owned patents claim subject matter that, while different, are obvious variants), is allowed if overcome by filing a terminal disclaimer.

5.9 For jurisdictions within the European Union: Once the Unified Patent Court Agreement enters into force, will a Unitary Patent, on grant, take effect in your jurisdiction?

This is not applicable to our jurisdiction.

6 Border Control Measures

6.1 Is there any mechanism for seizing or preventing the importation of infringing products, and if so, how quickly are such measures resolved?

The most effective mechanism for preventing the importation of infringing products is by filing a complaint at the ITC for an exclusion order blocking imports and/or a cease and desist order blocking further sales of infringing products. Initial determinations typically issue within nine to 12 months after institution, and may be reviewed by the full Commission, followed by a 60-day Presidential Review period before the orders are issued.

7 Antitrust Law and Inequitable Conduct

7.1 Can antitrust law be deployed to prevent relief for patent infringement being granted?

An accused infringer may assert an antitrust counterclaim against the patent owner and seek a ruling that the patent is unenforceable.

7.2 What limitations are put on patent licensing due to antitrust law?

Patent misuse theories may render patents unenforceable for improper licensing, e.g., requiring payments after patent expiration.

7.3 In cases involving standard essential patents, are technical trials on patent validity and infringement heard separately from proceedings relating to the assessment of fair reasonable and non-discriminatory (FRAND) licences? Do courts set FRAND terms (or would they do so in principle)? Do courts grant FRAND injunctions, i.e. final injunctions against patent infringement unless and until defendants enter into a FRAND licence?

Generally, patent infringement and validity trials involve damages issues, including FRAND licensing issues for SEPs. Most courts

use some combination of the “top down” and “comparative licensing” approaches. U.S. Courts have limited ability to set FRAND terms globally. Although it is uncommon for a court to grant an injunction against an alleged infringer of an SEP, some trial courts have issued them, e.g., the standard setting organisation’s patent policy agreement is found to be unenforceable.

8 Current Developments

8.1 What have been the significant developments in relation to patents in the last year?

This year, Kathi Vidal, former partner at Winston & Strawn, was confirmed as the Director of the USPTO. Regarding new questions of law in the field of inventorship, a Federal Circuit panel held in *Thaler v. Vidal* that artificial intelligence systems cannot be “inventors” under the Patent Act.

Regarding subject matter eligibility, in response to a letter from U.S. senators in 2021, the USPTO issued a report in June 2022, which included a compilation of feedback which the USPTO received about 101 policy. Significantly, while many observers anticipated that the Supreme Court would take up a subject-matter eligibility Section 101 case, the court declined to do so in both *American Axle* and in *Spireon v. Procon* this year.

Regarding some of the top patent districts in the U.S., recently the Western District of Texas has ceased assigning most of the patent cases to Judge Albright and has started to more equally distribute cases amongst other judges. This may lead to less plaintiffs filing in the Western District of Texas.

8.2 Are there any significant developments expected in the next year?

Now that the USPTO has issued its report summarising the state of current subject-matter eligibility law and the U.S. Supreme

Court has declined to wade into the debate on how to determine when an invention is subject-matter eligible or not, Congress may enact changes to the America Invents Act (“AIA”) based on the USPTO’s report and/or pressure from the industry for more clarity.

Further, the Unified Patent Court is expected to start functioning in late 2022 or 2023; it remains to be seen how many inventors elect to file applications with the UPC in addition to, or instead of, using existing avenues for protection in Europe, and how the UPC will rule on SEP/FRAND and other hot-button issues.

8.3 Are there any general practice or enforcement trends that have become apparent in your jurisdiction over the last year or so?

Many patent owners have been filing infringement lawsuits in the Western District of Texas due to Judge Albright’s quick case turnaround, but this may change with that district changing its practices for assigning patent cases.

Many emerging technologies are seeing an uptick in patent application filings, including artificial intelligence, blockchain, and renewable energy. As more companies file for applications in these technology spaces, patent litigation in these technology spaces may also increase.

Despite many states loosening COVID-19 pandemic regulations and mandates, many courts continue to offer the option to hold hearings and other proceedings remotely, and many continue to allow remote depositions. While the age of remote trials is unlikely to persist post-COVID, allowances for remote proceedings will likely continue even as the pandemic risks continue to decline.



Michael T. Renaud, recognised as one of the World's Leading IP Strategists by *IAM* magazine in its annual *IAM 300* publication, is the central tactician in developing and implementing multinational litigation and enforcement strategies, coordinating counsel across the globe. As firmwide Chair of the Intellectual Property Division, Mr. Renaud leads an international team of IP prosecutors, litigators and transaction specialists. As an engineer with 20 years' experience in intellectual property, Mr. Renaud achieves success both in and out of the courtroom stemming from his uncommon combination of sound legal judgment, strong business acumen, and experience with, and sensitivity to, changing market conditions.

In the past year, he has led multiple teams of attorneys in U.S. federal district courts, the International Trade Commission, and German and Chinese courts, to successfully enforce patents for companies like GlobalFoundries, the largest semiconductor foundry in the U.S., against the largest semiconductor foundry in the world.

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Mr. Karambelas's clients are focused on technologies ranging from high-tech and software, to life sciences and medical products. He has worked on cases for clients with patents in semiconductor technology, microbiology and genetic engineering, graphics processing, telecommunications, medical-quality flocked swabs, and healthcare information systems. He has played key roles on cases at the International Trade Commission to successfully enforce patents for semiconductor companies like GlobalFoundries, the largest semiconductor foundry in the U.S., against the largest semiconductor foundry in the world.

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