



OBAMA ENDORSES AMENDMENTS TO THE AIA

The America Invents Act (AIA) became law on Sept. 16, 2011, representing the most significant change in U.S. Patent Law since 1952. On January 14, 2013, President Obama signed into law new legislation amending the AIA. While some of the amendments address typographical errors, a substantive change was to remove the so-called "dead zones," a technical loophole which precluded review of certain first-to-invent and reissue patents. These patents are now subject to challenge. Another important change was calculation of patent term extensions for Patent Cooperation Treaty (PCT) international applications. Previously, term extensions were based on when the requirements of the statute were fulfilled. Now, term extensions are based on the "commencement of the national stage," giving qualifying applications small term extensions. The AIA does not require a declaration of inventorship to be filed with the initial application. Instead, the AIA states that a notice of allowance cannot issue until the declaration is filed. This practice made the declaration filing deadline uncertain. The new rule provides that the applicant must provide the declaration at any time up until the payment of the issue fee (which is a date-certain set in the notice of allowance).

PROTECTING SECRETS FROM SPIES & THIEVES

January was a busy month for President Obama. In addition to amending the AIA, he signed into law two other pieces of legislation relevant to the IP community. The first, "The Theft of Trade Secrets Clarification Act of 2012" amends the Economic Espionage Act of 1996 so that it applies to a product or service used in, or intended for use in, interstate or foreign commerce. Prior to this clarification, the U.S. Court of Appeals for the Second Circuit, in *U.S. v. Aleynikov*, had ruled that the theft of proprietary source code by an employee was not theft of a "trade secret." The source code at issue in the case was only used internally and was not incorporated into a product or service. The second piece of legislation, "The Foreign and Economic Espionage Penalty Enhancement Act of 2012" enhances the penalties for violations of the Economic Espionage Act. Under the Act, the upper limit of penalties for violation by an individual of 18 U.S.C. § 1831(a) are increased from \$500,000 to \$5,000,000 and, for corporate violations of 18 U.S.C. § 1831(b), the greater of \$10,000,000 or 3 times the value of the stolen trade secret to the organization, including expenses. Both of these acts grant companies and individuals greater options for protecting their critical, non-registered IP.

NEWS, MEDIA, AND UPDATES:

The third edition of WTR 1000 was recently published featuring the World's Leading Trademark Professionals and **Leason Ellis** is among the listed firms. According to WTR, "[w]hile still a relative newcomer to the scene, this IP boutique is rapidly establishing an impressive market standing. The combination of its nimble attorneys and a location in the growing commercial centre of White Plains gives it a flexibility and cost efficiency which are not always readily available in New York City." The full version is available at www.wtr1000.com.

Yuval Marcus, Susie Cheng, and Cameron Reuber presented a CLE program for the Intellectual Property Committee of the Westchester County Bar Association on January 15, 2013 entitled "Trademarks, Patents and Copyrights -- What You Need to Know to Help Your Clients Compete." The program was sponsored by Hudson Valley Bank and held at its headquarters at 21 Scarsdale Road in Yonkers, New York. For more information, please see <http://bit.ly/QHPf2R>.

Marty Schwimmer moderated an INTA roundtable at our office on Friday, February 1st, titled "Social Media and Intellectual Property – The Good, Bad and Ugly" which was geared towards professionals concerned about resolving the perils created by unauthorized trademark use in the social media arena. The topics of discussion ranged from determining when social media use constitutes "use in commerce," to how social network sites divert users to third-party sites, to when search engine sales of key words and diversion of internet traffic constitute actionable conduct, to threats posed by social media (and how to establish and protect marks from those threats) and challenges created by social media vanity names, fan pages, and community pages. For more information, please see <http://goo.gl/S4jPp>.



Our own **Elizabeth Barnhard** has been appointed as a Board Member of the Westchester Women's Bar Association and Co-Chair of the IP Committee. See <http://goo.gl/tiOxb> for a full listing of the WWBA Ad Hoc Committees and Committee Chairs.

Melvin Garner and Yuval Marcus' article titled "Is the Patent System Broken or Simply Misunderstood" was published in the December 13, 2012 edition of the Westchester County Business Journal. See <http://goo.gl/jL9Kk>. In the same publication, Peter Sloane was quoted extensively in an article on the growth of IP law. See <http://goo.gl/YHyMg>.

Patent-eligible subject matter was at issue in the Supreme Court ruling in *Mayo v. Prometheus* and the Federal Circuit's decision in *AMP v. USPTO* ("Myriad"). **Dr. Susie Cheng's** article, published in the December 2012 issue of WIPO Magazine, discusses the Courts' approach as to which pharmaceutical and biotechnology inventions are considered as patent-eligible subject matter. The article is available on our website at www.leasonellis.com/UScourts.pdf.

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