



Patents

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Background

Article I of the United States Constitution provides Congress with the power to "promote the progress of science and useful arts, by securing for limited times to—inventors the exclusive right to their— discoveries." Pursuant to this provision, Congress established rules and regulations governing the granting of [PATENTS](#). Congress delegated the administration of these duties to the **PATENT** and Trademark Office. The [STATUTORY](#) provisions are contained in Title 35 of the United States Code. The federal statutory scheme was modified considerably in 1995 with the [ADOPTION](#) of the General Agreement on Tariffs and Trade (GATT), which aligned U. S. patent law with patent laws in other countries.

Issuance of patents is exclusively a federal concern, so state governments cannot issue patents to protect inventions. However, some state laws may provide protection to inventors if the inventor does not attain a patent.

Only certain types of inventions may be patented. The three major types of patents are utility, design, and plant patents, definitions of which appear in the federal [STATUTE](#). If an invention falls within one of the appropriate types of patents, the invention must still be patentable. First, the invention must be novel, meaning no other prior invention description anticipates or discloses the elements of the new invention. Second, the invention must have utility, that is, usefulness. Third, the new invention must not be obvious to those skilled in an art relevant to the invention. The latter requirement is referred to as "nonobviousness."

Congress and the Patent and Trademark Office require that applicants follow specific steps in order for a patent to be issued. Once a patent has been issued, the right is considered the [PERSONAL PROPERTY](#) of the inventor, so it can be sold, assigned, etc. The length of the patent depends on the type of patent issued. Generally, the length is either 20 years (utility and plant patents) or 14 years (design patents). Damages for patent [INFRINGEMENT](#) are rather severe, thus providing greater incentive for inventors to follow proper procedures to apply for a patent.

Types of Patents

Not all inventions may be patented, even those that are novel and unique. The most basic restriction is that while the application of a certain idea may be appropriate for a patent, the mere idea cannot be patented. Thus,

Encyclopedia of Everyday Law: Patents

[DISCOVERY](#) of a scientific formula may not be patented, but development of a method using this formula may be patented. The restriction against patenting ideas is often referred to as the "law of nature" doctrine.

Utility Patents

Perhaps the most familiar of the types of patents, utility patents may be issued for "any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof." In the patent application, an inventor must include a detailed description of how to make and use an invention, "claims" that define the invention, and drawings of the invention, in addition to other procedures required by the Patent and Trademark Office and the federal patent statute.

Design Patents

Design patents may be issued for a new, original, or ornamental design for an article of manufacture. This type of patent is limited to the unique shape or design of an object and only applies to the ornamental or aesthetic value of the object. If the shape serves some function, then the inventor should apply for a utility patent. The design cannot be an adaptation of a known form or ornament to a different article. The patent application for a design patent is similar to a utility patent, though the description and "claim" that defines the design are usually very short.

Plant Patents

A plant patent may be issued to someone who invents or discovers a unique variety of plant and asexually reproduces such a plant. This category includes cultivated spores, mutants, hybrids, and newly found seedlings, subject to some restrictions. Plant patents do not apply to sexually reproducible plants, but the Plant Variety Protection Act may provide protection for these types of plants.

Patentability

An applicant for a utility patent must satisfy three basic requirements for a patent to be patentable: novelty, nonobviousness, and utility. Requirements for a design patent or a plant patent are similar, except that ornamentality (design patent) or distinctiveness (plant patent) is required instead of utility.

Novelty

The patent statute requires that each invention is novel as a condition for the issuance of a patent. For an invention to be considered "novel," no other reference in "prior art" may anticipate or disclose each of the elements of the invention in the patent application. The term "prior art" is somewhat confusing, as it refers to the state of knowledge existing or publicly available at some time before the application for the patent is filed. Prior art may include prior printed publications from anywhere in the world, patents filed prior to the current patent application, publicly available knowledge or use of an invention in the United States, a foreign patent filed by the applicant, a prior invention in the United States, or the previous sale of an item. The time frame in which prior art refers to an invention is set forth in the statutory section defining prior art. The question in most common cases is whether the publication, patent, etc., existed prior to the earliest provable date of invention or more than one year before the patent application was filed.

Even if prior art exists that relates to an invention, a variation in prior art will likely satisfy the novelty requirement. The most common method to prove the difference between prior art and an invention is to demonstrate physical differences between the two. Other methods for proving novelty may include a showing

that a new combination of components of an existing item was used or that the invention is a new use for an existing item.

Nonobviousness

Even if a patent satisfies the novelty requirement, it must still satisfy the requirement of nonobviousness. Under this requirement, if the differences between the subject matter of a new invention and the subject matter of prior art would have been obvious to a person of ordinary skill in the art relevant to the subject matter of the invention, then the nonobvious requirement has not been met. In other words, a new invention must be more than different from prior art; the difference (or different use) must not be obvious to someone who has ordinary skill in using such an invention.

Utility, Distinctiveness, or Ornamentality

A final requirement for a utility patent is that the invention has utility, which refers generally to the usefulness of the invention. Practically any level of utility is sufficient; the invention must provide some identifiable benefit. However, if an invention can be used only for a scientific curiosity or could only be used for illegal purposes, the patent application is more likely to be denied.

An applicant for a plant patent needs to demonstrate that the plant is clearly distinguishable from existing plants but does not need to prove usefulness or utility of the new plant. An applicant must similarly prove ornamentality rather than utility. Thus, the inventor must show that the invention serves some ornamental or aesthetic purpose.

Obtaining a Patent

Inventors Entitled to Patents

Under the Patent Act, only the original and authentic inventors may claim patent rights. Even if an invention may be patentable, the patents will not be granted if the wrong individual applies for the patent. The idea for an invention cannot generally be assigned to another person; only the original inventor may apply for the patent. Thus, if an employee invents an item, he or she cannot assign the right to patent the item to an employer in the name of the employer, even if the original inventor used the employer's resources and created the invention during the inventor's employment. The only permitted assignment is one that permits the assignee to obtain a patent in the name of the original inventor. Note that it is common for employees to agree to assign patents to employers.

Provisional Patent Application

The Patent statute permits an inventor to file an abbreviated version of a patent application, called a **PROVISIONAL** Patent Application (PPA). The PPA allows an inventor to establish a filing date earlier than the filing date of a Regular Patent Application (RPA). The PPA must be filed within one year of the filing of the RPA. The PPA is beneficial to an inventor if he or she is concerned that someone else may develop the invention, or the inventor does not want to build and test an invention immediately.

The PPA must describe the invention, including a description of how to make and use it; drawings of the invention, if these are necessary to describe how to make and use the invention; a cover sheet; payment of a fee; and a filing of a small entity declaration, if applicable. If a PPA is filed, and the RPA is filed at a later date, the length of the patent is measured by date of the filing of the RPA.

Joint Inventions

Two or more inventors can be granted a patent for a joint invention; in fact, if a joint invention is appropriate, none of the joint inventors can claim to be the original inventor individually. Should an application omit parties erroneously or the application otherwise names a wrong party, the application could fail. The Patent Act does allow parties to correct mistakes in some circumstances, such as exclusion of an original inventor from the application.

The determination of the appropriate inventor or inventors in a particular case may not be clear. For example, two individuals may have collaborated throughout a project in which something is invented, while a third individual may have assisted from time to time but added nothing by way of original thought or contribution. The appropriate test for determining whether an individual should be included as an inventor is whether the individual worked on the subject matter and made some original contribution to the thought and final result of at least one claim in the application. In the example above, the first two inventors would most likely be considered joint inventors, while the third most likely would not.

Specifications and Claims

The Patent Act includes two main requirements in a patent application: a specification and a claim. The specification generally requires the applicants to describe why the invention differs from prior art, show that the invention is, in fact, useful, and show that the invention would not be obvious to someone skilled in the art relevant to the invention. The patent statute requires that the application describe the invention in its "best mode" to enable an individual skilled in the art relevant to the invention to be able to repeat the invention. The specification cannot be indefinite and must be "clear, concise, and exact." Moreover, the specification must disclose specifically how to use the invention, including specific times, dosages, etc., that are necessary to use the invention.

A claim defines the inventor's right and illustrates how the invention meets the three requirements for patentability: novelty, nonobviousness, and utility (note that these are described in the specification). The claim should describe the invention and should not merely include functional language. Functional language would include, for example, how a new chip performs in a computer system without describing the chip itself or indicating specifically why it is patentable. Functional language cannot establish patentability, and the application will be rejected because the claim is barred.

Patent Oath and Fees

An inventor must include with a patent application a signed statement indicating that the applicant is the original and first inventor of the subject matter claimed in the application. The application must also identify each inventor by full name, the country in which each applicant is a citizen, plus several requirements related to foreign applications. Moreover, an applicant must acknowledge that he or she is aware of the necessity to disclose information that is material to the review of the application and must state that he or she understand and has reviewed the specifications and claims.

The applicant must sign the application and be sworn to under oath or include a declaration. The inventor or inventors must make the oath or declaration personally. A [LEGAL REPRESENTATIVE](#) may satisfy these requirements only in certain circumstances described by the Patent Act and the regulations of the Patent and Trademark Office. Fees must accompany the application, as set forth in the statute and the regulations.

Review by the Patent and Trademark Office

When the Patent and Trademark Office receives an application, it can make an initial allowance, a partial rejection, or a complete rejection. If an application is rejected, the inventor may contest the rejection by introducing [EVIDENCE](#) in reply to the rejection, amend or modify the specification and/or claim, or both. If the application is rejected twice, the applicant must appeal the decision.

The first appeal of a rejected application is to the Patent and Trademark Office's Board of Appeals. The Patent Office will engage in informal communications and interviews with both the [EXAMINER](#) and the applicant. The Board will generally raise all issues that give rise to the rejection, including discovery of prior art or problems with patentability. The applicant must refute these problems with particularity. This means the applicant must state precisely why the application is satisfactory, why the invention is indeed patentable, etc. The process may continue through several cycles of rejection, amendments, and refiling of an application (though the amendments are limited after a second rejection). The Patent Office may declare a final rejection any time after a second [EXAMINATION](#) on the merits.

If the Board rejects the application then the applicant may appeal to the United States District Court for the District of Columbia or the United States Court of Appeals for the Federal Circuit. However, courts typically give a considerable amount of deference to the decision of the Patent Office, so prevailing in an appeal is unusual.

Inventors' Rights to Patented Items

Duration of Patents

The duration of a patent depends on the type of patent that has been granted. One of the more significant effects of the General Agreement on Tariffs and Trade was the duration of a patent in the United States. Prior to 1995 (and dating back to 1861), the length of a typical patent was 17 years. After GATT came into effect in 1995, the length increased to 20 years.

Utility patents filed after June 8, 1995 extend 20 years from the date the application was filed. Plant patents also extend 20 years from the date of filing. Design patents extend 14 years from the date the patent was granted. Once the term of the patent has expired, the invention becomes public property and may be used, sold, and reproduced. In some limited cases, such as proceedings to determine the priority of an invention, the length of a patent may be extended up to five years.

Assignment and Licensing

The original and authentic inventor or inventors are preserved to be the owner of any patent application, unless this right has been assigned. An application may be assigned before or after the application is filed, and the assignment must be recorded with the Patent and Trademark Office. The right to sue for present or past infringement cannot be assigned, except as it relates to the assignment itself. An assignment transfers all rights of the inventor, and the assignee takes the application subject to licenses granted by the assignor.

An inventor may also issue a license, which gives the license holder permission to make, use, or sell the invention. The rights transferred in a license depend on the actual transfer. For example, a license may be for exclusive or non-exclusive use of the license. A joint owner of a patent may generally give a valid license without the permission of the other joint owners, unless the joint owners agree otherwise. As noted above, even if the rights to a patent are assigned, the license nevertheless survives according to the terms of the

license agreement.

Abandonment

The applicant through an express writing that is signed by the applicant and filed with the Patent and Trademark Office may abandon a patent application. The Patent Office will also consider an application abandoned if the inventor fails to [PROSECUTE](#) the application within six months of the filing. A patent may also be abandoned if the applicant fails to pay required fees within three months of a notice of allowance sent to the applicant.

ABANDONMENT of an application differs from an abandonment of an invention. An abandonment of an application does not transfer right to the public, while an abandonment of an invention surrenders or dedicates the invention to the public. Abandonment of an invention may be express or implied.

Infringement

A patent owner may protest his or her invention by suing for patent infringement, which is a tort for the unauthorized making, using, selling, offering to sell, or importing the subject matter of the patent. To determine whether an infringement has occurred, a court will compare the infringing subject matter with the subject matter covered by the patent. Infringement cannot occur before the issuance of a patent, but an individual may infringe a patent right even if he or she does not know the existence of a patent. Infringement may be direct; indirect, where the infringer encourages someone else to infringe the patent; or contributory, where an individual knowingly sells or supplies a component of a patented machine or other invention to another.

Damages

A patent owner may recover significant damages in a successful action for patent infringement. The Patent Act permits a court to award treble damages, which means the court can increase damages by up to three times the amount of the actual damages. Courts may also award attorneys fees in exceptional cases.

The minimum award a patent owner may receive for patent infringement is a reasonable royalty, plus costs and interest fixed by the court. A patent owner may also recover the profit the patent holder would have made on sales of the subject matter relevant to the patent. Profits earned by the patent infringer constitute a factor for determining the appropriate royalty or other damages.

Applicability of State Law to Patents

An inventor may have rights based on state law in addition to patent rights to protect the intellectual property related to an invention. However, the Patent Act preempts many state causes of action, especially because Congress is granted the right to issue patents in the United States Constitution. The Supreme Court has held that state [UNFAIR COMPETITION](#) laws are generally preempted by the Patent Act insofar as the state law provides a cause of action that is functionally similar to recognition of a patent right and a cause of action for patent infringement.

State law governing trade secrets are generally not preempted, so an inventor may be able to protect his or her rights through this cause of action. On the other hand, the protection offered through this cause of action is considerably weaker than the rights protected when a patent is granted. More specifically, a patent right is a [MONOPOLY](#) to make, use, and sell an invention, while trade secrets law focuses on the conduct of a party

that violates the trade secrets of a party. Stated simply, obtaining a patent right is virtually always preferable.

Additional Resources

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Organizations

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