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Legislative Patent Reforms Under the New Federal Government

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Legislative reforms in the patent and intellectual property arena are poised for transformative changes under the new federal government. Two pivotal bipartisan, bicameral bills, the Patent Eligibility Restoration Act (PERA) and the Promoting and Respecting Economically Vital American Innovation Leadership (PREVAIL) Act, aim to address longstanding challenges and reinforce the nation's leadership in global innovation.

PERA seeks to resolve confusion in patent eligibility by eliminating judicial exceptions and explicitly defining patentable subject matter, excluding items like mathematical formulas and natural materials. PREVAIL targets improvements in the Patent Trial and Appeal Board (PTAB) processes, including a "single forum" rule to prevent repeated validity challenges and a code of conduct for PTAB members. PREVAIL specifically highlights concerns about China's strategic use of intellectual property and the need to safeguard U.S. national security interests and economic competitiveness through strong patent protections. These reforms emphasize predictability and fairness in the patent system while safeguarding innovation incentives.

The Republican-controlled Senate Judiciary Committee is expected to prioritize these reforms, potentially reinstating its Intellectual Property Subcommittee. Bipartisan collaboration, led by Senators Thom Tillis (R) and Chris Coons (D), underscores the broad recognition of the need for these changes. Further, shifts in the House Judiciary Committee and its subcommittee on Courts, Intellectual Property and the Internet may, depending on its partisan composition, further shape debates around patent legislation introduce challenges to the legislative process, requiring strategic navigation to ensure progress.

Enhanced patent protections from PERA and PREVAIL promise significant benefits for small businesses and individual inventors. Clarity in patent eligibility and streamlined review processes will

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reduce litigation risks and encourage investment in innovation. These changes are aligned with broader economic goals, reinforcing U.S. competitiveness in emerging industries and countering international challenges.

The success of these reforms will depend on sustained bipartisan and bicameral efforts and active engagement from the stakeholders. By addressing systemic issues, these legislative measures aim to balance innovation protection with regulatory efficiency, solidifying the U.S.' position as a global leader in technological advancement.

Click here for the full details of PERA.

Click here for the full details of PREVAIL.

Please contact the author of this Client Alert or your Butzel attorney for additional information.

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