

Global Patent Protection, an Overview

Andrew Berks, Le-Nhung McLeland and Brian Treco

for ACS Committee on Patents and Related Matters

This article is a brief summary of global patent protection for an invention, with a discussion of the most important international treaties affecting patents.

Patents are a form of intellectual property intended to be an incentive to inventors or to the institutions that pay for the inventors' work. Patents allow the patentee to exclude others from practicing the claimed invention for a limited time in order to enjoy a profit from the invention, and to recoup the costs of development. (That is, the patentee can exclude others from making, using or selling the patented invention). The benefits offered by a patent provide an incentive to develop new and improved technology that advances society. This is a generally recognized concept in modern times, and the grant of patent rights in some form has been adopted by nearly every country in the world. To obtain the most from this discussion, the reader is encouraged to read "What Every Chemist Should Know about Patents," which can also be found on the CPRM website.

As a property right, patents have limited territorial scope. Put simply, patents are only good in the country that issues them. For example, a patent issued in the United States cannot generally be used to stop an infringer in Canada or Japan. Since an invention that works in Chicago usually works in Toronto or London as well patent applicants need to know how to protect their invention in multiple countries if there is a commercial justification for doing so.

Paris Convention – One Year To File In Other Countries

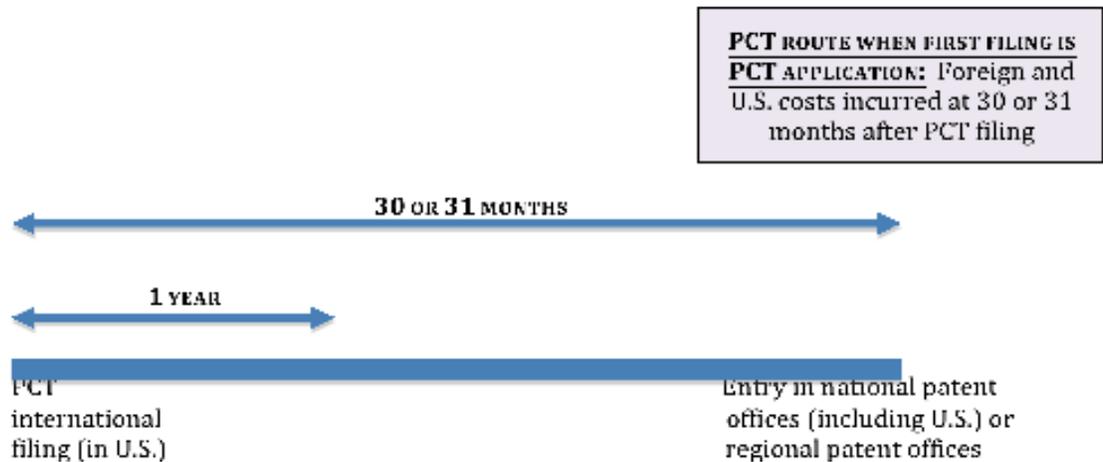
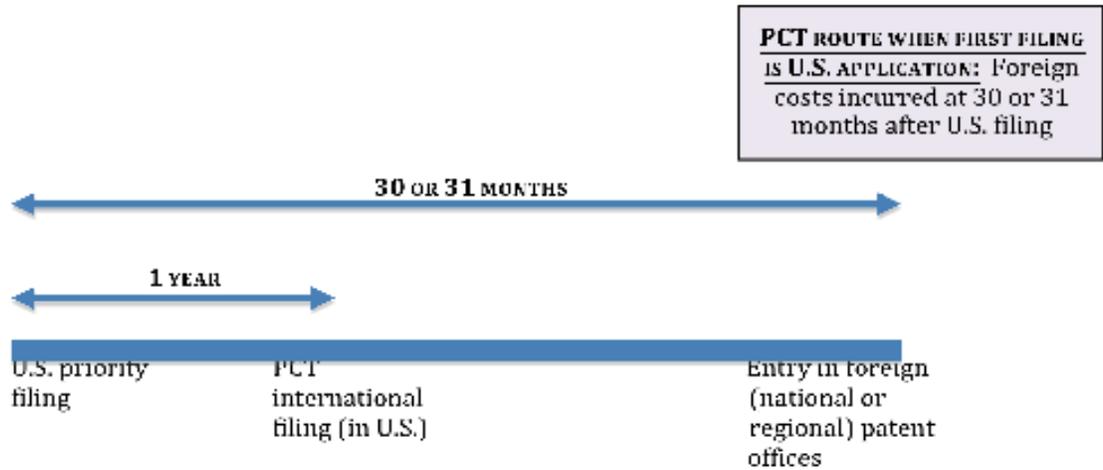
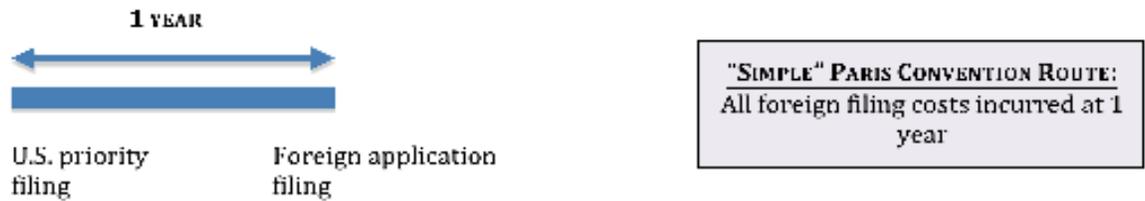
The basis of international patent filing is the Paris Convention for the Protection of Industrial Property, an international treaty known as the "Paris Convention." Under the Paris Convention as it now stands, the general rule is that a patent applicant has one year after the first patent application filing to file a subsequent patent application in other "Paris Convention" countries and claim the benefit of the date of the first filing. or "priority filing." Operationally, the idea is that the first patent application is filed in the home country of the inventor. The applicant then files an application for the same

invention in any other country that adheres to the Paris Convention no later than on the one year anniversary of the first filing date. (See first scenario in “Timelines for 3 Filing Scenarios Starting from U.S.”)

Under the Paris Convention the application filed in the other countries is given the benefit of the filing date of the first application (i.e., the priority filing) if the applicant claims such priority, and the invention claimed in the other countries is adequately described in the first application. Under those circumstances, the other countries may not use the priority filing as prior art against the corresponding applications filed in those other countries. For example, if Alice (an American resident) files a patent application in the United States on January 1, 2010, she can then file an application for the same invention in other “Paris Convention” countries on or before January 1, 2011, claiming priority based on the U.S. filing. For this example, assume that Alice files her patent application at the European Patent Office on January 1, 2011, and subsequently her U.S. application is published. When the European examiner performs a prior art search and examines Alice’s European patent application, the European examiner may not cite the publication of Alice’s U.S. application as prior art and reject the European patent application based on that U.S. publication. This is because Alice has claimed priority based on the U.S. application, and the invention claimed in her European application is adequately described in her U.S. application.

However, if we vary the facts of the above scenario, and assume that Alice had a U.S. patent application filed in August, 2008 which has a somewhat similar disclosure compared with her European application filed on January 1, 2011, the European examiner could reject Alice’s 2011 application based on the publication of her 2008 U.S. application. This is because the 2011 European filing does not (and cannot) claim priority under the Paris Convention based on the 2008 application. **An applicant’s own publications may be used against the applicant under certain circumstances, so it is important to manage the timelines of patent filings carefully to avoid problems.** Patent attorneys and agents can assist with these issues and should be called upon to avoid these kinds of pitfalls.

TIMELINES FOR 3 FILING SCENARIOS STARTING FROM U.S.



Patent Cooperation Treaty – A Single Application for all PCT Countries

As suggested above, one way to file applications in multiple countries is to engage a patent agent in each selected country and file within one year in that country an application claiming the benefit of the date of the priority filing. Obviously, with more than a handful of countries, this multiple filing occurring all at once within a year of the priority filing can be cumbersome and expensive. Filing fees, translation costs, and professional fees in each of the selected countries can add up to a substantial investment for an applicant who does not yet know the value of the invention.

The Patent Cooperation Treaty (PCT) was adopted in 1970 to provide a procedure for filing a single international patent application which may be converted subsequently into individual applications in any of the selected countries or regional patent offices in the PCT system (of which there were 142 as of February 2011.) Most importantly, the PCT procedure allows an applicant to postpone for a few years the cost of translating and filing patent applications in other countries.

A PCT (international) application may be the first application ever filed for a particular invention, or the PCT application may be a second application filed within one year of the first filed application and claiming the benefit of that priority filing under the Paris Convention as explained above. (See second and third scenarios in “Timelines for 3 Filing Scenarios Starting from U.S.”)

A PCT applicant has until 30 or 31 months (depending on the country) from the first filing (which is the priority filing claimed in the PCT application or the PCT application itself) to “enter” the national stage in each selected country or regional patent system. To obtain an actual patent in a selected country, that is enforceable against an infringer in court, the applicant must “enter” the national stage by having a patent attorney or agent for that country file the necessary documents, including a translation of the PCT application into the language of that country if necessary, and pay the required fees. In some instances, the applicant may have the option of entering a regional phase, for example at the European Patent Office, and prosecuting the patent application there. This defers certain costs (e.g. issuing and maintenance fees) in the individual member countries covered by the European Patent Office.

Operationally, the ordinary procedure for a PCT filing is that the applicant would file a priority application in the applicant's home country, and then within one year, file a PCT application. The applicant then has until 30 or 31 months to file the national/regional stage applications (i.e., enter the national/regional stages.) In this way, the applicant has an extra 18 (or 19) months over the Paris Convention route to decide if the invention is really worth spending lots of money on patent fees in other countries.

A significant aspect of a PCT application is that each national stage application must be an exact, faithful translation of the original PCT application. In contrast, when a patent application is filed in another country under the Paris Convention, claiming priority based on a filing in a first country, the text of the second application does not have to be an exact, faithful translation of the first application. Revisions ranging from minor editorial changes to major additions of substantive matter may be made in the application filed in the second country. In some cases, the application filed in the second country may be in fact a combination of two or more applications filed in the first country, but the details are complex and beyond the scope of this document.

A few other comments are that the PCT is administered by a United Nations agency called the “World Intellectual Property Organization” (WIPO). Also, PCT applications are published 18 months after the priority date as WO documents. PCT applications and other useful information are available from the WIPO website, www.wipo.org. This website includes a very good search engine for PCT applications. Links to some topics of interest from the WIPO site are shown at the end of this article.

An important note is that some countries are part of the Paris Convention but are not part of the PCT (e.g. Taiwan). This section only applies to PCT countries.

Caution in Transferring Data across Borders for Filing Patent Applications

An issue which affects research conducted in the U.S. is that the first patent application must be filed in the U.S. if the invention is deemed “made in the US.” A possible scenario: research is conducted in the U.S. at the subsidiary of a foreign company, sometimes with researchers from the parent company who are temporarily assigned to the U.S. location. The first application must be filed in the U.S. If an application is first filed overseas inadvertently, it may invalidate any patent issued

subsequently for the same invention by the US Patent and Trademark Office (USPTO). A remedy when such inadvertent foreign filing is discovered is to petition the USPTO for a retroactive foreign filing license, which is granted only if the PTO is convinced that the error was without deceptive intent.

If in the above scenario a patent application is filed first in the USPTO, the official filing receipt would ordinarily contain the statement “Foreign Filing License: Granted.” This is a signal that the application has cleared the security review process in the USPTO, and the applicant is now free to file the patent application in a foreign country. In any event, the applicant is free to file the application overseas if six months have elapsed since the U.S. application was first filed.

If for some reason it is desired that the first application be filed in the foreign country in the above scenario, it is possible to file in the USPTO a request for a Foreign Filing License. If the Foreign Filing License is granted by the USPTO, the patent application may initially be filed in the foreign country.

In an interesting twist relating to the possible outsourcing of patent applications to be prepared overseas for filing in the U.S., the USPTO has published in the U.S. Federal Register on July 23, 2008 a notice warning patent applicants and patent agents/attorneys that they cannot rely on a Foreign Filing License to send information overseas for the purpose of having a patent application prepared overseas and returned to the U.S. attorney or agent for filing in the USPTO. The notice clarifies that the USPTO has been delegated authority under the Export Administration Regulations (EAR) to grant foreign filing licenses for the limited purpose of filing **foreign** patent applications. The USPTO has no authority to grant a license for the export of technical data for the purpose of having a patent application prepared overseas (through outsourcing) for filing in the USPTO. See link to Federal Register notice below.

Conclusion

This article is a brief summary of global patent protection for an invention, with a discussion of the most important international treaties affecting patents, the Paris Convention and Patent Cooperation Treaty. As a caveat, this discussion only touches the tip of the iceberg, with huge policy and financial implications. Interested persons should

consult the USPTO website and WIPO website for further information on patent procedures. This document is not meant to eliminate the need for competent legal counsel where patent/intellectual property matters are concerned.

LINKS TO PCT RESOURCES ON WIPO SITE:

Portal on PCT Resources: <http://www.wipo.int/pct/en/>

Short introduction to Patent Cooperation Treaty (PCT):

<http://www.wipo.int/pct/en/treaty/about.html>

Protecting your inventions abroad: frequently asked questions about the Patent Cooperation Treaty (PCT):

http://www.wipo.int/export/sites/www/pct/en/basic_facts/faqs_about_the_pct.pdf

List of countries/regional patent offices in PCT system:

http://www.wipo.int/export/sites/www/pct/en/list_states.pdf

Time limits for entering national/regional phase:

http://www.wipo.int/pct/en/texts/time_limits.html

LINK TO FEDERAL REGISTER NOTICE ON OUTSOURCING PATENT APPLICATION

PREPARATION:

<http://www.uspto.gov/web/offices/com/sol/notices/73fr42781.pdf> (Federal Register notice on prohibition against export of information for outsourced preparation overseas of application for filing in US)