Grace Period Restoration Act of 2015

Introduced by Senators Baldwin and Vitter and Representatives Sensenbrenner and Conyers

The Leahy-Smith America Invents Act (AIA) moved the U.S. from a first-to-invent system to a first-inventor-to-file system. The previous grace period – in section 102(b) -- was replaced with a new version to provide that certain disclosures that occur less than one year before a patent application filing could be considered as prior art, thereby defeating patent rights. The prior grace period that encouraged early sharing of knowledge was replaced with a system that actually discourages early publication.

The Problem: Unintended Flaw in AIA

The AIA includes language regarding the scope of the grace period during which an inventor who discloses an invention to the public may decide within a one-year period whether to make a patent application filing. The language is ambiguous. To make matters more confusing, the regulatory reading of the AIA by the U.S. Patent and Trademark Office does not comport with the clear intent of the AIA sponsors. During floor debate, House Judiciary Committee Chairman Lamar Smith stated that "[a]ccusations that the bill doesn't preserve the one-year grace period are simply not true. The grace period protects the ability of an inventor to discuss or write about his ideas for a patent up to one year before he or they file for patent protection." The Chairman of the Senate Judiciary Committee, Senator Patrick Leahy, stated that "actions that constitute prior art under subsection 102(a) necessarily trigger subsection 102(b)'s protection … and, what would otherwise have been section 102(a) prior art, would be excluded as prior art by the grace period provided by subsection 102(b)."

Universities perform more than 60 percent of all basic research in the United States and actively work to transfer research results to the private sector for the benefit of the public; research institutes and government laboratories perform a similar function. They already face difficult and expensive challenges in gaining and utilizing the full scope of patent rights. Uncertainty relating to the AIA grace period adds to those challenges and, further, thwarts job growth and the creation of start-up companies and small businesses based on these innovations. This hinders the economy and America's technological leadership in a competitive global marketplace. Finally, ambiguity in the statutory text breeds abusive and expensive patent litigation.

Early disclosure, without a meaningful grace period, could result in a loss of patent rights and increase in misappropriation by third parties, many from overseas. Ultimately, disclosure of scientific advances to the public through printed publications is chilled, thwarting the progress of science, chilling collaborative research, and delaying or denying the opportunity for the American public to realize the benefits of research results.

The Solution: Grace Period Restoration Act

The solution to the problem is provided in the Grace Period Restoration Act, which adds a new section 102(b)(3), to clarify that the grace period is truly a grace period.

This bipartisan bill:

- protects an inventor against disclosures by anyone after the inventor has made a public disclosure of the claimed invention in a "printed publication"
- applies to any and all of an inventor's acts that are public disclosures that jeopardize right to a patent
- removes prior art under both sections 102 and 103 of the Patent Act

The new statutory language is entirely consistent with the legislative history and spirit of the AIA and would help spur innovation, facilitate the discovery of patient cures, promote collaborations and the sharing of information within the scientific community and with the public, and reduce abusive patent litigation. The correction, by protecting the sharing of knowledge during the grace period, will benefit the public and help the U.S maintain its position of leadership in educational, technological and scientific progress.