

Intellectual Property Procedure in U.S. Federal and Administrative Courts

Presented to
Pericles Center for International Legal Education

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U.S. Constitution

- Article I - The Legislature
- Article II - The Executive
- Article III - The Judiciary

Separation of Powers and Limitations on Judicial Power

- State Courts vs. Federal Courts
- Judicial Power vs. Legislative and Executive Power
- Ordinary Courts vs. Specialized Courts
- Judges vs. Juries

Specialized Federal and Administrative Courts

■ Article II Courts

- Judges Appointed and Removed by President
- Specialized Jurisdiction, e.g., USPTO
- Subject to Review by Article III Courts

■ Article III Courts

- Judges Nominated by President Subject to Confirmation by Senate, with Lifetime Tenure
- Some Have Specialized Jurisdiction, e.g., U.S. Court of Appeals for The Federal Circuit

Article II Administrative Tribunals in the U.S. Patent and Trademark Office (USPTO)

- Trademark Trial and Appeal Board
- Patent Trial and Appeal Board
- All Final Orders Subject to Review by Article III Federal Courts
- Avenue of Appeal Depends of Type of Case and Election by Party

Trademark Trial and Appeal Board (TTAB)

- Ex Parte Review of Decisions by Trademark Examiners on Registration of Trademarks
- Inter Partes Adjudication of Trademark Opposition and Cancellation Proceedings
- Party Challenging Board Decision Must Have “Standing”
- Adverse Decision of TTAB is Subject to Alternative Avenues of Review by United States Courts Upon Election by Unsuccessful Applicant, Opposer or Cancellation Petitioner

APPEAL OF ADVERSE DECISION BY TRADEMARK TRIAL AND APPEAL BOARD

- Appellate Review by U.S. Court of Appeals for the Federal Circuit

-or-

- De Novo Review by U.S. District Court

New U.S. Patent Law

1. Patent Trial and Appeal Board Replaces Former Board of Patent Appeals and Interferences
2. Significantly Changes Procedures for Patent Application and Prosecution
3. New Post-Grant Procedures for Issued Patents
4. Substantial Amendment of Provisions Relating to Litigation and Licensing of Patents

Summary of New U.S. Patent Law

- “First to Invent” replaced by “First Inventor to File” for applications filed on or after March 13, 2013.
- Expands definition of prior art
- Newly established “derivation proceeding”
- Ex parte reexamination retained
- Expands inter partes review
- Adds post-grant review

Other Changes to U.S. Patent Law

1. Tax Strategy Inventions
2. False Marking
3. Filing by Other Than Inventor
4. Best Mode
5. Prior user rights defense
6. Micro-Entity
7. Confidential Sale

New Procedures for Patent Application and Patent Prosecution

1. “First-to-File” Replaces “First-to-Invent”
2. Prior Art Submissions by Third Parties Now Permitted
3. Patent Applications for Tax Strategies are Now Deemed Within the Prior Art
4. New Procedure for Prioritized Examination
5. Applicant May Now File Statement in Lieu of Inventor’s Oath
6. Best Mode Requirement Effectively Eliminated
7. Derivation Proceedings Replace Interference Procedure for Determining First to Invent

New Post-Grant Procedures for Issued Patents

- Inter Partes Review Replaces Inter Partes Reexamination
- Post-Grant Review Proceeding
- Supplemental Examination
- Transitional Program for Business-Method Patents
- Patent Marking

Expanded and Exclusive Jurisdiction of Patent Trial and Appeal Board

- Exclusive Jurisdiction Now Includes Every Application and Issued Patent Involving:
 - Inter Partes Review
 - Post-Grant Review
 - Newly Established Review of Business Method Patents
 - Derivation Proceedings

New Patent Law Limits Appeal of Decisions by Patent Trial And Appeal Board

- Prior Law Permitted Election Between Appeal to U.S. Court of Appeals or Civil Action in Federal District Court to Obtain a Patent
- New Law Restricts Appeal of Inter Partes and Post-Grant Reviews and Ex Parte Reexamination Proceedings to U.S. Court of Appeals; but
- New Law Retains Right to Bring Action in Federal District Court in Limited Circumstances

Certain Board Decisions Remain Subject to Review by Action in Federal District Court

- Patent applicant dissatisfied with decision by Patent Trial and Appeal Board on final rejection of patent application, unless the applicant has appealed to the U.S. Court of Appeals for the Federal Circuit
- In a derivation proceeding where the losing party initially filed a notice of appeal from the Patent Trial and Appeal Board to the Federal Circuit
- Party Dissatisfied with decision in interference proceeding may sue in Federal District Court unless party has appealed to the Federal Circuit.

Effect of New Patent Law on Patent Litigation and Licensing

- Expanded Defenses to Infringement
- Changes in Rules Relation to Joinder of Parties in Infringement Cases
- Failure to Seek Advice of Counsel in Infringement Cases No Longer Proof of Willful Infringement
- Elimination of Patent Marking Lawsuits

Joinder of Parties Under New U.S. Patent Law

- Only related parties may be joined in a single lawsuit, e.g., multiple manufacturers, distributors or resellers of an identical product.
- Allows defendants greater ability to transfer case to a more desirable venue, thereby avoiding plaintiff-friendly courts

False Patent Marking Lawsuits

- No More “Qui Tam” Lawsuits
- Plaintiff Must Now Establish True Competitive Injury

Article III – United States Courts

- **U.S. Supreme Court**
- **U.S. Courts of Appeals**
 - 12 Regional Circuits
 - U.S. Court of Appeals for the Federal Circuit
- **U.S. District Courts**
 - 94 Territorial Districts
 - De Novo Review of Trademark Registration and Some Patent Issuance Cases
 - Jurisdiction Over All Patent, Trademark and Copyright Infringement Cases

U.S. Courts of Special Jurisdiction

- U.S. Appellate Courts
 - **U.S. Court of Appeals for the Federal Circuit**
 - U.S. Court of Appeals for the Armed Forces
 - U.S. Court of Appeals for Veterans Claims
- U.S. District Courts
 - U.S. Court of International Trade
 - U.S. Court of Federal Claims
 - U.S. Tax Court
 - Judicial Panel on Multidistrict Litigation
 - Foreign Intelligence Surveillance Court

U.S. Court of International Trade

- Specialized Court with Nationwide Jurisdiction
- Adjudicates cases arising out of U.S. International Trade Laws
- Hearings in Foreign Nations
- Residual Authority to Decide any Civil Action Against the United States.

International Trade Commission

- Independent, Quasi-Judicial Agency
- Successful Action Results in Exclusion of Infringing Imports
- Elements of Action
 1. Infringement of IP Right or Unfair Competition
 2. Importation, Sale For Importation, or Sale After Importation
 3. Domestic Industry Relating to Accused Product
- Damages Not Available

Limitations on Jurisdiction of Federal Court

- Actual Case or Controversy
- Standing
- Subject Matter Jurisdiction
- Mootness

Stolichnaya

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

FEDERAL TREASURY ENTERPRISE SOJUZPLODOIMPORT
OAO "MOSCOW DISTILLERY CRISTALL,"

Plaintiffs-Appellants,

ZAKRYTOE AKTSIONERNOE OBSHESTVO "LIVIZ,"

Plaintiff,

v

SPI GROUP LIMITED, SPI GROUP SA, YURI SHEFLER, ALEXEY OLIYNIK
ALLIED DOMEQ INTERNATIONAL HOLDINGS B.V.,
ALLIED DOMEQ SPIRITS & WINE USA, INC., d/b/a ALLIED DOMEQ SPIRITS, U.S.A.,
WILLIAM GRANT & SONS USA, WILLIAM GRANT & SONS, INC.,
SPIRITS INTERNATIONAL B.V., f/k/a SPIRITS INTERNATIONAL N.V.,

Defendants-Appellees.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

Dictionary Definition of “Zakreplyat”

закреплять [*zakreplyat'*]

несовер. - закреплять; совер. - закрепить (что-л.) 1) fasten, strengthen, fortify, secure; consolidate перен. 2) (за кем-л./чем-л.) assign (to), set aside (for) закреплять за собой 3) фото fix, закрепить 1. (вн.) secure (smth.) , fasten (smth.) , fix (smth.) ; 2. (вн. за тв. ; обеспечивать права на кого-л. , что-л.) attach (smb. to); assign (smth. to); 3. (вн.; упрочивать) consolidate (smth.) ; воен. тж. reinforce (smth.) ; ~ победу consolidate a victory; ~ успех consolidate a success; follow up a success; 4. (вн.) фото fix (smth.) ; 5. (вн.; желудок) steady (smth.) , bind* (smth.) ; ~ся, закрепиться б. (принимать устойчивое положение) hold* firm; 7. (упрочиваться) take* root; 8. воен. mount defences, dig* in; ~ся на захваченной позиции consolidate the position.¹⁶

THANK YOU