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PATENT & TRADEMARK POLICY REPORT NOVEMBER 17, 2023



I. Congressional Developments:

- Senator Chris Coons (D-DE) released the following statement in response to the decision by the Office of the U.S. Trade Representative (USTR) to rescind support for longstanding U.S. negotiating objectives on digital trade: “Digital trade rules ensuring the free flow of information and protecting proprietary technology serve to strengthen the global competitiveness of the U.S. economy and provide valuable guarantees for U.S. businesses in every industry. That’s why I’m so disappointed to see USTR abandoning those priorities in our trade negotiations, despite years of broad bipartisan support and their inclusion in trade agreements negotiated by presidents of both parties. Important domestic debates on regulating technology should not hold us back from continuing to work with our allies to develop guardrails for the global digital economy that reflect our shared values. If we are not at the negotiating table, we are giving China a free pass to set the rules of the road for the future of the global economy.” Read more [here](#).
- On November 14, 2023, the House Committee on the Judiciary Subcommittee on the Administrative State, Regulatory Reform, and Antitrust held a hearing titled “Oversight of the Department of Justice Antitrust Division”. The hearing focused on the oversight of the Department of Justice Antitrust Division, led by Assistant Attorney General Jonathan Kanter. Concerns

Headlines and Highlights:

- HJC Oversight of DOJ Antitrust Hearing
- USPTO Completes Transition to Patent Center System
- USPTO Responds to Design Patent Surge with Practitioner Bar
- USPTO Issues Guidance on Computer-Generated Designs
- USPTO Introduces Intellectual Property Assignment System (IPAS)
- USPTO Designates Precedential Decision on Prior Art
- Federal Circuit Upholds PTAB Decision: Medtronic Fails to Invalidate Teleflex Catheter Patent Claims

were raised about the DOJ's refocusing of efforts and revision of antitrust guidelines, lack of transparency, and potential misuse of antitrust as a political tool. Praise was given for efforts to ensure fair pay, support small businesses, and protect consumers. Criticisms were made about insufficient action against collusion among powerful institutions and the DOJ's losing record in civil cases. The importance of a fair, competitive, and open market was emphasized, as was the need for adequate resources for the Antitrust Division. A full summary from ACG can be provided upon request.

III. USPTO Updates:

- On Wednesday, November 15, the USPTO completed the retirement of EFS-Web and Private PAIR, fully replacing them with the Patent Center system as part of their modernization efforts. This transition provides a unified platform for filing and managing patent applications, featuring a next-gen interface for improved performance and security. Kathi Vidal, Under Secretary of Commerce for Intellectual Property and Director of the USPTO, highlighted the significance of this milestone in delivering enhanced customer service through advanced technology. Despite potential challenges for users accustomed to the old systems, the USPTO expresses readiness to embrace this technological leap, acknowledging constructive feedback since the Patent Center's 2017 launch. Over 1,800 customers have been trained on Patent Center, with more than 30,000 trained in total, and over 60% of filers now use the new system. The USPTO will continue gathering feedback to refine the Patent Center further and has formally waived rules regarding certificate of transmission language.
- On Thursday, November 16, the USPTO announced the implementation of a design patent practitioner bar, responding to the surge in design patent applications and emphasizing the economic importance of design protection. The decision, based on a Federal Register Notice (FRN) published on May 16, 2023, establishes a framework where admitted practitioners will exclusively handle design patent matters. Under the leadership of Kathi Vidal, the USPTO's Under Secretary of Commerce for Intellectual Property and Director, the move aims to broaden participation and accommodate the evolving landscape of technology. The admission criteria for the design patent bar require applicants to possess a bachelor's, master's, or doctorate degree in specified fields and pass the current registration examination, including a moral character evaluation. Importantly, this development does not impact the registration status or privileges of those already practicing in patent matters, and eligible applicants can still register and practice in any patent matters, including design patents, upon meeting the specified criteria. For more details, read [here](#) and [here](#).
- On Thursday, November 16, the USPTO issued supplemental guidance aimed at assisting USPTO personnel in assessing whether design claims involving computer-generated electronic images, including computer-generated icons and graphical user interfaces, qualify as statutory subject matter. Published to align with current USPTO practices, the guidance acknowledges the potential transformative impact of emerging technologies on daily life. Kathi Vidal anticipates that the provided clarity in this guidance will be beneficial to the public in understanding and navigating the realm of digital designs.

- Recently, the USPTO announced that it will replace the Electronic Trademark Assignment System (ETAS) and the Electronic Patent Assignment System (EPAS) into one system that will process all patent and trademark reassignment requests. The Intellectual Property Assignment System (IPAS) will be available to customers beginning January 15, 2024.

V. Judiciary Update

- On Wednesday, November 15, USPTO Director Kathi Vidal designated a March 2023 Patent Trial and Appeal Board (PTAB) decision, *Penumbra, Inc. v. RapidPulse, Inc.*, IPR2021-01466, Paper 34, as precedential. This decision clarifies that the U.S. Court of Appeals for the Federal Circuit's (CAFC) ruling on prior art determinations for provisional patent applications, as outlined in *Dynamic Drinkware, LLC v. National Graphics, Inc.*, exclusively applies to pre-America Invents Act (AIA) patents. In *Penumbra*, the PTAB determined that for prior-art determinations under AIA § 102, there is no requirement to assess whether any claim of a reference patent document is entitled to priority under 35 U.S.C. 119 or 120. The PTAB emphasized that under the AIA, a reference patent document only needs to meet the ministerial requirements of §§ 119 and 120, while the provisional or earlier application(s) must describe the subject matter relied upon in the reference patent document as prior art (35 U.S.C. § 102(d)(2)). This designation marks the fifth decision designated as precedential in 2023.
- On Thursday, November 16, in *Medtronic, Inc. v. Teleflex Life Sciences Limited* (22-1721), the Federal Circuit addressed an argument regarding diligence until constructive reduction to practice. The dispute revolved around Teleflex's patent for a method involving a guide extension catheter with a guide catheter. Medtronic claimed that the USPTO erred in finding that the patentee maintained continuous diligence until constructive reduction to practice. However, the Federal Circuit deemed this argument waived, pointing to Medtronic's statement in the opening brief, where they suggested the Federal Circuit should vacate the diligence holding based on a previous inter partes review (IPR). Since the prior holding was not vacated, the court considered Medtronic's statement a clear waiver of the diligence argument. Additionally, the court rejected Medtronic's request to incorporate 20 pages of briefing from the earlier appeal, citing impermissibility under the Federal Rules of Appellate Procedure and emphasizing the unfairness of allowing a party to exceed the word count through incorporation. Consequently, the Federal Circuit affirmed the USPTO's inter partes review decisions supporting Teleflex's claims.
- Last week, Chinese chipmaker Yangtze Memory Technologies Co (YMTC) filed a lawsuit against U.S. rival Micron Technology, alleging infringement of eight patents related to the design, manufacture, and operation of 3D NAND technology. The lawsuit, filed in the U.S. District Court for the Northern District of California, claims that Micron utilized YMTC's patented technology to fend off competition and gain market share without fair compensation. YMTC expressed confidence in a swift resolution, while Micron declined to comment on the pending litigation. The legal action comes amid increasing restrictions on exporting chipmaking technology to China, and Micron's ongoing commitment to the Chinese market despite recent challenges. Read more [here](#)

VI. Industry Update

- On November 21, WIPO will host the "IP Finance Dialogue: Expanding Horizons on IP Finance and Valuation" in Geneva, Switzerland, and online. This event provides a platform for professionals, industry leaders, policymakers, entrepreneurs, and investors to explore innovative strategies for unlocking the value of intangible assets and IP finance. The theme for this year is "Expanding Horizons on IP Finance and Valuation," featuring presentations on international work related to intangibles valuation and finance, panel discussions, and the presentation of findings from an Expert Consultative Group on the Valuation of Intangible Assets. The program will also explore opportunities presented by frontier technologies and technological advances, along with spotlighting perspectives from the financial community and IP finance in the creative sector. Read more [here](#).