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VON PATENTANWÄLTEN



AIPLA
American Intellectual Property Law Association

SPLH COLLOQUIUM

MUNICH, GERMANY - 5-7 JUNE 2024

REPORT FROM THE SPLH COLLOQUIUM ORGANIZED BY AIPPI/FICPI/AIPLA

EUROPEAN PATENT OFFICE, MUNICH, GERMANY - 5-7 JUNE 2024

BACKGROUND

This document summarizes the discussions during the Colloquium. The Colloquium was organized by AIPPI, FICPI, and AIPLA. The Colloquium was held under the “Chatham House Rule”, i.e., no statements made by any attendee can be attributed to the individual speaker, absent their express prior permission.

The organizers agreed further that none of the comments at the Colloquium may be attributed to any organization with whom any attendee is affiliated. Rather, the discussion was among attendees to explore possible routes to harmonization. Any comments at the Colloquium may not reflect the official views of, and cannot be attributed to, any of the organizing associations or other organization with which the individual speaker may be affiliated.

Three topics were discussed in open discussions among all attendees on the morning of the first day of the Colloquium: Grace Period; Prior User Rights; and Conflicting Applications. The first two were the subject of contemporaneous workshop sessions the afternoon of the first day. There was no separate workshop session for Conflicting Applications.

GRACE PERIOD

Should there be a Grace Period?

A majority of the attendees supported a grace period. A harmonization package that balances a grace period for applicants with effective measures to protect the reliance interests of third parties may include a candid declaration of pre-filing disclosures against which the applicant claims are graced, and an effective prior user defense.

Timing of a Grace Period?

A grace period of 12 months from the actual filing date (i.e., the date from which the patent term is calculated) is in place in many jurisdictions, whereas a grace period of 12 months from the priority date is in place in other jurisdictions. Both options were discussed and considered.

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During the workshop, an alternative scheme was offered for consideration that would allow two periods for disclosures to be graced:

- 12 months from the actual filing date (i.e., the date from which the patent term is calculated), **and**
- 6 months from the priority date.

This alternative scheme does not generate any right for the applicant to claim priority under the Paris Convention in respect of the subject matter of a pre-filing disclosure, during the 12-month period running from the actual filing date.

Applicants could avail themselves of both when appropriate. However, in certain circumstances, only one period may be available, i.e., where the applicant only becomes aware of a pre-filing disclosure 7 months or more after it was made. Also, neither period may be available, e.g., where a national application is filed within 6 months from a known pre-filing disclosure, and a further, earlier pre-filing disclosure is discovered only after filing of the national application and more than 12 months after that earlier pre-filing disclosure.

Should a Statement Relying on the Grace Period be Required?

Some attendees desired a mandatory statement informing the general public about the pre-filing disclosure, others opposed, yet, in order to arrive at a balanced compromise, expressed willingness to agree to a statement, provided an unintentional failure to file the statement did not result in any punitive measures against the applicant, and in any event, an unintentional failure to file the statement should not result in any loss of rights for the applicant.

An alternative proposal discussed was that an applicant would need to file a candid statement identifying any public pre-filing disclosure. This statement would not result in accelerated publication of the application. Rather, it would include basic bibliographic information about the application and a reference to the pre-filing publication. If the pre-filing disclosure of the invention was not in the form of a publication or other similar disclosure, an accurate summary of the disclosure would be provided (see below).

There was substantial discussion regarding the timing of filing any statement and the consequences of failing to file it. One suggestion that garnered substantial support was to require that the candid statement be filed within 4 months of the filing date, while others suggested that the statement would have to be filed upon filing the application. If the applicant was not aware of the pre-filing disclosure at the time the statement was due, and later became aware, the statement would need to be filed reasonably promptly after learning of the pre-filing disclosure; details on consequences of late filing were not extensively discussed.

There was general agreement that any statement would be accepted at face value. A Patent Office would not investigate the facts of the statement.

The only penalty for not filing a statement would be, in situations in which the statement was intentionally not timely filed, the loss of the grace period. No further sanction, such as invalidity, or unenforceability, or other punitive measures would be invoked.

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This candid statement would include sufficient information to inform the public what had been publicly disclosed, e.g.:

- If the public disclosure is a written publication, the statement should include a reference to the publication, and basic bibliographic information about the application;
- If the public disclosure is a poster, the statement should include at what conference the poster was displayed, the date of the poster display, a copy of the poster, and any other relevant details, and basic bibliographic information about the application; or
- If the public disclosure is an oral presentation, if known, what was disclosed and other relevant details, and basic bibliographic information about the application.

Treatment of a public sale or use by the applicant was not discussed.

The Patent Office in which the candid statement was filed would be asked to publish the candid statement within six months of filing (but no later than the publication of the application), the candid statement, and any attachments, along with bibliographic details such as the named inventors, the title of the application, assignee information, and the international classification.

Should publication of the entire application be accelerated?

The general view was that there would be no accelerated publication of the entire application. One argument for that position was that this could result in over-publication of confidential information, as a patent application will contain in most instances more information than a single embodiment in a pre-filing disclosure. Some attendees supported accelerated publication of the whole patent application; others believed this may impose an undue burden on the Offices - which may result in them erroneously publishing a particular application early - and the Offices may decline to publish it.

As noted above, a proposal was discussed that an applicant would file a candid statement identifying any public pre-filing disclosure. This statement would not result in accelerated publication of the application. Rather, it would include basic bibliographic information about the application and a reference to the pre-filing publication. If the pre-filing disclosure of the invention was not in the form of a publication, an accurate summary of the disclosure would be provided.

An alternative proposal was discussed that would replace accelerated publication of the application with accelerated publication of a notice, such as a Filing Receipt modified to include basic information about the application and a summary of the pre-filing disclosure to be graced. A view was expressed that this approach is not expected to add a major burden on the Offices.

GRACED PRIOR USER DEFENSE

Should there be a prior user defense?

There was a consensus that if there is a grace period, there should be some form of prior user right. The prevailing view was that referring to it as a “right” invoked connotations that would complicate the harmonization process; it is instead a defense to infringement. The general consensus was that a new “Graced Prior User Defense” should be established. This would use a new term to distinguish the defense from existing prior use defenses that exist in multiple countries, which are commonly referred to as “prior user rights.” These vary widely in scope from country-to-country.

Some attendees argued against establishing a new defense because it would complicate harmonization. Defenses are determined by courts, whereas the establishment of a grace period does not require judicial harmonization.

What should be required for entitlement?

A party would be entitled to a Graced Prior User Defense if they obtained a disclosure in a manner that is not contrary to law, not subject to a confidentiality obligation, and not in violation of any other agreement.

There was substantial discussion whether this Graced Prior User Defense should permit prior use derived from the graced pre-filing disclosure. Some attendees mentioned that the term “derivation” can, in some jurisdictions, imply improper acts. One attendee pointed out that other organizations—not represented at the Colloquium—strongly oppose permitting any derived prior use.

Several attendees recommended that the defense be available whether independent or derived, based only on objective criteria to be determined. This would enable the accrual and scope to be determined in a predictable and uniform manner across all jurisdictions. Thus, the Graced Prior Use Defense would be available for any use that arose between the pre-filing disclosure and filing date, whether derived or independent.

The consensus of the workshop attendees was that these criteria would be employed instead of the “good faith” criterion, which has different interpretations in different jurisdictions.

There appeared to be a consensus that, to be entitled to a Graced Prior User Defense, a party must have commercially used, or at least made substantial and effective preparation for the commercial use of, an embodiment falling within the scope of at least one claim of a patent before the filing date or, if earlier, the applicable priority date of the patent.

Should there be a limitation on volume?

There was general agreement that, consistent with current prior user rights schemes, there would be no limitation on the volume that the party can produce unless the business is transferred, in which case the volume at the time of the transfer is the maximum that can be produced. It was noted that this lack of a volume limitation needs to be consistent with the

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limitation that the graced prior use defense is available only in the national territory in which the prior use is established.

Should modifications be limited?

Two alternatives were discussed with respect to modifications, without a clear preference among the attendees:

- A Graced Prior User Defense should be limited to embodiments within the scope of the patent which were used commercially, or for which serious and effective preparations for the commercial use were made, of an embodiment prior to the filing date or, if applicable, the applicable priority date of the patent, or to substantially similar embodiments; or
- A Graced Prior User Defense should apply to any modification provided the modification does not infringe another claim in the patent claiming the benefit of the application for which a grace period has been claimed. This option is attractive due to being more objective.

What Territory is Included in the Graced Prior User Defense?

There was a strong majority view that the Graced Prior User Defense would need to be established in each country or region, individually. Establishing the Defense in one country would give no right to exploit the invention in another in which the Defense had not been established.

CONFLICTING APPLICATIONS

Individuals summarized the current state of the law of conflicting applications in the United States, Japan, and UK and the European Union. The discussion of Conflicting Applications began with the question: Given that conflicting application issues are rarely litigated and receive little publicity, how often do conflicting applications arise? Are they a substantial problem? Several audience members identified a few cases where conflicting applications have been a problem for their company or client. Yet, no substantial systemic problem was identified.

The question was asked: Why not simply give all applications prior art effect from their effective filing date? Several individuals commented that this may result in the loss of subject matter in that no applicant may be able to overcome the prior art effect of the conflicting applications.

The group discussed whether systems for resolving conflicting applications (such as Japan's) in which the first filer has an advantage, are appropriate. Several individuals commented that this system is inconsistent with the basic principle of TRIPS that all applications should be treated equally. There was a divergence of view among the attendees whether the Japanese approach or equal treatment should be applied.

The group discussed what standard of distance should be applied to conflicting applications: novelty (EPO); enhanced novelty ("novelty plus") (JP); or novelty and inventive step (US). The

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discussion coalesced around the need for a consistent definition of prior art and that all applicants should be treated the same way.

Some comments focused on the fact that the United States approach is the most complex and can result in gaps in claimed subject matter (No applicant being able to secure certain subject matter) because later published applications may result in obviousness rejections. The Japanese system (favoring the first filer and based on a “novelty plus” distance) leads to narrower gaps. The EPC approach (termed “whole of contents”) does not lead to gaps since unpublished applications can only be used for rejections due to a lack of novelty but may lead to overlapping, subject matter lacking an inventive step may be granted to multiple applicants.

Practitioners in jurisdictions other than the EP system were asked whether they would favor harmonizing to the current EP practice as part of an overall harmonization package. A majority were in favor.