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The Early Bird Gets the Worm: Practical IP Strategy Post-AIA

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Last year, the Leahy-Smith America Invents Act ("AIA") significantly changed the rules for obtaining a patent. The AIA has been called "one of the most significant legislative reforms to the patent system in our Nation's history," and for good reason.¹ The AIA provided many updates, but perhaps the most important change relates to when to file a patent application. Companies that take the time to understand the updates could possibly obtain a business advantage.

First-to-File wins.

Under the old system, inventors were not incentivized to disclose their invention until the product was fully developed and ready for market. However, on March 16, 2013, the United States followed the lead of many other patent offices around the world and moved to a first-to-file patent system. This system awards a patent to the first inventor to file a patent application. The system also may encourage early filings by large companies with a dedicated budget for Intellectual Property. This could hurt smaller companies that don't have the dedicated budget. So, what can a smaller company do to ensure they are competitive with the big companies?

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File early, and often.

One method to help inventors become the "first-to-file" is to file a provisional patent application to secure the earliest possible filing date. Provisional patent applications are generally shorter and less formal than their full-blown, utility patent counterparts. As the concept is further developed, additional provisional applications may be filed incorporating the improvements. By continuously filing new applications that incorporate the improvements, even the most nascent embodiments have a better chance of being protected. Additionally, the AIA also

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included different fee structures that incentivizes smaller companies to file patents because the fees are reduced for those entities.

Make inventors aware.

Organizations and in-house counsel can do their part by informing their inventors about the changes in the law and the significance of early disclosure. To fast-track the disclosure process, companies could implement invention harvesting techniques and do monthly check-ins to determine if there are any potentially patentable improvements. Another technique might be to create a dedicated email address so that potentially patentable ideas may be monitored by a registered patent attorney. Nonetheless, the patenting process will be more streamlined if your patent attorney is engaged as early as possible in the inventive process, and kept informed regarding any improvements to your company's offerings.

Indeed, the changes made to the patent laws by the AIA are remarkable. Companies that take the time to understand the changes will be the best equipped to take advantage under the new laws.

¹<http://www.whitehouse.gov/blog/2012/09/17/patent-reform-celebrating-one-year-anniversary-america-invents-act>

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Rutan & Tucker represents a broad spectrum of clients, from major

multinational corporations and financial institutions to family-owned businesses and private individuals; from high-technology and industrial enterprises to agricultural firms; from real estate developers to governmental agencies, educational institutions and charities. The firm's practice extends throughout the United States and includes both the representation of foreign companies doing business in the United States and domestic companies engaged in activities abroad.