



TRANSFER OF PRIORITY RIGHTS PARIS CONVENTION ARTICLE 4A(1)

BACKGROUND

This report describes the results of a study carried out to identify the various national requirements for the effective transfer of priority rights in accordance with Article 4A(1) of the Paris Convention, under which an applicant filing an application for an IP right in one country can claim the right of priority from that application in another country. The study focused on the manner in which various countries and regions have implemented the provisions of Article 4A(1), and where this implementation differs from the specific provisions of the Paris Convention. The information gathered was analyzed with a view to prepare a set of guidelines to assist FICPI members and their clients to take the steps necessary to ensure that priority rights are transferred in a manner which will be effective in all or most Paris Convention countries.

To initiate the study a questionnaire was prepared providing background information in relation to the operation and effect of the provisions of Article 4A(1) of the Paris Convention (PC) and setting out 16 questions framed to obtain information about requirements and procedures for transferring priority rights in accordance with these provisions. A copy of this questionnaire is attached as [Annex 1](#). The questionnaire was sent to all Delegates on 10 July 2015 requesting completion and return by 13 September 2015. The replies were then reviewed in detail and a summary of the responses was prepared. Unfortunately responses were not received from Belgium, Chile, Columbia, Hungary, Ireland, Israel, Malaysia, the Netherlands, Norway or Sweden.

The questionnaire is primarily concerned with the filing of a patent application (the “Later application”) claiming priority from an original priority setting application (the “Priority application”) made in an originating country that is a signatory to the Paris Convention, in circumstances where the applicant of the Later application is different from the applicant of the Priority application. For the priority claim made in the Later application to be effective it is important to ensure that the priority rights are transferred to the applicant of the Later application by the applicant of the Priority application. The questionnaire examines several issues associated with the effective transfer of priority rights, including:

- (i) The general requirements for transferring a priority right from the applicant of the Priority application to another party;
- (ii) Whether an applicant who has no rights in the Priority application can be included in a Later application claiming priority from the Priority application;
- (iii) Whether the right to claim priority can be treated separately from rights in the invention and rights to the Priority application;
- (iv) What rights are needed at the time of filing a Later application, and for obtaining a patent with a valid priority claim in respect of that application;
- (v) Whether, in the case of a Priority application with multiple applicants, each applicant has an individual priority right or the priority right is owned jointly by all applicants, and the



circumstances under which the priority right (or the portions belonging to respective co-applicants) can be assigned to a third party;

- (vi) Whether employment contracts are effective in transferring priority rights in the case of a single applicant, and in the case of multiple applicants with potentially different employment contracts;
- (vii) The law that is applicable to the determination of the effectiveness of a priority right transfer, particularly when the invention is made and/or the transfer occurs over multiple countries; and
- (viii) In the case where a single application is filed for multiple inventions, the circumstances under which the priority right can be separated between the inventions and the inventors of each respective invention.

The questionnaire also examines whether there are differences in the requirements for the transfer of priority rights for national phase applications made under the Patent Co-operation Treaty (a PCT application).

RESULTS

The results of the study are summarized in the spreadsheet attached as [Annex 2](#) (a blank entry in the sheet indicates that an answer was not provided by the Delegate for the corresponding question). The level of detail in the responses provided by the Delegates varied significantly. The responses of some Delegates indicated a possible difficulty comprehending the subtle differences between questions that relate to a common concept (such as the importance of rights to the invention for merely filing a Later application, as opposed to actually obtaining a granted patent). This was particularly evident for countries where the language of the questionnaire (i.e. English) is not natively spoken.

In cases where Delegates provided information that extended beyond the scope of the study, the analysis presented below may not necessarily reflect the entirety of this information. Furthermore, a number of responses referred only to the practices of the relevant Patent Office without providing any substantive legal basis for this practice. The interpretation and analysis provided below is based on the assumption that the practices referred to in such responses accurately reflect the IP laws in the relevant jurisdiction. Additionally, it is noted that while the information provided by the Delegates is assumed to be accurate, no independent verification of the correctness of this information has been performed.

The content of this report is organized into the following categories: i) legal frameworks governing priority rights; ii) obtaining priority rights; iii) separation of rights; iv) invention rights and priority rights; v) priority rights for multiple applicants; vi) employment contract based transfers; vii) laws for transfers across jurisdictions; and viii) multiple inventions within a single application.

LEGAL FRAMEWORKS GOVERNING PRIORITY RIGHTS

The majority of the countries surveyed allow for the transfer of priority rights through the implementation of either the PC provisions directly or local law provisions which (are intended to) operate with the same effect. Most respondents indicated that there is unlikely to be a conflict between



the local (national) law provisions and those of the PC. However, in the event of a conflict there appears to be variation in relation to the legal code that takes precedence. A significant number of respondents, including those from Argentina, France, Greece, Russia and Switzerland, indicated that the PC provisions take precedence over their national law provisions. In other jurisdictions, including Australia, Canada, South Africa, the UK, and the United States, such a conflict would be resolved in favor of the national law provisions.

OBTAINING PRIORITY RIGHTS

The right to claim priority from an earlier filed Priority application in a foreign country is generally not limited to the applicant of the Priority application. Priority rights can also be enjoyed by the assignee of the Priority application, or by the assignee of the right to claim priority in the case that this right exists as an independent right from the rights in the Priority application itself. Although the answers provided by the Czech Republic suggested that priority rights could not be transferred, it was subsequently clarified that this was not the case.

However, there are several exceptions. In Brazil and China, the right to claim priority is not automatically granted to the assignee of the Priority application. In this case the priority right must be obtained by explicit assignment (i.e. the assignee of the Priority application must also be assigned the priority right).

In most jurisdictions, mere consent of the applicant of the Priority application is not sufficient to enable a person to obtain the right to claim priority, particularly where the consent is not provided in a legally enforceable form (such as, for example, in the case of a verbal agreement). Therefore, it appears that formal assignment of the Priority application and the priority right should be performed to enable a person to claim priority in respect of a Later application.

In general, the right to claim priority can also be obtained by a person lacking rights in the Priority application but who is named as an applicant in the Later application. The acquisition of priority rights by this “other person” may, in some countries, require a contribution of patentable subject matter to the Later application. In other cases, it would seem that the making of the application jointly with the other person can imply a transfer of the right to claim priority, as well as rights in the invention, to the other person. Additionally, in some countries, such as Brazil, Denmark and Mexico, it is a requirement that at least one applicant of the Later application is able to validly claim priority from the Priority application. In other jurisdictions, the priority claim will only be valid for the subject matter contributed by the other person if this subject matter is disclosed in both the Priority and Later applications (for example, in Greece, New Zealand and Spain). Exceptions include China, Italy and Singapore, where a person’s right to claim priority is not dependent on their patentable subject matter contribution.

SEPARATION OF RIGHTS

In many countries surveyed a separation exists between the right to claim priority from a Priority application, rights in the Priority application, and rights to the invention(s) that is/are the subject of the Priority application. A significant number of respondents have indicated that their Patent Office practice



allows for the separate assignment of the right to claim priority, the rights in the invention, and rights in the Priority application itself. This appears to be the case even in jurisdictions where there are no specific legislative provisions or case law that refer to a separation between the rights. Countries where all three rights are, in practice, able to be independently assigned to different parties include Australia, United Kingdom, South Africa, Brazil, China, Korea, India, Greece, Turkey, Poland, Switzerland and Portugal.

By contrast, rights in the invention, rights in the local Priority application, and the right to claim priority are not separable in several countries, including the United States, Canada, Peru and Singapore. For example, in the United States, an assignee of the Priority application owns all rights including the right to file continuation, divisional or foreign applications that claim priority, and this right in the Priority application is also coupled to the rights in the invention the subject of the Priority application.

There is variation in the extent to which rights in the invention are separable from rights in the Priority application, even when the right to claim priority can be assigned independently. In some countries, such as France, Italy, Russia, Spain and New Zealand, the rights in the invention are bound to the Priority application and cannot be separately assigned.

INVENTION RIGHTS AND PRIORITY RIGHTS

Variation exists with respect to the necessity of possessing rights in the invention at the time of filing a Later application, and for obtaining the grant of a valid patent in respect of this application. In almost all countries surveyed, possessing rights in the invention is required for the grant of a valid patent. However, in many surveyed countries, rights in the invention are not required to file the Later application, and these rights can be obtained after the filing of the Later application, and before the grant of a patent on this application. In general, for countries where the rights in the invention can be acquired after the filing of the Later application, a Later application can also be transferred to a person already possessing rights in the invention to enable that person to be granted a valid patent. The exact timing requirements for obtaining rights in the invention varies according to each specific jurisdiction, and typically depends on whether these rights are needed at a particular stage during prosecution (as in Australia, for example, where they are required to request examination of the application).

However, in the United Kingdom, and also in the United States and Canada where rights in the invention and the right to claim priority are inseparable, rights to the invention are required to file the Later application. Furthermore, in these jurisdictions and some others (including China, Finland, India, Greece, Poland and Spain) the rights in the invention cannot be obtained by the applicant at a time after filing the Later application to enable the grant of a patent to that initially disentitled applicant. However, some respondents from these countries indicated that it may still be possible for an initially disentitled applicant to transfer the Later application to an entitled party, who had acquired rights in the invention prior to the filing of the Later application, to enable that entitled party to obtain a granted patent with a valid priority claim.

In contrast to rights in the invention, in general the right to claim priority must be possessed by the applicant of the Later application in order for the patent to be granted with a valid priority claim. Furthermore, in almost all surveyed jurisdictions the applicant must possess the priority right at the time of filing the application. That is, the priority right typically cannot be acquired retroactively to permit



the grant of a patent with a valid priority claim in respect of a Later application filed without such priority rights. This is consistent with provisions of the European Patent Convention (EPC) which require that any transfer of a right to claim priority for a Later application must have been effected prior to filing that application. However, there may be some exceptions to this requirement, such as Greece, where it was indicated that the priority right may be transferred to the applicant of the Later application at any time before the priority period has expired.

Some respondents (such as Russia and Poland) also indicated that their respective Patent Offices do not formally check that an applicant possesses the right to claim priority, or rights to the invention, at the date of filing the Later application or, in some cases, at any time. In such cases, a patent may be granted which is susceptible to challenge through invalidation proceedings.

PRIORITY RIGHTS FOR MULTIPLE APPLICANTS

In most countries, where a Priority application in respect of a single invention is filed by multiple applicants/inventors, the resulting priority right is held by the applicants as a joint entity. That is, the right of priority derived from the Priority application must be exercised by the applicants jointly, such that all applicants named in the Priority application, or the assignee of those joint applicants, should be named as the applicant of the Later application.

However, in several jurisdictions a priority right that has been jointly acquired can be exercised as an individual right by a co-applicant of the Priority application, such that the co-applicant may file a Later application with a valid priority claim independently of the other applicants. Countries permitting individual co-applicants to claim priority from a Priority application include Austria, Brazil, China, New Zealand, Peru, Singapore and the United States. Additionally, Switzerland allows for each co-applicant of the Priority application to exercise their rights (i.e. to claim priority) individually provided that the consent of the other applicants is obtained.

In general, one applicant's 'share' of the joint priority right may be transferred to a third party. However, this type of independent transfer typically requires the consent of all other co-applicants. In a minority of countries, including the United Kingdom, Brazil, China, Switzerland, Romania, Russia and Spain, the transfer of a partial share in a joint priority right held by an individual co-applicant is not possible, regardless of whether the other co-applicants consent. In this case a third party may obtain priority rights only by a joint transfer of the right from all of the applicants of the Priority application. Additionally, in jurisdictions where the priority right is coupled to the rights in the invention and/or rights in the Priority application (such as in the United States, Canada, and Singapore) a joint transfer of these rights is typically required to effectively transfer the associated priority right.

EMPLOYMENT CONTRACT BASED TRANSFERS

Employment contracts are generally effective in transferring priority rights in an application filed by, or on behalf of, a single employee inventor to their employer. This is typically conditional on the application relating to an invention made in the course of, or as a consequence of, the inventor's employment by the employer. Where the priority rights are coupled to the invention rights, effective transfer of priority requires the employment contract to also transfer the rights in the invention to the employer.



However, there are several exceptions, such as Argentina, China and Denmark, where priority rights must be separately assigned to the employer by the employee inventor filing the Priority application. Furthermore, in some jurisdictions, such as France, an employer is entitled to claim ownership over a Priority application, along with the associated right of priority, filed in the name of an employee. In such cases, an employment contract based assignment of the right of priority is unnecessary or at least redundant.

There is uncertainty regarding the effectiveness of employment contracts for transferring priority rights in cases where the Priority application has multiple applicants, and particularly where each applicant is subject to a distinct employment contract. In Australia, it appears that the success of a priority right transfer via an employment contract is dependent on the employer, who receives priority rights from an employee, being recognized as a "Convention applicant", a term defined in the Patents Act. It is believed that a transfer of the priority rights by an employment contract is unlikely to be recognized by a Court if the inventor has applied jointly with an inventor from another company subject to a different employment contract. The transfer of priority rights to the employer, or employers, of the inventors in the presence of conflicting employment contract provisions (i.e. where the contracts do not transfer the individual priority rights to the same employer) is also indicated to be ineffective in Turkey, Romania, Russia, China, and Korea.

However, in New Zealand an employer would be entitled to the priority rights in a Priority application filed in the name of an employee, even if the other joint applicants are not employees thereof (see *Fisher Controls International LLC v Dennis Eugene O'Hara* [2012] NZIPOPAT 14). Furthermore, since the priority right of the individual inventors is divisible in New Zealand (i.e. it can be exercised independently by the individual applicants) it is likely that priority rights would be transferred to an employer even if there are multiple inventors with different employment contracts. This also seems to be the case in some other countries where the priority right of the individual inventors is divisible, including South Africa, Brazil and Peru.

LAWS FOR TRANSFERS ACROSS JURISDICTIONS

There is no clear consensus in relation to which laws should apply to determine whether a priority right has been transferred in the case where the transfer involves multiple jurisdictions. The majority of Delegates indicated that the law which should be applied to resolve such a transfer is either: i) the law of the country where the assignment of the priority rights was executed; or ii) the law of the country specified in the assignment as the country in which it is to be interpreted. However, the Delegates from some countries indicated that the applicable law should be that of the country where the Priority application is filed, the country where the Later application is filed, the country where the assignee resides, or the country where the assignor resides.

MULTIPLE INVENTIONS IN A SINGLE APPLICATION

In general, a separate Later application can be filed for each invention disclosed within a single Priority application that is filed by multiple (i.e. joint) applicants who are the respective inventors of those inventions. The cross-assignment of priority rights is typically not required if the applicants of the Later application are the same as those of the Priority application. The extent to which the priority right is divisible between the distinct inventions disclosed in the application varies. A significant number of



countries allow the priority right to be split between the different inventions, including Denmark, Finland, Italy, Korea, New Zealand, Peru, Poland, Portugal, Russia, South Africa, Switzerland, and the United Kingdom.

However, in countries such as Argentina, Australia, Brazil, China, Greece, Romania and the United States the priority right is coupled to the application and cannot be split across inventions. In these jurisdictions, an alternative strategy may involve filing a single Later application that includes all inventions disclosed in the Priority application, and subsequently filing separate divisional applications for each distinct invention. If the divisional applications are filed in the name of the co-applicants of the Later application, then assignments may be executed to transfer the corresponding application relating to each invention to its inventor or assignee as required.

OTHER POTENTIAL ISSUES

PARIS CONVENTION VS PCT APPLICATIONS

In the majority of countries surveyed, national phase applications of a PCT Priority application are treated in the same way as a Later application that claims priority from a foreign Priority application. Australia appears to be the only surveyed country that implements a substantially different set of legal provisions governing priority rights for Paris Convention applications and PCT applications (see [Annex 2](#)).

In Australia, to claim priority from a Priority application when filing a Later Convention application outside the PCT, the applicant must be a ‘Convention applicant’. The legislative definition of a Convention applicant includes a person who has the consent of the original applicant, the assignee, or a person who is entitled to an assignment, or legal representative of any of those persons. It is unclear whether Convention applicant status must apply: i) on the date of filing the application, or ii) whether the applicant can qualify after the filing of the Later application such as to permit valid grant of the patent.

However, when the Later application is a national filing in respect of a PCT application, it seems that the definition of ‘Convention applicant’ does not apply to determine priority rights. In Australia, priority rights for a PCT application are obtained in accordance with Article 8 of the PCT and Article 4 of the PC. In contrast to Convention applications, it appears that the consent of the original applicant is unlikely to be sufficient for the transfer of priority rights to another person.

SUMMARY

It appears that the right to claim priority from an earlier filed Priority application is not limited to the applicant of the Priority application, and may be held by the assignee of the Priority application, or the assignee of the right to claim priority.

In general, the mere consent of the applicant of the Priority application is not sufficient to enable a person who is not the assignee of the Priority application, or of the associated right to priority, to obtain the priority right. It appears that a contribution of patentable subject matter to the Later application will, in most countries, enable an applicant of this Later application to obtain the right to claim priority



from a Priority application in circumstances where the person does not otherwise possess rights in the Priority application itself. The act of making the application jointly with the owner of the priority rights can imply assignment of those rights to the extent that such assignment may be necessary. However, such a priority claim will only be valid in respect of subject matter that is disclosed in both the Priority and Later applications.

Many countries recognize a practical separation between the right to claim priority from a Priority application, rights in the Priority application, and rights to the invention the subject of the Priority application, even in the absence of any specific legislative provisions or case law to support the independence of these rights. Countries where these rights appear to be inseparable include the United States, Canada, Peru and Singapore.

Although rights in the invention appear to be generally required for a person to obtain the grant of a valid patent, in many countries these rights are not required to file the Later application. In such countries, the retroactive acquisition of the rights in the invention after filing the Later application, and before the grant of a patent on this application, generally allows a valid patent to be obtained. Exceptions include the United Kingdom, and the United States and Canada where rights to the invention are required to file the Later application. However, some other countries do not permit rights in the invention to be obtained at a time after filing the Later application for the grant of a patent with a valid priority claim.

It appears that the right to claim priority must be possessed by the applicant of the Later application at the time of filing in order to enable the grant of a patent with a valid priority claim. The priority right cannot typically be acquired retroactively to allow a valid patent to be granted in respect of a Later application with its priority claim intact.

Generally, where there are multiple applicants of a Priority application the priority right must be exercised by the co-applicants jointly. A minority of countries, including Brazil, China, New Zealand, Peru, Singapore and the United States, permit individual co-applicants to claim priority independently. The transfer of a co-applicant's 'share' of the joint priority right to a third party typically requires, at least, the consent of all other co-applicants, and in some countries is not possible even when such consent is available.

Provisions included within employment contracts are generally effective in transferring priority rights in an application filed by, or on behalf of, a single employee, provided that the application relates to an invention made in the course of, or as a consequence of, the employee's employment. However, in some countries the priority rights must be separately assigned to the employer by the employee filing the Priority application. Additionally, when the Priority application has multiple applicants the effectiveness of the employment contract provisions for transferring priority rights varies based on jurisdiction.

When determining whether a transfer of priority rights involving multiple jurisdictions is effective, most countries prioritize the law of the country where the assignment was executed, or the law of the country that is specified in the assignment. Due to the absence of any international legal authority or substantial consensus regarding this issue, applicants anticipating the possibility of a priority rights transfer across multiple jurisdictions should proceed cautiously.



Finally, it appears that separate Later applications can generally be filed for each invention disclosed within a single Priority application. Although the priority right can be split between the different inventions in many jurisdictions, some notable exceptions include Argentina, Australia, Brazil, China, Greece, Romania and the United States where the priority right is coupled to the application.

GUIDELINES FOR THE EFFECTIVE TRANSFER OF PRIORITY RIGHTS

Some general guidelines for the effective transfer of priority rights include:

- 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.
- 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.
- 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.
- 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.

The following additional guidelines may also assist applicants to effectively transfer priority rights:

1. 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.
2. 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.
3. 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. 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.

5. 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.

**Michael Caine – Chair CET 3
& Daniel Pullella, Davies Collison Cave Pty Ltd**

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