



## EXCO MEETING, CAPE TOWN 13 & 18 APRIL 2015

COUNTRY REPORT	
TITLE:	Country report for <a href="#">Country report for United States of America [US] (10 March 2015)</a>
DRAWN UP BY:	<a href="#">Barry W. Graham, President of U.S. Section of FICPI ("FICPI-US");</a> <a href="#">Andrew D. Meikle, President-Elect FICPI-US; and</a> <a href="#">Douglas T. Johnson, Treasurer FICPI-US</a> <a href="#">John B. Hardaway III, Past-President of FICPI-US</a> <a href="#">Naresh Kilaru</a>
TABLED TO:	FICPI delegates
PURPOSE:	For information and consideration
SNIPPET:	News from and activities of the FICPI national group in the United States since the Barcelona ExCo in November 2014.

### SECTION A: ACTIVITIES OF FICPI ASSOCIATION/SECTION

The information supplied in Section A will remain confidential on FICPI's website after the ExCo (will require a password).

### SECTION B: CHANGES IN LAW

Information supplied under Sections B and C will be published on FICPI's website after the ExCo and will be available to the public.

#### B1. LEGISLATION

- Please provide details of any changes to IP legislation (patent, trade mark, design and other) in your country implemented or due to be implemented since you reported last in October 2014.

[The United States Patent and Trademark Office \(USPTO\) today announced on February 13, 2015 that the United States has deposited its instrument of ratification to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs \(Hague Agreement\) with the World Intellectual Property Organization \(WIPO\) in Geneva, Switzerland. This marks the last step in the membership process for the United States to become a Member of the Hague Union. The treaty will go into effect for the United States on May 13, 2015.](#)

[Currently, U.S. applicants wishing to pursue protection for industrial designs in multiple jurisdictions must file individual applications in each of the respective jurisdictions where industrial design rights are desired. When the Hague Agreement enters into force for the United States, it will be possible for U.S. applicants to file a single international design application either with WIPO in Geneva, Switzerland, or the USPTO to obtain protection in multiple economies. The Hague system for the protection of industrial designs provides a practical solution for registering up to 100 designs in over 62 territories with the filing of one single international application.](#)



The U.S. Congress is considering, once again, “anti-troll” legislation with respect to non-practicing entities (NPEs), but it appears that the proposals up to this point are not mutually acceptable to all affected by the proposed legislation.

## B2. MAJOR CASES

2. Please provide brief details of any new case law in the field of patents, trademarks, design or other IP of general interest.

The Supreme Court has decided two cases dealing with factual determinations in patent and trademark disputes.

On January 21, 2015, the Supreme Court clarified the doctrine of trademark “tacking” in its decision in *Hana Financial, Inc. v. Hana Bank*. “Tacking” permits a party to claim priority in a trademark based upon prior use of another mark when the two marks create the same, continuing commercial impression and the later mark does not materially differ from or alter the character of the prior mark. In *Hana*, the Court concluded that tacking is a question of fact for the jury rather than a question of law for the judge. Justice Sotomayor’s opinion noted that the substantive standard for tacking requires two marks to create the same, continuing commercial impression so that consumers consider both as the same mark. The Court held that application of a test that relies upon an ordinary consumer’s understanding of the impression that a mark conveys falls comfortably within the ken of the jury.

The U.S. Supreme Court issued its opinion on January 20, 2015 in the case of *Teva Pharmaceuticals USA, Inc. v. Sandoz, Inc.*, holding that a determination of a factual dispute in the course of claim construction is subject to review for clear error by the Federal Circuit and not de novo review.

In *Teva*, the claim term “molecular weight” could be calculated three different ways. The parties presented expert testimony about how a skilled artisan would understand the molecular weight should be calculated based upon the patent specification. The trial court credited *Teva*’s expert account and rejected *Sandoz* expert’s explanation. The Federal Circuit did not accept *Teva*’s expert’s explanation. Significantly, in failing to accept that explanation the Federal Circuit made no specific finding that the trial court’s contrary determination was “clearly erroneous.”

In the 1996 *Markman* decision, the Supreme Court held that interpretation of terms in a patent claim is a question of law for judges rather than a task for juries. *Markman* claim construction hearings have become a critical juncture in patent litigation where the judges’ claim construction will resolve some cases entirely or at least shape them for trial. The Federal Circuit has traditionally applied a de novo standard of review to trial court claim construction and indefiniteness rulings, making the decision for itself with no deference to how the trial court judge ruled. While the Supreme Court decision states that the Federal Circuit cannot set aside subsidiary factual determinations by a trial court without finding that those determinations clearly erroneous, it did not change the general rule that claim construction and indefiniteness are ultimately questions of law. Greater difference to factual findings in the District Courts related to claim construction may lead to moderately greater certainty and fewer reversals on appeal. However, subsequent to the *Teva* decision, the Federal Circuit has not hesitated to apply that de novo review in cases where it did not believe the trial court’s claim construction involved subsidiary factual determinations.



### B3. OFFICIAL PRACTICE

3. Please provide details of any changes in official patent and trademark office practice which would be of general interest to other members.

The USPTO released an updated set of Guidelines on December 16, 2014, in the wake of the Supreme Court's decisions in *Alice*, *Bilski*, *Mayo* and *Myriad*. The USPTO also released examples to be used in conjunction with newly released USPTO Guidelines. The newly released USPTO Guidelines and examples do not carry the force of law. Nevertheless, the newly released USPTO Guidelines are intended to provide greater clarity and consistency across all technologies for Examiners in determining what claims are patent eligible under 35 U.S.C. § 101.

The new Guidelines supersede the earlier Guidance released by the USPTO on March 4, 2014. Notably, the Guidelines have removed the complicated list of factors. Perhaps the most important portion of the Guidelines is the discussion of the overall subject matter eligibility test for products and processes and the determination as to whether a nature-based product has markedly different characteristics (e.g., structurally, functionally and/or other properties) from its naturally occurring counterpart in its natural state (Step 2A), and whether a claim recites additional elements that amount to significantly more than the judicial exception(s) (e.g., law of nature/natural principles) (Step 2B).

The set of examples to be used in conjunction with the Guidelines discuss ten different fact patterns. The new set of examples appears to broaden the scope of patent eligibility. As an example of how the scope of patent eligibility is broadened, a purified or isolated nature-based product may be patent eligible when there is a different structural or functional characteristic that rises to the level of a marked difference from the product's naturally occurring counterpart in its natural state (e.g., a claim was deemed patent eligible that added a preservative that slowed spoilage of naturally occurring pomelo juice). When the nature-based product in a claim has markedly different characteristics, and thus is not directed to a "product of nature" judicial exception, the claim qualifies as patent eligible subject matter.

Further, the new Guidelines state that when the nature-based product is produced by combining multiple components, the markedly different characteristics analysis should be applied to the resultant nature-based combination rather than its component parts. Thus, a combination of nature-based products qualify as patent eligible subject matter if it has markedly different characteristics than any naturally occurring counterparts of the combination or the individual components (e.g., a claim that mixed *S. thermophilus* and *L. alexandrinus* in milk was deemed patent eligible because the two bacterial species acted together to ferment milk into a lower fat yogurt than either produced when individually mixed with the milk).

If the claimed product has no markedly different characteristics from its naturally occurring counterpart in its natural state, the eligibility analysis must proceed to the second step of determining if the claim recites any additional elements that amount to significantly more than the judicial exception. This is a departure from the earlier Guidance released by the USPTO. "Significantly more" can be shown when there is an improvement to another technology or technical field, an addition of a specific limitation other than what is well-understood, routine and conventional in the field, or adding unconventional steps that confine the claim to a particular useful application.



While the examples to be used in conjunction with the newly released Guidelines appear to broaden the scope of patent eligibility, they are not fully comprehensive. Accordingly, it will likely take years before a bright line test can be established from court decisions regarding what specifically constitutes patent eligible subject matter.

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#### B4. PROPOSALS FOR CHANGES

4. Please provide details of any proposed changes in IP laws or practice and indicate if your National Association/Section is involved in providing comments to such changes.  
Would it be of assistance to have input from the CET on any proposed changes?  
The U.S. Section continues to monitor the various “anti-troll” legislative proposals and Federal Circuit and Supreme Court activity to possible input by position papers and amicus briefs. The Section will call on the assistance of the CET as needed.
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## SECTION C: OTHER INFORMATION

Please provide details of any other information pertaining to your country or region that would be of general interest to FICPI members and other IP practitioners browsing FICPI's website.

### C1. QUALIFICATION AND THE RIGHT TO REPRESENT CLIENTS BEFORE A COURT

- 1.1 Please describe the qualification process for becoming a patent attorney in your country/region.

In the United States, one may either become a “patent agent” or a “patent attorney.”

A patent agent must qualify to take the USPTO patent agent exam, which requires a minimum number of college science course credits from an approved college or university, and must pass the patent agent exam. A patent agent is qualified to conduct patent prosecution on behalf of client applicants before the USPTO but cannot represent any clients concerning trademarks before the USPTO or in a court of law concerning any matters.

A patent attorney must complete law school course requirements, obtain a juris doctor (JD) degree at a qualified law school, and pass a “state bar exam” in one of the 50 U.S. states, the District of Columbia, or a U.S. Territory which allows one to qualify specifically as an attorney-at-law (also called and “attorney” or a “lawyer”). An attorney may represent clients in any matter before a state court where the attorney is admitted to the bar or before a federal U.S. court if the attorney is admitted before that court (which requires no exam and usually involves some paperwork together with a recommendation). An attorney may also represent clients before the Trademark Office of the USPTO. If the attorney additionally passes the patent agent exam, he/she qualifies as a patent attorney and is qualified to conduct patent prosecution on behalf of client applicants before the USPTO. It is also possible to call oneself a “patent attorney” if he/she conducts patent litigation in the courts but does not have technical qualifications to qualify to take the patent agent exam, though some states may have restrictions concerning this issue.

- 1.2 Has the patent attorney qualification process changed in any way in the past 5 years?

No.

- 1.3 Does qualification as a patent attorney permit you any right of representation before any Court in your country?

As explained above, qualification as a “patent attorney” permits one to represent clients before the state court in which he/she is admitted to the state bar and before a federal court to which he/she has been admitted.

- 1.4 If so are there any special requirements or restrictions?

A patent attorney cannot represent a client before a state court in a state in which the attorney is not a member of the state bar.

- 1.5 Are qualified lawyers in your country permitted to work in the patent field without any further qualification?

Attorneys (also known as lawyers) may represent a client “in the patent field” before an appropriate state or federal court; but an attorney who has not passed the patent agent exam cannot represent a client before the USPTO on any patent matter with one exception: the USPTO will allow an attorney who is not a patent agent to participate in inter partes matters including Post-Grant Review and Inter Partes Review proceedings if the attorney is admitted “pro hac vice” by the USPTO and if the attorney is associated with a qualified patent agent.

If so are there any restrictions on what they may do?

Discussed above.



If so, please describe those restrictions.

[Discussed above.](#)

- 1.6 Please describe what privilege attaches to patent attorney communications including any restrictions.

Privilege law in the U.S. is an expansive area of law. In a nutshell, communications between a patent attorney (i.e., lawyer) and a client are subject to the general principles of attorney-client privilege in the U.S. While the definition of the privilege varies slightly by state, generally the privilege applies when (1) there has been a communication, (2) between an attorney and a client, (3) which has been made in confidence, (4) for the purpose of seeking, obtaining or providing legal assistance, and (5) the privilege has not been waived by the client.

U.S. courts, however, have not extended the same privilege uniformly to communications with U.S. patent agents, who are registered to practice before the USPTO but are not admitted to a state bar, that is, not attorneys/lawyers, due to a U.S. Supreme Court case stating that the only legal services patent agents may render are those “necessary and incident” to patent prosecution, including patentability opinions and the preparation and filing of patent applications. Unlike patent attorneys, patent agents are not authorized to render infringement opinions since the issue of patent infringement is not “incident to patent prosecution.” However, there are Federal court cases recognizing that the privilege operates with respect to patent agents based on the function they perform rather than their title – agent, not attorney.

- 1.7 Please describe the qualification process for becoming a trademark attorney in your country/region.

There is no specific qualification process for becoming a trademark attorney in the U.S. So long as an attorney is admitted to practice in the bar of any state, the District of Columbia, or a U.S. Territory, that attorney may represent others in trademark cases. In addition, Canadian trademark attorneys may represent parties located in Canada before the U.S. trademark office.

- 1.8 Has the trade mark attorney qualification process changed in any way in the past 5 years?

[No. As discussed above, there is no specific qualification process.](#)

- 1.9 Does qualification as a trade mark attorney permit you any right of representation before any Court in your country?

[See answer to 1.7 above.](#)

If so are there any special requirements or restrictions?

- 1.10 Are qualified lawyers in your country permitted to work in the trademark field without any further qualification?

[Yes.](#)

If so are there any restrictions on what they may do?

[No.](#)

If so, please describe those restrictions.

- 1.11 Please describe what privilege attaches to trademark attorney client communications including any restrictions.

Privilege law in the U.S. is an expansive area of law. In a nutshell, as with patent attorneys (i.e., lawyers), communications between a trademark attorney and a client are subject to the general principles of attorney-client privilege in the U.S. While the definition of the privilege varies slightly by state, generally the privilege applies when (1) there has been a communication, (2) between an attorney and a client, (3) which has been made in confidence, (4) for the purpose of seeking, obtaining or providing legal assistance, and (5) the privilege has not been waived by the client.



## C.2 CET AND PEC SPEAKERS

- 2.1 Would your National Section/Association be interested in obtaining assistance from FICPI, through either the CET Work and Study Group or the Professional Excellence Commission (PEC), in providing speakers for seminars organized by your national group in your country?  
[Establishing a seminar program for the U.S. Section remains a work-in-progress. Should a program be implemented, the Section will reach out to the CET and/or PEC as needed.](#)
- 2.2 If your group does, or in the future might, require such assistance, please identify topics that might be of interest to your members, with a view to raising FICPI's profile and providing added value from membership of FICPI in your country.  
[See 2.1 immediately above.](#)

## C.3 TOPICS OF INTEREST

- 3.1 Please list three IP topics that are of particular interest to you and/or your national section members.  
[All aspects of IP law and practice are of interest to the members of the U.S. Section. Defining three of particular interest would be difficult.](#)

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*[End of document]*