Transferring Priority Rights

Brett J. Slaney

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Agenda

1. Origins
2. Key issues with transferring priority rights
3. Case review (*T 0577/11*)
4. FICPI studies - questionnaire and guidelines

1. Origins

- Paris Convention (1883)
- Article 4A(1):

> *Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union,* ***or his successor in title****, shall enjoy, for the purpose of filing in the other countries, a right of priority* ***during the periods hereinafter fixed****.*

2. Key Issues

Legal Frameworks Governing Priority Rights

- Majority of countries allow for transfer of priority rights
  - Paris Convention provisions or local law with same effect
- Unlikely to be a conflict between local laws and Paris Convention
  - But, if a conflict arises, the provisions that take precedence vary
- Regional provisions vs. local laws (case review later)

2. Key Issues

Obtaining Priority Rights

- Right to claim priority not limited to applicant of priority application (…*or his successor in title*…)
- Priority rights need to be transferred
  - Automatic transfer to assignee vs. explicit priority assignment
- Acceptable form of transfer varies by jurisdiction
- Contribution of patentable subject matter may be required to acquire priority rights

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2. Key Issues

Separation of Rights

- Right to claim priority, rights in priority application, and rights to invention may be separate in some jurisdictions
  - Allows for separate assignment of these rights
- But…these rights are not separable in other jurisdictions
- Important to address all of these rights in an assignment

2. Key Issues

Invention Rights and Priority Rights

- Rights in invention at time of filing later application may be required to obtain valid patent…but not always
- Right to claim priority must be possessed by applicant of later application, generally at the time of filing
- These rights are not always scrutinized by the patent office handling the later application

2. Key Issues

Priority Rights for Multiple Applicants

- Multiple applicants typically jointly hold priority right
- Jointly held priority right may be exercised as an individual right in some jurisdictions
- Co-applicant may transfer priority right to a third party, but consent may be required
- Joint transfer of priority right may be required

2. Key Issues

Transfers Based on Employment Contracts

- Can be effective way to transfer priority rights
  - Should specifically deal with priority and invention rights
- Separate assignment to employer may be required
- Uncertainty can arise with multiple applicants with different employment contracts
- Consider further complexity with co-inventors from multiple jurisdictions with different employers

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2. Key Issues

Laws for Transfers Across Jurisdictions

- Uncertainty as to which laws should apply when determining whether a priority right has been transferred
- Law of country of execution?
- Law of specified country in which it is to be interpreted?
- Law of country where later application filed?
- Law of country where assignee resides?
- Law of country where assignor resides?

2. Key Issues

Multiple Inventions in a Single Application

- Separate later applications for each invention disclosed
- Cross-assignment of priority rights not typically required
- Divisibility of these rights can vary by jurisdiction
- Priority right may be coupled to application and not split across inventions
- May need to file a single later application and divide thereafter

2. Key Issues

Paris Convention vs. PCT Applications

- Typically treated in the same way
- Australia a notable outlier with substantially different set of legal provisions

3. Case Review

- *T 0577/11* – Boards of Appeal of the European Patent Office
- Priority application filed in name of Tenaris Connections BV
- PCT application filed in name of Tenaris Connections AG
- No declaration of entitlement filed upon or after filing later application
- Later application filed **Sep 6, 2003**, assignment transferring priority rights executed **Sep 19, 2003**
- Included “retroactive effect” provision

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3. Case Review

- Document D1 relied upon in opposition was either citable or not based on valid priority claim
- Board's provisional opinion – although retroactive provision valid under national law, could not overcome fact that it was concluded after the filing date at EPO
- Transfer of priority right alleged to have been made orally – in the instructions from IP contact at company (not originally admitted)
- Considered issue of whether Italian law (where retroactive effect is permissible) should apply

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3. Case Review

- Appellant requested several questions be referred to Enlarged Board of Appeal:
  - Must transfer of priority right be proven in a formal way?
  - Where national law allows retrospective transfer of rights, can such transfer be recognized under EPC?
  - Is it necessary for enjoyment of priority right that “succession in title” qualifies as a transfer of legal ownership of either priority application or the priority right?
  - Must “succession in title” have taken place before or when EPO application filed?
  - “Enjoyment” and “succession in title” autonomous concepts?

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3. Case Review

- Issue of validity of priority was re-opened by Board
- But…request to Enlarged Board was refused
- Appellant considered to be “law shopping”
- Priority right had not been transferred before expiry of 12-mo period and no longer existed, therefore subsequent transfer not possible
- What is relevant is filing of later application, not 16-mo period to filing declaration of priority
- Insufficient proof of oral agreement
- In the end…not a valid priority claim

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4. FICPI Studies

- Study began within CET 3, working group formed
- Questionnaire established and circulated to delegates (Jul to Sep 2015)
- Replies reviewed and summarized
- Identified key issues discussed earlier
- Set of Guidelines developed based on key issues

4. FICPI Guidelines

- If possible, try to ensure that any Later application (which may be a PCT application) is filed in the name of the applicant of the Priority application, and that this applicant is also the owner of the invention and the priority rights at the time the Later application is filed.

4. FICPI Guidelines

- If this is not possible (*i.e.* where the rights to the application, to the invention and to the priority claim belong to different parties), try to ensure that the rights to the application, to the invention and to the priority claim are transferred to the applicant prior to filing the Later application.

4. FICPI Guidelines

- Where it is not possible to ensure that rights to the invention and priority rights are possessed by the same party at the time of filing a Later application, consideration should be given to naming as applicants all parties possessing rights in the invention and priority rights, taking into account the potential difficulties that handling an application with multiple applicants may present.

4. FICPI Guidelines

- In many countries it is important for assignments of rights relating to patents and patent applications to be in writing and signed by the assignor and the assignee. For this reason, it is safest to ensure that such assignments are executed, as a Deed or contract, in this manner.

4. FICPI Guidelines

- It is possible to include an additional applicant in a Later application who does not have any rights in the Priority application where that additional applicant has contributed patentable subject matter to the Later application, or derives title from a person who has contributed patentable subject matter, provided the applicant of the Priority application, or the person who has obtained rights in the invention and priority rights from that applicant, is also named as an applicant.

4. FICPI Guidelines

- If an additional person or entity is made a co-applicant of the Later application by a party who possesses all the relevant rights (*i.e.* rights in the invention, the Priority application, and the priority claim), then the act of making the Later application by the party may implicitly transfer those rights to that additional person or entity.

4. FICPI Guidelines

- In some countries obtaining rights to the application, the invention and the priority claim will necessarily require assignment of the Priority application itself. When a Priority application is filed by multiple applicants, it is safest to avoid any transfer of priority rights by individual co-applicants and to file the Later application in the name of all co-applicants of the Priority application or in the name of the assignee of all co-applicants. Where the Later application is filed in the name of one of the co-applicants and an assignment from all co-applicants cannot be obtained, it is important to obtain the consent, at least, of the other co-applicants.

4. FICPI Guidelines

Regarding the transfer of priority rights via employment contracts:

a. employment contracts should not be relied on for the effective transfer of priority rights, particularly for a Priority application with multiple applicants and where the respective employee inventors are each bound by different contracts;

b. if an employment contract is used for the transfer of priority rights, a confirmatory assignment should be obtained in order to confirm the transfer (preferably before filing the Later application); and

c. instead of relying on employment contract provisions, it is recommended that the employee inventors (either jointly or individually) transfer all rights associated with the invention to the applicants of the Later application (*i.e.* the employer(s)), including rights to the Priority application, to claim priority from this application, and to the invention itself.

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4. FICPI Guidelines

- For multiple inventions involving different inventors disclosed in a single Priority application filing a single Later application and subsequent divisional applications for each invention is recommended. The corresponding application for each invention may be subsequently assigned to the respective inventor(s) by the other co-applicants. Where it is envisaged at the time of initial filing that different applications will be pursued for inventions involving different inventors it is advisable to file separate priority applications for the different inventions

Questions

Brett J. Slaney
brett.slaney@blakes.com