

“As Time Goes By – Patent Reform Gone Awry”

by Dale Carlson

In summing up the America Invents Act (“AIA”) in as few words as possible, GWU Law’s Professor Hal Wegner put it thusly: “It’s bad law, but it’s the law. Get over it.” A recent practitioner survey cited by the Patently-O blog suggested that fully seventy percent of patent practitioners surveyed agree with Prof. Wegner’s assertion that it’s bad law.

How did we stumble upon this sad time for our patent system – a time that is the antithesis of the “golden age of patent law” that Past President Andrea Ryan hailed during her time as NYIPLA President? Perhaps we were waiting for another Judge Giles S. Rich to materialize, join our ranks, and set things right. That certainly didn’t happen, at least not soon enough. More likely a myriad of factors were involved: a sense by some in the popular press that the patent system had gotten too big for its britches and that small patent players had developed too much clout for their size as users of the system; and a sense that the big patent players perceived a pressing need, and a once-in-a-lifetime opportunity, to slant the system to their advantage using their lobbying clout.

In reflecting on this legislative sea change, there’s good news and bad news. The good news is that the NYIPLA was not a significant force behind this change. The bad news is that the NYIPLA was not a significant force to counter this change, and to propose a better approach.

One’s mind stumbles over the idea that the NYIPLA was “not a significant force” in addressing misplaced IP reform. That concept is shocking, particularly in light of the fact that the NYIPLA has played a key role several times in decades past in defending and strengthening our IP systems, and in propounding progressive IP legislation - legislation that actually advanced public policies underlying our nation’s IP systems.

Consider the Lanham Act of 1946. Several members of our Trademarks Committee at the time, including Committee Chair Sylvester J. Liddy, testified before Congress in support of the Act. The end result was an Act that improved protection for trademarks.



Consider the Patent Act of 1952. At a meeting of the National Council of Patent Law

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Associations (predecessor of the “NCIPLA”) in 1950, NYIPLA Past President Giles Rich and GWU Law’s Paul Rose were appointed as a two-person drafting committee for the Act, in coordination with the Patent Office’s Pasquale Federico. The end result was an Act that improved our patent system in a myriad of ways.

What went awry with the patent bill drafting process, beginning in the mid-2000s, and leading up to the AIA’s enactment? Most importantly, the NCIPLA was abolished by the AIPLA, leaving the voice of local and regional IP law associations stuck in a virtual vacuum.

What needs to be set right? For one thing, ambiguities in the AIA’s language are rampant. The words in the statute literally stumble over each other. Witness, for example, the phrases “inter partes reexamination,” “inter partes review,” and “post-grant review” as set forth in the statute. All three procedures are post-grant, and all three are inter partes. Needless to say, the conceptual overlap leads to confusion, even among the experts, and will doubtless befuddle users of the patent system. Confusion leads to uncertainty for patent users and practitioners alike.

As Federal Circuit Judge Pauline Newman, a former NYIPLA Board Member, stated in her dissenting opinion in *In re Bilski*: “Uncertainty is the enemy of innovation. These new uncertainties not only diminish the incentives available to new enterprise, but disrupt the settled expectations of those who relied on the law as it existed.” The uncertainty caused by ambiguous, and sometimes retroactive, provisions of the AIA risks damaging our nation’s patent system for decades to come.

How can things be set right? Legislation to supplement, or better yet supplant, the AIA is likely needed. PTO rulemaking is not up to the task for the simple reason that substantive changes are needed, and the PTO’s authority is limited to procedural changes.

How do we, as an Association, become an agent for change to the AIA? The most straightforward way is to emulate our Association’s past successes on the legislative front. Perhaps we can catalyze the formation of a new network of IP law associations - one that is separate and distinct from the national IP organizations. Come to think of it, “NNIPLA” has a nice ring to it, and the “NN” part of the acronym could serve double duty as “not national.” Hopefully, we’ll always be able to take pride in our Association’s regional character, and its mettle too!

With kind regards,
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The views expressed herein are those of the author and do not reflect the views of his firm or the NYIPLA.