

FICPI REVISITS ITS POSITION ON A NOVELTY GRACE PERIOD FOR PATENTS

At least since 1983 FICPI has been expressing its support for an internationally widespread and uniform novelty grace period. In most instances, this support has been linked to a desire to achieve substantive patent law harmonization. More than a dozen resolutions have been passed, and the general view points of the federation were summarized in a position paper in 2004.

Because of recent international developments, in particular patent law reforms in the US, Japan and Korea, FICPI decided about a year ago to revisit the grace period issue.

The issue was discussed extensively within a special FICPI Working Group, and at a meeting with the Work and Study Commission (CET) in October last year. Further considerations followed at a workshop among some 25 delegates of the Executive Committee (ExCo) in January this year. Thereupon, the ExCo decided on 24 January 2013 to reconfirm its position in favor of a grace period. In short, the position includes the following preferred features:

Preferred features:

1. Term: 12 months;
2. Counted from: Priority date (according to previous resolutions), or filing date only – FICPI has recognized good arguments for both alternatives;
3. Purpose: Safety net;
4. Coverage: Any form of prior disclosure caused by or derived from the inventor. Hence, independent disclosures by others are not covered, and a pre-filing disclosure does not constitute a priority right;
5. Declaration: If any, it should not be mandatory;
6. Entitlement. In order to prove entitlement to a grace period, procedures may be adopted to determine whether or not a specific disclosure drawn to the attention of an applicant/patentee is derived from the inventor, and the burden of proof should initially be on the applicant/patentee;
7. Prior user rights: Third parties may acquire prior user rights irrespective of a disclosure made by the inventor before the filing date under the grace period, provided that all other criteria for obtaining prior user rights are met.

Importance of global uniformity

FICPI also pointed out that it is highly desirable, out of fairness and reciprocity, to have global uniformity in terms of:

- the existence of a grace period,
- the duration of a grace period,

- the provisions relating to third party disclosures and activities occurring during a grace period after a pre-filing disclosure, and
- a voluntary or mandatory declaration at the time of filing.

Without such uniformity, there will be severe imbalances in the global patent system, with associated further costs and complications during the prosecution of parallel patent applications in various jurisdictions.

Most of the deliberations made in the discussions leading up to the current FICPI position concerned two basic issues: the general justification of a grace period, and the reference date for calculating the grace period (up to the priority date or up to the actual filing date).

Justification of a Grace Period

As to the first issue – the general justification of a grace period for patents - FICPI identified and listed a large number of benefits for various stakeholders: the society and the public at large, third parties and competitors and, of course, inventors and their assignees and licensees.

Grace period to be calculated prior to the priority date or prior to the filing date?

Regarding the second issue - the reference date - there was a long debate whether it should be the priority date or the actual filing date:

In most drafts on a grace period provision, made in connection with patent law harmonization discussions at WIPO, the term was proposed to be counted from the date of disclosure up to the date of the first patent application filed by the same person (or successor in title), i.e. the grace period should run up to the priority date, and the patent applicant should then have another 12 months within which to file subsequent applications claiming priority under the Paris convention. The term for filing the subsequent application is fixed and only dependent on the date of filing the first patent application, not on the date of a pre-filing disclosure which may be uncertain. Of course, this approach will allow applicants and their attorneys, being accustomed to work in a system (such as the European patent system) without a grace period, to use basically the same filing strategies that they are familiar with and that have proven to be effective and advantageous. For example, if an applicant files a priority application and, within one year, files multiple foreign applications claiming that priority, the novelty of these foreign applications will not be affected if it later turns out that somebody, within or outside the applicant company, has inadvertently disclosed the invention (and the grace period provisions are applicable).

A grace period counted up to the priority date is applied in several countries, such as the US, Brazil, Mexico, Argentina, Colombia and Uruguay, and is meant to establish a mere exception with respect to certain disclosures which originate directly or indirectly from the inventor. Other traditional features of the patent system remain basically unchanged, such as the fact that the date for determination of the prior art is still the priority date.

On the other hand, in other jurisdictions, such as Australia, Canada, Korea and Japan, the grace period is calculated up to the actual filing date of any regular application. The regular application may be a national application, possibly claiming priority from a first application, a complete application based on a provisional first application, or a PCT application. In other words, the grace period runs up to the filing date of the application from which the 20 year term is calculated, not to the filing date of any earlier priority setting application.

Both the priority date and filing date approaches to the grace period will generally result in the same 18 month publication date, since the publication is determined by the priority date which is the same under both approaches. So, for third parties, the two approaches are virtually equivalent.

However, for applicants, experience from Australia and Canada has indicated that there are certain advantages if the grace period is calculated from the date of disclosure up to the actual filing date of a regular or complete patent application or a PCT application. Accordingly, after disclosing the invention in public, the applicant will have to file a PCT application or a regular or a complete patent application in the jurisdictions of interest, within the grace period (e.g. 12 months). Thus, the full 12 months priority term of the Paris convention cannot be used, but the advantage would be that even if the priority claim turns out to be invalid, the pre-filing disclosure will be no more than 12 months before the filing date, and would be excluded from the prior art by the grace period.

The lack of harmonization in the way priority entitlement is assessed makes it difficult for applicants, and their attorneys, to draft claims which will be entitled to priority, and hence grace period protection, in all jurisdictions.

A grace period which is calculated from the priority date will also have the effect of deferring the final expiry date of the subsequently granted patent, due to the delay in initial filing (up to 12 months), which may be considered an advantage by some patent applicants. On the other hand, a grace period calculated from the filing date will require the regular or complete application or PCT application to be filed up to a year earlier, and more in line with the date the application would have been filed if the priority setting application was filed prior to initial disclosure.

Accordingly, FICPI has identified pros and cons with both approaches, and has yet to reach a conclusion as to which approach would constitute the best practice.

Confirmation of FICPI position in favor of a grace period

Nevertheless, FICPI concluded that, on balance and also considering all other relevant aspects of a grace period for patents, the benefits outweigh the disadvantages. Thus, FICPI reconfirmed its position in favor of an internationally wide-spread and largely uniform novelty grace period, to be applied strictly and to serve as a safety net in the global patent system.

The complete wording of the FICPI position, including other aspects such as the issue of a possible uncertainty for third parties and a preferred duration of 12 months (rather than 6 months) for the grace period, is available at the FICPI website www.ficpi.org.