Key Patent Harmonization Issues

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Governmental Efforts

• **2011-2014** – Trilateral Offices (USPTO, EPO, JPO) and others form Tegernsee Group to study four key harmonization issues in 2012 and Report in 2014 led to a new initiative:
  – Prior User Rights, Grace Period, Conflicting Applications, 18-month Publication

• **2014-Present** – Group B+ assumes responsibility for the initiative among governments on the 4 Tegernsee Topics
  – Established separate *Work Streams* (2016)
  – B+ Subgroup Meeting and IT Met in Geneva (9/26/18)
  – B+ Comment on IT3 Proposals (12/10/18)
Industry Trilateral (IT3) Efforts

- **2014-Present** – IT3 comprises AIPLA and IPO, Business Europe (BE), and the Japan Intellectual Property Association (JIPA)
  - IT3’s aim is to reach consensus and issue a final package that fairly balances interests of all entities and encourages innovation
  - Prepared a comprehensive *Elements Paper* (2017) with recommendations on the 4 topics plus a definition of "prior art.
  - Participated in the *B+ Symposium and Meetings* (2017)
    -Discussed IT3’s *Elements Paper* and gathered stakeholder’s responses thereto
    - Included Summary Charts
    - Held weekly teleconferences among discussion leaders
    - Conducted face-to-face meetings in January, February, June 2018
    - Six Substantive WebEx meetings in March-Sept. 2018
  - Reported to *B+ Subgroup Meeting* (9/26/18) based on Revised Summary Charts with open issues bracketed
Engagement with Stakeholders

- Industry Trilateral organized events in members/non-members countries.
  - Global Network of National IP Practitioner Associations
  - Organization meetings
- Outreach to representatives of individual inventors, SMEs, universities, national/international law societies/associations, including China.
- Engagement ongoing

Goals of this presentation
- Show present status of harmonization positions to experts.
- Identify concerns regarding any of the proposed positions
- Identify alternatives.
Industry Trilateral Harmonization Principles

- Policy must be **fair and balanced**
  - Policy must consider interests of Patent Owners, Third Parties and the Public, including individuals, SME's and Universities

- Policy must implement **best practices** to encourage innovation

- Many **existing laws must change** to some extent

- Harmonization must be based on an agreement as to an **entire package** rather than individual elements

- Harmonization must consider **technological advances in AI and Big Data** over the next 10 years
Overview of Elements Under Discussion

- **Prior Art**: Achieved Consensus on Definition
- **Grace Period**: Open items include those relating to
  - Duration (6 vs 12 months)
  - **Mandatory Statement** identifying the graced PFD to the Patent Office
  - **Accelerated Publication** of application to 18 months after PFD date
  - **Penalties** for late filing or not filing the PFD Statement
- **Prior User Rights (PUR)**
  - Open items: **Derivation**
- **Conflicting Applications** - use of an unpublished application against a later application
  - Substantial Consensus in IT3
  - Open item: Treatment of PCT Applications
  - FICPI advocates EP novelty type system – no anti-self collision
- **18 Month Publication** – all applications are published
  - National security exception
GRACE PERIOD

- **Mandatory Filing of a Statement** to claim benefit of a Grace Period – as a balanced and best practice in 10 years:

  - **Up to Publication of the Application**
    - What Penalties for not filing with the application but up to publication?

  - **Up to Grant**
    - What Penalties for not filing before publication but during prosecution?

  - **Post Grant**
    - Should there be an opportunity to claim Grace Period after grant
    - What Penalties for not filing with the application but up to publication? Different from Penalties up to grant?
GRACE PERIOD - Accelerated Publication

• CONSENSUS
  – Accelerated publication - Upon timely filing of Statement, or on request, publication will be accelerated to occur 18 months after date of PFD

• ISSUE
  – Content of the publication - what is a balanced and best practice in 10 years for the content of the accelerated publication of a Statement
    – With the entire application
    – With bibliographic data and claims only
Prior User Rights

• **Underlying Policy** - Protect interests of an independent inventor who develops an invention that is later patented by another inventor.

• **Requirement for PURs** - PURs accrue to a third party with respect to a later patented invention:
  (i) where such invention is *commercially used* by the 3d party or
  (ii) where *serious and effective preparations* for commercial use have been made by the 3d party

  **prior to** the actual filing date or the priority date, whichever is earlier.

• Burden of proving entitlement to the PUR is on the 3d party.

• PUR is limited geographically

• Transferability is limited
• CONSENSUS
  – PURs **always apply** where the 3rd party developed the invention independent of a graced PFD by/for/from the inventor.
  – PURs **do not apply** when the 3rd party obtained or used the relevant knowledge of the invention in an illegal way.

• ISSUE: as a balanced and best practice in 10 years:
  – Should PURs apply where the 3d party legitimately derived knowledge of the invention from a patentee’s pre-filing disclosure (PFD)?
  – Does the comprehensiveness of the PFD accessed by the third party have an impact on the availability of the PUR defense?
**Scenario** - A 3d party had the benefit of knowledge of the invention from a pre-filing disclosure (PFD) of the patentee and made substantial preparation for commercialization before the application was filed

- If the 3d party copies an **enabling** PFD without any **independent contribution** should they get or not get a PUR? Is this theft of the invention?

- If a 3d party sees a **non-enabling** PFD disclosure and then reduces it to practice, should they get or not get a PUR?
  - **Non-enabling**: Incomplete, partial or high level description of the invention
  - Additional independent effort necessarily required!
Thank You!

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