Filing and Defending Patents in Different Jurisdictions

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ABSTRACT

In order to build an effective patent portfolio, an organization must (1) understand the dynamics of the international patent landscape: how to establish foreign priority, where to file patent applications, and the advantages and disadvantages of pursuing various filing options; (2) determine in which countries and/or jurisdictions the organization should seek patent protection based on its objectives (whether commercial or humanitarian access); and (3) anticipate the possibility of litigation and know what its options for litigation are.

1. INTRODUCTION

In February 2006, the U.S. Patent and Trademark Office (PTO) issued its seven millionth patent. It took 75 years for the PTO to issue its one-millionth patent (in the year 1911), but in less than a tenth of that time the office issued its last million.[1] Inventors in the United States and abroad are seeking to obtain patents at a pace unparalleled in history, and revenue from patent licensing is at an all-time high.

A company must ask itself several key questions before assembling a patent portfolio (or portfolios). What do we plan to do with our patents once we have them? Do we intend to assert our patents *offensively* (that is, with the aim of protecting market share), either as part of a licensing strategy or in litigation if companies are unwilling to license? Or do we plan to use our patents *defensively*, as leverage in licensing negotiations or in order to ward off litigation by others? If a portfolio is to be used offensively, where are our potential targets located and/or doing the most business? If a portfolio is to be primarily defensive, in what location is our company most at risk from licensing approaches or litigation offensives?

2. OVERVIEW OF PATENTING PROCEDURES

To obtain a patent for an invention, the inventor (often called the applicant) must file an application for a patent at one or more national or regional patent offices. Once the necessary documents are filed and any fees paid, the patent office will examine the patent and decide whether or not to grant the applicant patent rights for the claimed invention. A patent's first application date is commonly called its "priority date."

In most instances, an applicant will file a patent application in a national patent office in the country where he or she is located (such as the U.S. Patent Office [PTO], the Japanese Patent Office [JPO] or the European Patent Office [EPO]), in order to protect the invention for domestic markets; later, he or she can file patent applications in other countries or file an international application under the Patent Cooperation Treaty (PCT) procedure (see Section 3) in order to protect the invention in foreign markets. Importantly, patent

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rights awarded by a patent office protect the invention only within the jurisdiction of that particular patent office, and not in other parts of the world.

3. OVERVIEW OF THE PARIS CONVENTION TREATY

The Paris Convention, formally known as the Paris Convention for the Protection of Industrial Property, established the system of priority rights that is now internationally accepted. The United States and 171 other countries are signatories to the Paris Convention Treaty, and the signatories are sometimes collectively referred to as the "Paris Union."[2]

Under the Paris Convention Treaty, if an inventor files a patent or trademark application in another Paris Convention member nation within 12 months of the priority date, he or she is granted the *right of priority*: in other words, his or her patent or trademark application will take precedence over that of any identical patent or trademark application filed in the second country. Therefore, an inventor will not lose patent rights even if it takes him or her a long time to transfer the application to another country and have it translated into that country's language. Since the Paris Convention Treaty is reciprocal (in other words, country A must accord to the inventors of country B the same right of priority as country B accords to the inventors of country A), no member has an advantage over any other.

Not every country is a member of the Paris Union. However, some countries that are not signatories of the Paris Convention Treaty, such as Thailand, have entered into bilateral treaties with the United States that grant inventors rights similar to the right of priority.

4. FILING A PATENT APPLICATION IN DIFFERENT TERRITORIES

Significant differences exist between patent offices. Table 1 provides the main differences between the three major patent offices, and the following text describes them in more detail.

Table 1: Significant Differences between the Three Main Patent Offices[3]

Issue	EPO	JPO	U.S. PTO
Status of successful patent applicant	First to file	First to file	First to invent
Patent duration	20 years	20 years	20 years
Application language	English, French, or German	Japanese	English
Area in which the patent is valid	Designated EPC[a] member and extension countries	Japan	United States
Request for re-examination of the patent	Yes, within 6 months	Yes, within 3 years	No provision
Time of publication of application	18 months from priority date	18 months from priority date	18 months from priority date[4]

a European patent convention

4.1 *Filing with the U.S. Patent and Trademark Office*

When an application is filed at the U.S. Patent Office [PTO], it is assigned to a patent examiner. On the date 18 months from the priority date, the application is published (that is, information about the application is made available to the general public). It is possible for an applicant to request that the application not be published, but this request will be considered only if a patent for the invention has not been, and will not be, filed in a foreign country. The patent examiner searches through U.S. and foreign patent documents and published patent applications dated prior to the priority date in order to determine whether or not the claimed invention fulfills the requirements of being new, useful, and nonobvious.

If a patent application is rejected, the applicant is notified in writing and given the opportunity to challenge the rejection. At any time during the lifetime of a patent, any person may file a request for the PTO to conduct a second examination of any claim of the patent on the basis of prior art patents or printed publications. In order to keep the patent in force (that is, to keep the invention protected by the patent), the applicant must pay maintenance fees within certain time periods.

In the calendar year 2005, the PTO granted a total of 157,740 patents: 143,806 utility patents, 12,950 design patents, 716 plant patents, 245 reissue patents, and 23 statutory invention registrations.[5] The total number of patents issued in 2005 was 13% less than the number issued in 2004 and 8.7% less than the number issued in 2000; the number of utility patent grants issued in 2005 was 12.5% less than the number issued in 2004 and 10.4% less than the number issued in 2000.[6]

In 2005, U.S.-resident inventors were granted 52.4% of all U.S. patents—a half-percent increase over 2004—and foreign-resident inventors were granted the remaining 47.6%.[7]

4.2 *Filing with the JPO*

The patent application process of the JPO is similar to that of U.S. PTO, although there are some important differences. Patent applications filed with the JPO are not automatically examined by patent examiners. Instead, the applicant has to file a request for examination within three years (reduced from seven years in 2001) of the application date. If the applicant fails to file a request for examination within the time limit, the application is withdrawn. All applications pending examination are published in an official Patent and Utility Model Gazette 18 months after the priority date. If the patent examination process does not turn up any reasons for refusal, the patent is granted and published in the gazette. After the patent is granted, anyone can request an appeal examination of the patent on the basis of lacking novelty or an inventive step (obviousness).[8]

4.3 *Filing with the EPO*

By filing a single patent application with the EPO in one of the three official languages (English, French, or German), an applicant can obtain the patent rights to an invention in one or more countries that are signatories of the European Patent Convention Treaty (EPC Treaty). Currently, 31 countries have signed the treaty, and five additional countries are covered by an extension agreement. At the time of filing, the applicant has to specify the EPC countries and "extension" countries in which he or she wishes to seek protection. If the applicant pays designation fees for seven countries, then the patent will automatically be granted in all EPC member states. Consequently, each patent application to the EPO is usually a bundle of patents, one for each country in which the applicant is seeking protection.

There are three different ways to file EPO patent applications:

1. Direct filing with the EPO; filing date becomes the priority date
2. National patent application extended to the EPO application within 12 months of the priority date, that is, the EPO application is filed after first application
3. International application filed under EPC Treaty

Once an application is filed with the EPO, it is subjected to a two-phase examination procedure. First, the patent examiner will search for pri-

or art relevant to the invention; this search report, along with the patent application, is published 18 months after the priority date. The applicant then has six months to file a request for a further examination. If he or she files such a request, the EPO will conduct a substantive examination to decide whether or not to grant the patent. If the applicant does not file a request within that time period, the application is deemed to have withdrawn. Within nine months of a successful EPO patent grant, anyone can file an opposition to the patent.[9]

In 2002, more than 110,000 patent applications were filed at the EPO. This represented an 84% increase from 1991. In 2002, residents of the European Union were granted the largest share of EPO patent applications (44.7%), a share that far exceeded that of U.S. residents (27.3%) and Japanese residents (17.4%). The share of biotechnology patents filed with the EPO grew by 8.3% a year between 1991 and 2002, while total EPO patent applications grew by 5.7%. In 2002, more than 5,800 biotechnology patents were filed at the EPO, with 39.9% coming from the United States, 34.5% from the European Union, and 14% from Japan. The proportion of residents of European Union being granted EPO patents is consistent with the proportion of U.S. residents being granted U.S. patents, suggesting that, overall, U.S. residents and E.U. residents must "share" their home market with residents from other jurisdictions. However, the growth of biotech patents has exceeded the growth of nonbiotech patents, and U.S. residents have filed proportionally more patents in this area than E.U. residents, suggesting the lead U.S. residents have in this area of technology.

4.4 *Filing international applications under the PCT*

On January 24, 1978, the United States became a signatory to a multijurisdiction treaty, the PCT. The PCT allows an applicant to seek patent rights in a large number of countries by filing a single international application with a single patent office. The PCT is not a single patent filing effective in many jurisdictions. Instead, an applicant who files a PCT application is allowed to prolong his or her right to file patent applications in the national or regional jurisdictions designated in the PCT application for up to 30 months from the priority date.

During the 1990s, the average annual growth rate for PCT filings was 17%. More recently, the growth rate has slowed, but there were still 135,602 PCT applications filed in 2005, a 10.6% increase over the previous year and a more than 45% increase over the number of applications filed in 2000 (93,237). These figures demonstrate the increasing importance of PCT filings.

5. A GLOBAL PATENT-FILING PROGRAM

For several reasons, a global patent-filing program can quickly become prohibitively expensive if it is not managed properly. Patents are only enforceable within certain geographical regions. Patent prosecution (that is, the process of obtaining the patent) can be costly and time consuming. In many countries, the applicant must pay regular post-issuance fees ("maintenance fees" or "annuities") in order to keep the patent in force. Finally, patent applications must be filed before the invention is disclosed—in other words, when its commercial merits are uncertain. Global patent filing is a high-stakes gamble.

Nevertheless, the risk can be reduced somewhat by considering the following questions:

- **Does the invention have global market potential?** If the invention has only regional application, then it does not merit global patents.
- **Will the invention still be useful 15 or 20 years from the date of filing?** In many countries, the typical lifespan of a patent is 15 to 20 years from the date of filing. If the invention will quickly become obsolete, then a global filing program may not be economical. Furthermore, it often takes two to three years from the date of filing for a patent to issue. Until a patent is issued, the invention will not have any enforceable legal protection. In that case, it may not be worth applying for patent protection at all: it may be more cost-effective to cash in on

the advantages of being the first to bring the invention to market.

- **Are the rights accorded to the patent owner *separable*?** That is, has the owner the right to exclude another from selling the invention *or* the right to exclude another from manufacturing the invention? Countries can be divided into two categories: those where the invention can be manufactured and those where the invention can be sold. Of course, some of these countries may overlap. Nevertheless, it is not necessary to file patent applications in both countries where the invention can be made *and* in countries where the invention can be sold. Protection in only the countries where the invention can be sold effectively controls the world. Even though a would-be infringer/competitor can make the product in a country not protected by any patent, the product cannot be sold in other countries. Furthermore, during the time a patent offers protection, capital markets and labor markets change—thus changing the situs of manufacturing over the life of an issued patent. In general, therefore, filing patent applications in the countries where the invention can be sold offers sufficient protection.
- **Is it necessary to file for patent protection in every country in which the invention might be marketed?** This may not be necessary. If patents are filed in 80%–90% of the countries where the invention can be marketed, no competitor could capture more than 10%–20% of the worldwide market. If the cost of producing the product can be brought low enough, there may be no would-be competitors at all.

6. LITIGATION CONSIDERATIONS

Patents often lead to litigation, both at home and abroad. This is not, however, all bad. Patents can be used prospectively—by threatening or initiating litigation to help preserve market share. Patent rights can, of course, be used by a company to protect itself from other companies that would accuse it of patent infringement. Parties seeking to initiate patent litigation in the United States can do so in various federal district courts or before the U.S. International Trade Commission (ITC).

6.1 *Filing in a federal district court*

When filing a patent lawsuit in a federal district court in the United States, a litigant must first identify which courts would be proper venues. Then it must consider which of the permissible district courts would best suit its litigation goals.

6.1.1 *Finding the proper venue for litigation*[10]

For a court to be a proper venue for patent litigation, the court must have jurisdiction with regard to the subject matter of the dispute and the persons or entities involved. *Jurisdiction* is the power of a court to adjudicate a dispute.

A corporation is considered to "reside" in any judicial district in which it is subject to *personal jurisdiction* at the time an action is commenced.[11] According to the U.S. Court of Appeals for the Federal Circuit, personal jurisdiction exists in a patent infringement case in which a defendant deliberately places infringing products in the stream of commerce with the expectation of exploiting business in the *forum state*. Accordingly, an action for patent infringement may be brought against a corporation in any district where the corporation is subject to personal jurisdiction at the time the suit is commenced. An action for patent infringement may be brought in any judicial district where the defendant resides.[12]

U.S. district courts that hear patent litigation cases are located in various states. Each district court in a state (the forum state), may properly exercise personal jurisdiction over a party outside the forum state if: (1) the party is amenable to service of process under the long-arm statute of the forum state; and (2) the party's activities in the forum state satisfy the minimum contacts requirement of the Due Process Clause.[13] With regard to the first requirement of long-arm statute, various states have enacted legislation permitting its courts (including the federal district courts in that state) to exercise personal jurisdiction over nonresidents of the forum state, under certain

conditions. As for the second requirement of due process, the Supreme Court of the United States has decided that the Constitution permits a nonresident of a forum state to be subject to the jurisdiction of the courts in the forum state, if the nonresident had certain minimum activities with the forum state, thereby satisfying due process. Because several state long-arm statutes, including those of Texas and California, are coextensive with the Due Process Clause, the questions of personal jurisdiction often collapse into a constitutional due process inquiry.

Even if a court is chosen for litigation proceedings, the case will not necessarily be held in that court. Patentee plaintiffs are often subject to venue challenges in the form of (1) a motion to dismiss for lack of personal jurisdiction,[14] (2) a motion to dismiss for *forum non conveniens*, which is to say, the forum is inconvenient for witnesses, experts, documents, and so forth, or (3) a motion to transfer to an alternate venue. When the original venue is improper, and not merely inconvenient, the defendant can file a motion to dismiss for improper venue. If a plaintiff files a lawsuit in a district of proper venue that is inconvenient for the defendant or the witnesses, and if there is a more convenient federal court where the lawsuit could have been brought, the defendant may file a motion to transfer venue under 28 U.S.C. § 1404(a). When the more convenient forum is abroad, the defendant can file a motion to dismiss for *forum non conveniens*.[15] A defendant should request a transfer of venue in a separate motion filed either at or near the time the defendant files its answer.

6.1.2 *Evaluating the proper venues*

Next, the patent applicant must decide which federal district courts and divisions are most favorable. This decision will likely depend on the average time to resolution, the cost of litigation, and the likelihood of litigation success. Other factors, such as potential for a retaliatory suit, may also need to be taken into account, but they are not within the scope of this article.

Time to resolution is a critically important consideration. Some district courts are known for prompt resolution; others are not. Some are known for being especially fast and are familiarly known as "rocket dockets": the Eastern District of Texas, the Eastern District of Virginia, and others who have adopted specific local patent rules that require expedited disclosures and trial time lines.

Federal Court Management Statistics for 2005[16] reveal that the median time from filing to trial in civil cases during the twelve-month period ending September 30, 2005, was approximately 22.5 months. During this period, an estimated 253,273 civil cases came before federal courts, of which approximately 12,184 were classified as intellectual property cases involving copyrights, patents, and/or trademarks (Table 2).

Rocket dockets may become more common. In September 2006, the U.S. House of Representatives passed a bill to create a pilot program designed to encourage and develop the expertise of district judges in patent cases. Should the bill become law, it would establish a ten-year pilot program in at least five federal district courts and grant US$5 million each year to educate judges and hire additional staff with expertise in patent matters. The five courts will be chosen from the 15 district courts with the largest number of patent cases in the previous year and only those that (1) are authorized to have at least ten district judges and (2) have at least three judges who have requested to hear patent cases. According to a study recently performed by the law firm of Fulbright & Jaworski LLP, if the pilot program were to become law this year, the five participating district courts would likely be chosen from among the following fourteen candidate districts:[17]

- Central District of California
- Southern District of New York
- Northern District of California
- District of New Jersey
- Southern District of California
- District of Massachusetts
- Middle District of Florida
- Eastern District of Michigan
- Southern District of Florida
- Eastern District of Pennsylvania
- Northern District of Georgia
- Northern District of Texas

- Northern District of Illinois
- Southern District of Texas

The cost of litigation (see Table 3) should also be considered by plaintiffs when choosing where to initiate patent litigation. According to a 2005 study of the American Intellectual Property Trial Lawyers Association, the location of patent litigation can greatly influence litigation costs.[18]

Finally, although the likelihood of success is difficult to predict, George Mason University School of Law Professor Kimberly A. Moore says that "choice of forum plays a critical role in the outcome of patent litigation."[19] Ms. Moore conducted an empirical analysis of the ten most frequently selected district courts for patent litigation between 1983 and 1999. She concludes that, overall, patentees won 58% of all patent suits but that the win rate varies by region (Table 4).

6.2 *Filing in the U.S. ITC*

Although federal district courts are the customary venues for patent litigation, plaintiffs can also file a complaint in the U.S. ITC under certain circumstances. Under the Tariff Act of 1930 (19

Table 2: Median Time from Filing to Trial for Civil Cases in 2005 in 20 Districts[20]

District court	Months from filing to trial	Number of IP cases
Eastern District of Virginia	9.4	182
Western District of Wisconsin	11.3	51
District of Maine[21]	13.0	17
Southern District of Texas	15.3	366
Eastern District of Texas	15.9	193
Southern District of Florida	16.7	332
Middle District of Florida	20.0	280
Eastern District of Wisconsin	20.3	76
Central District of California	20.5	1427
Northern District of Texas	20.7	279
Eastern District of Pennsylvania	20.8	1005
Southern District of New York	22.0	876
Eastern District of Michigan	22.0	208
District of Minnesota	23.0	201
District of Delaware	23.5	149
Southern District of California	25.4	162
Northern District of Georgia	27.0	273
Northern District of Illinois	27.0	462
Northern District of California	28.0	467
District of Massachusetts	31.0	221

U.S.C. § 1337), the ITC conducts investigations into allegations of certain unfair practices in import trade, including patent infringement, via the importation of infringing products. In 2003, the ITC initiated 18 patent investigations; in 2004, it initiated 28; and in the first half of 2005, it initiated 21.

Plaintiffs are required to provide more evidence to the ITC than they are to federal courts. In patent cases, for example, the Commission requires the following documents in order to initiate a "Section 1337 investigation": claim charts that purport to show infringement, copies of license agreements pertaining to each asserted patent, copies of certified prosecution histories for each asserted patent, and copies of the technical references cited in the prosecution histories for each asserted patent.[22]

After a complaint is filed with the Commission, the Office of Unfair Import Investigations (OUII) examines the complaint and determines whether or not to initiate a Section 1337 investigation, usually within 30 calendar days of the filing of the complaint. In the event the Commission opts to institute such an investigation, the Commission serves all respondents named in the investigation, as well as the U.S. embassy for the country in which they are located, with a copy of the complaint and a notice of investigation. A notice of investigation is also published in the Federal Register. The OUII only rarely decides not to initiate an investigation.[23]

Table 3: All-Inclusive Cost of Patent Litigation in 2005

Geographic region	Average cost of patent litigation for cases valued from US$1 to US$25 million (in US$)	Average cost of patent litigation for cases valued above US$25 million (in US$)
Boston	2,638,889	4,107,143
New York City	3,667,308	6,190,000
Philadelphia	3,287,500	4,712,500
Washington, DC	3,167,742	6,947,917
Other East	2,468,750	3,076,923
Metro Southeast	3,285,294	9,440,909
Other Southeast	1,662,500	3,342,857
Chicago	2,133,000	4,404,412
Minneapolis-St. Paul	1,567,500	3,688,889
Other Central	1,686,098	3,258,571
Texas	2,847,826	4,993,750
Los Angeles	3,015,000	4,866,667
San Francisco	2,823,529	7,985,714
Other West	2,279,630	5,283,333

Once an investigation is instituted, the Commission assigns an investigative attorney from the OUII to function as an independent litigant representing the public interest in the investigation.

A Section 1337 investigation is conducted in accordance with procedural rules unique to the ITC, although these rules have some similarities with the Federal Rules of Civil Procedure. The Federal Rules of Civil Procedure are the rules by which litigation is conducted before all U.S. District Courts. However, for example, during a Section 1337 Investigation, it is the administrative law judge who issues subpoenas[24] with nationwide jurisdiction. Another important distinction is timing. Typically, a Section 1337 investigation moves quickly, with quick deadlines for discovery responses and briefing (usually ten days, rather than 30 days) and statutory target dates that require completion of the Commission's proceedings "*at the earliest practical time.*" This often occurs within 15 months, depending on the complexity of the case. As a result, parties initiating ITC investigations can reasonably expect a trial within nine or ten months from filing.

A Section 1337 investigation often leads to a formal evidentiary hearing before the presiding administrative law judge. At the conclusion of this hearing, the administrative law judge issues an initial determination that serves as an initial decision of the merits of the case. The initial determination may then be subject to a review by the full Commission of the ITC (if the parties so choose) before it becomes the final determination of the ITC Commission. The initial determination often issues at least three months prior to the 15-month target date for the investigation's completion. At the request of one of the parties for a review of the initial determination, the Commission may review and adopt, modify, or reverse the initial determination or it may decide not to review it at all. If the Commission declines to review the initial determination, it becomes the final determination of the Commission by default.[25]

Table 4: Win Rate Distribution Among Some Prolific District Courts (1983-1999)

District court	Patentee wins (percent of total cases)	Infringer wins (percent of total cases)
Northern District of California	68	32
District of Minnesota	67	33
Central District of California	63	37
Southern District of New York	63	37
Southern District of Florida	63	37
District of New Jersey	61	39
Eastern District of Virginia	58	42
Northern District of Illinois	48	52
District of Delaware	46	54
District of Massachusetts	30	70

Source: The Federal Judiciary[26]

In the event that the Commission determines that Section 1337 has been violated, the commission may issue a *cease-and-desist order,* directing the violating parties to cease their illegal activities, as well as one of two types of *exclusion orders*: general (applying to all infringing articles, regardless of source) or limited (applying to those infringing articles imported by a respondent to the investigation) barring certain products from entry into the United States.[27] The Commission cannot assess monetary damages. The Commission's exclusion orders are enforced by the U.S. Customs Service, although the Commission enforces its own cease-and-desist orders.

The president has 60 days to review Commission orders before they become effective. During this period, infringing articles may enter the United States if the importer posts a bond with the Customs Service for an amount determined by the Commission. Similarly, activities prohibited by a Commission cease-and-desist order may also continue during the Presidential review period if the respondent posts a bond with the Customs Service. Appeals of Commission orders pursuant to Section 1337 investigations are heard by the U.S. Court of Appeals for the Federal Circuit.

There are advantages and disadvantages to using the International Trade Commission as a forum for patent litigation (see Table 5). Perhaps the greatest advantage is that the win rate of plaintiffs in ITC investigations is approximately 70%, as opposed to 58% in federal district courts.

7. CONCLUSIONS

A global patent filing program is an essential component of an integrated system of IP management. It maximizes value and protects the integrity of an organization's patent portfolio. Such a program requires knowledge, organization, and planning. The dynamics of the international patent landscape must be understood (for example, issues relating to establishing foreign priority, where to file patent applications, and the advantages and disadvantages of the various filing options). Organizational efforts will focus on arranging the patent portfolio to achieve strategic global objectives (for example, determining in which countries and/or jurisdictions to seek patent protection according to (in the case of private sector) commercial objectives, or, (in the case of the public sector) humanitarian access objectives. Planning requires foresight. For example, one must anticipate the possibility of litigation and know what the venue options are based on the cost, speed, and likelihood of success in litigation. With such a comprehensive program in place, both public and private sector organizations will be positioned to anticipate, manage, and overcome the uncertainties and challenges that characterize the international technology marketplace in agricultural and health innovations. ■

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1 PTO Press Release (February 14, 2006) titled United States Patent and Trademark Office Issues 7 Millionth Patent.

2 For a current listing of members of the Paris Union: www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=2.

3 A patent application filed with the EPO may be submitted in the official language of any EPC member state (including the extension states), but a translation must be submitted in one of the three official EPO languages (English, French, or German) within three months of filing the application and no more than 13 months after the earliest requested priority date. The date of application is the actual filing date. If a request for priority is also filed, that is, the application was initially filed in a foreign jurisdiction, then the "requested priority date" is the priority date that the applicant requests the EPC application be accorded. A patent application filed with the JPO must be written in Japanese, but the specification, claims, drawings, and abstract can be written in English, as long as a Japanese translation of the English documents is filed within two months of the initial filing date. It is possible to file a patent with the U.S. Patent Office in any language, as long as an English translation is submitted within two months.

4 The application for an invention that has not and

will not be patented in foreign countries will not be published if the applicant so requests.

5 A Statutory Invention Registration is authorized by law: 35 U.S.C. § 157. It permits a party to publish an invention, but without all the attributes of a patent, that is, the published invention can be used defensively, as a publication, but not offensively to assert infringement against others.

6 U.S. Patent and Trademark Office. 2006. Calendar Years 1790 to the Present. Table of Annual U.S. Patent Activity Since 1790. www.uspto.gov/web/offices/ac/ido/oeip/taf/h_counts.pdf.

7 U.S. Patent and Trademark Office. 8 February 2006. Patent Trends Calendar Year 2005.

8 OECD. 2005. Compendium of Patent Statistics. Organisation for Economic Co-Operation and Development: Paris. p. 55.

9 OECD. 2005. Compendium of Patent Statistics. Organisation for Economic Co-Operation and Development: Paris. pp. 55–56.

10 Subject matter jurisdiction (that is, the power of the district court to hear the subject matter of the controversy) is not an issue for patent cases because

Table 5: Advantages and Disadvantages to Initiating ITC Investigations

Advantages	Disadvantages
Broad injunctive remedies exclude importations or order infringing parties to cease and desist from particular activities.	Section 1337 refers only to imported goods; ITC does not award monetary damages. (However, filing a case with the ITC does not prohibit one from filing a parallel case in federal court.)
Investigations are usually completed in 15 months or less, faster than most district courts.	The discovery and motion practice is fast, permitting little time to search for prior art that might invalidate a patent or other evidence to render a patent unenforceable. Responses are often due within 10 calendar days. Furthermore, because in an ITC investigation the OUII is another party, discovery and response briefing are served/filed not only by the opposing party, but also by the OUII.
Broad *(in rem)* jurisdiction means jurisdiction is derived from the imported articles, as opposed to the presence of particular parties or acts in and around Washington, DC. Thus, goods of a downstream importer who is not named in the ITC, and who normally might not be subject to the jurisdiction of the courts (such as a foreign resident), may be excluded.	The domestic industry requirement mandates that the complainant demonstrate that: • there exists a domestic industry protected by the patent right that the plaintiff seeks to enforce • the defendant has performed an unfair act • the defendant's act has a detrimental effect or tendency (above and beyond mere legal infringement).
No counter-claims are permitted.	The plaintiff must provide detailed factual allegations for each element of each claim.
The trier of fact is an administrative law judge with experience in patent lawsuits.	There is no possible recourse to trial by jury.
The administrative law judges are rotated on a regular basis. Thus, assignment of a case to an administrative judge might be predicted.	In recent months, the rotation of judges has become less predictable

federal courts have exclusive jurisdiction over patent issues. See 28 U.S.C. § 1338. However, if the litigation involves other claims, those other claims might be permissible in federal court.

11 28 U.S.C. § 1391(c).

12 See 28 U.S.C. § 1400(b).

13 See Hildebrand v. Steck Mfg. Co., Inc., 279 F.3d 1351, 1354 (Fed. Cir. 2002).

14 Unlike challenges to subject matter jurisdiction, the defense of lack of personal jurisdiction must be raised at the outset of litigation or else the defense is deemed waived. See Fed. R. Civ. P. 12.

15 Quackenbush v. Allstate Ins. Co. (517 U.S. 706, 722 [1996]).

16 www.uscourts.gov/fcmstat/index.html.

17 Anonymous. 2006. Patent Rocket Dockets? House Approves Bill for Pilot Program to Enhance Patent Expertise in Certain Federal District Courts. Fulbright & Jaworski LLP Client Alert (October 2006). www.fulbright.com/images/publications/FulbrightClientAlertPatentRocketDockets1.pdf.

18 American Intellectual Property Lawyers Association. 2005. AIPLA Report of the Economic Survey 2005. pp. 109–10.

19 Moore KA. 2001. Forum Shopping in Patent Cases: Does Geographic Choice Affect Innovation? *N.C. L. Rev.* 79: 889.

20 The median time was calculated using the date a case was filed and the date the trial began. In the case of reopened cases that resulted in a second completed trial, the median time was calculated using the original filing date and the date the second trial was completed.

21 Statistics for the District of Maine were not available for 2005. These statistics are for 2004.

22 See Rule 210.12(c–g), 19 C.F.R. § 210.12(c–g).

23 See U.S. International Trade Commission. 2004. Section 1337 Investigation: Answers to Frequently Asked Questions. Publication No. 3708. p. 21.

24 See Rule 210.32, 19 C.F.R. § 1337. Investigation: Answers to Frequently Asked Questions 210.32. The Federal Rules of Civil Procedure limit the scope of any subpoena to command a person within 100 miles where the court sits if the rules of state statute permit issuance of state -wide subpoena.

25 Ibid.

26 See supra note 21 at page 916.

27 The remedy of an exclusion order has become a more powerful tool (and threat) after eBay v. MercExchange (126 S.Ct. 1837 [U.S. 2006]). In the wake of the eBay decision, patent owners can no longer assume that injunctions will issue if infringement is found in a case brought in federal district court.