

September 12, 2010

**First to File** (p. 2) – Changes the U.S. to a first-inventor-to-file system. IPO supports.

**False Marking** (p. 16) – Amends 35 U.S.C. 292 to eliminate *qui tam* cause of action for false marking. Limits suits for false marking to persons who have “suffered a competitive injury.” IPO supports.

**Damages** (p. 27) -- Requires the judge to identify the “methodologies and factors” relevant to the determination of damages, and permits the judge or jury to consider only those methodologies and factors. Requires a court to grant a party’s request to “sequence” the trial such that infringement and validity are tried before damages and willfulness, absent good cause for rejecting the request. IPO supports a codification of damages law.

**Willful Infringement** (p. 29) – Imposes standards for notice required to find willfulness. Incorporates the “objective recklessness” standard from the *Seagate* opinion. Prohibits increased damages if a “close case” on infringement, validity, or unenforceability. IPO supported an earlier willfulness section, but in 2009 recommended willfulness not be included in light of the *Seagate* opinion.

**Post Grant Review Available for 9 Months** (p. 49) – Establishes a new post-grant review proceeding in the PTO available for 9 months after patent grant. The petitioner may challenge invalidity of a claim on any ground. A final determination must be made by the PTO within 12 or 18 months after the proceeding is instituted. IPO supports a first-window opposition proceeding generally along the lines of this proposal.

**Submission to PTO of Prior Art by Third Parties** (p. 71) – Allows submission of prior art by third parties for at least 6 months after publication unless the PTO mails a notice of allowance earlier. IPO supports.

**Supplemental Examination** (p. 80) – Provides a new procedure that would allow patent owners to request supplemental examination before litigation to consider, reconsider, or correct information relevant to their patents. Provides that the patents shall not be held unenforceable on the basis of information so considered, reconsidered, or corrected. IPO supports.