



## FICPI WHITE PAPER (EXCO MEETING CARTAGENA, 20-24 JANUARY 2013)

TITLE: *FICPI White Paper on Grace period*  
 DRAWN UP BY: *Members of the working group on Grace Period, particularly:  
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 (executive summary by Mark Wilson)*

### **Introduction – FICPI’s traditional position on a novelty grace period**

At least since 1983 FICPI has been expressing, through the approval of more than a dozen resolutions, 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. See Appendices I, II and III for these resolutions, a FICPI statement in 2002 (Crump) at a WIPO SPC meeting, and a position paper (Ahner) from 2004 (EXCO SG04/CET/1302).

### **Revisiting the issue**

Now, because of international developments, notably the study carried out by the Tegernsee Group (2011-2012), patent law reforms in the US (2012), Japan (2012) and Korea (2013), and practical experiences by FICPI members during recent years, FICPI has revisited the grace period issue in order to update its position. The current views on various aspects of the grace period are presented below, following discussions in the Work and Study Commission (CET) of FICPI, and a special Grace Period Working Group within the CET, as well as a workshop in Cartagena (See Appendix IV).

### **Updated position and general justification of a grace period in the patent system, including benefits to various stakeholders**

Generally, FICPI still favours an internationally widespread and uniform novelty grace period for patent applications, being defined basically as proposed in our position paper from 2004 (applicant’s own disclosure being excluded from the prior art for the assessment of both novelty and inventive step) and subject to certain conditions as will be explained below in this document. These conditions should be such that there is an incentive for an applicant to file a patent application as soon as possible after a pre-filing disclosure, so that the grace period works as a safety-net, particularly for an inadvertent or accidental disclosure by a true inventor.

The general justification for a grace period in the patent system is as follows, according to FICPI:

For the society and the public at large, there are a number of benefits of a novelty grace period provision in the patent system. In particular, a grace period will encourage or permit innovators to publish at an early stage and still enable them to validly file a patent application on the same subject matter, and thereby:

- promote and encourage technological innovation, which in turn will have a positive impact, at least in most



- technical fields, on social and economic welfare,
- foster a system that allows innovators to disclose their contributions and increase the public knowledge at an early stage,
- facilitate transfer of technology and dissemination of technological information,
- provide, or at least improve, the balance of rights and obligations among the stakeholders in the patent system, *inter alia*, by leveling the playing field for both informed and uninformed innovators,
- stimulate innovators to reduce their inventive ideas to practice and to develop commercial embodiments. In this way, both small and large entities will have an incentive to transform the ideas into products available on the market, and
- give the innovators an extended possibility to protect inventions and thereby enable investments in production capability and marketing,
- these benefits being largely in line with Art 7 of the TRIPS agreement.

For third parties and competitors, a grace period will also bring about some advantages, at least in the long run:

- increased legal certainty, in that the nature of applicant's disclosure immediately prior to filing, e.g. by way of an abstract of a paper or a submission to a working group, will not be determinative of the validity of a patent. Third parties may thus evaluate validity with greater certainty, and this

in turn will increase the confidence of those third parties wishing to invest in emerging technologies. Also, third parties will be made aware earlier of any new technology in case applicant makes a public disclosure before filing,

- by channelling the disclosed inventions through the patent system (under certain conditions), the invention will be systematically classified. This will in turn enable others to recover and make use of the technological contributions in an easier, more uniform and centralized manner,
- a subsequently filed patent application will invoke presentation of pertinent prior art, a comprehensive disclosure of the invention in a patent specification and an indication of the new features of the invention in the patent claims, thus contributing to increase the overall knowledge in the particular field of technology.

Obviously, the inventors (and their assignees or licensees) will obtain the most tangible and direct benefits:

- by way of a grace period, the inventor/applicant will be awarded exclusive rights even after disclosure, so that the invention can be exploited and provide an economic return on the efforts made,
- a grace period will allow the patent drafter to expand on an idea, which was disclosed e.g. inadvertently or accidentally, so as to obtain a reasonable scope of protection and to meet the disclosure requirements,
- a grace period will also allow the inventor/applicant to finalize the invention by working out specific



embodiments, constructing prototypes, collecting data showing utility, carrying out validation trials and cooperating with other technical advisers, all such measures involving a risk of being regarded as disclosing the invention to the public,

- the inventor will be protected from self-collision also in case additional features are disclosed after the first patent filing and then later included in a subsequent application, even if it turns out that the priority is invalid (provided that the subsequent application is filed within the grace period),
- for certain categories of applicants, there are some special benefits which are generally regarded as fair and in the public interest, *e.g.*, for
  - o those who must test the invention openly while developing the invention and considering all aspects that should be included in a patent application,
  - o academic individuals, universities and public research institutions that are under pressure to share their research results in an open environment and to publish early, in line with academic tradition to advance the science and also in order to get sufficient funding and support,
  - o joint inventors and joint applicants working geographically apart or in different entities in collaborative projects, in particular because of the difficulties involved in communicating with each other and avoiding inadvertent disclosure to the public, and

- o small and medium-sized entities (SMEs) that have limited knowledge of the novelty rules and also limited financial resources. Small companies often realize the need to file a patent application only after sales of their invented products have been increasing.

### **Importance of uniform rules in all jurisdictions**

Today, as indicated above, the laws and practice concerning exceptions to the novelty requirements vary widely across the world, causing an undesired imbalance. In spite of the fact that many countries have grace period provisions, these cannot be used by globally active applicants, since a subsequent application in *e.g.* Europe will be rejected for lack of novelty.

As in many other aspects of patent law and practice, it is desirable, out of fairness and reciprocity, to have uniformity, in particular 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.

Otherwise, 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. These consequences will involve all stakeholders, including patent applicants, third parties and patent



authorities.

Accordingly, FICPI favours a largely uniform system where there are at least some minimum provisions on the grace period that apply in all jurisdictions. Only then is it possible for an inventor, who has made an inadvertent disclosure, to validly file a patent application in all jurisdictions where there is a market for the invention.

### **Positive experiences in various jurisdictions**

Novelty grace period provisions exist today in a large number of jurisdictions, and such provisions have also existed in the past, even in Europe. Thus, Germany had a grace period exception in its patent law before the implementation of the European Patent Convention in 1978, and the experiences of these provisions are generally said to be positive, without any major drawbacks to patent applicants, third parties or the public at large.

In the current patent law systems being in force, it has been reported that they operate without any major problems in, *e.g.*, the US, Canada, Brazil, Australia, Russia, Estonia, and recently also in Japan and Korea. However, it has been observed that the lack of uniformity across the jurisdictions reduces the effectiveness of the grace period offered in only some, but not all jurisdictions.

Accordingly, where a grace period has been a reality for many years, it appears to be generally accepted (but not used very much) by patent applicants and other stakeholders.

Notably, after the introduction of a grace period with much broader scope in Japan from April, 2012, it has been reported, in the Tegernsee report (September 2012), that the grace period has been relied upon

in an increasing number of cases, especially for university related applicants, SMEs and also, to some extent, even for large companies. The increase has been most pronounced in respect of disclosures on the internet, at exhibitions and in the form of sales.

In most other countries, there are no statistical data available.

### **Concerns of third parties, uncertainty, and possible need for a Declaration**

In Europe, when the EPC was worked out some 40 years ago, it was agreed to have very limited exceptions to the absolute novelty provision. When discussing a possible grace period at the Diplomatic Conference in Munich 1973, most delegations favoured legal certainty. At the time, the concern was for the inventor/applicant. The inventors should be advised to patent the inventions before disclosing them in any way, and they should not be given a false sense of security leading them to lose their rights if they filed in other countries not having a grace period.

Today, however, the concern for uncertainty is not for the inventor/applicant, but for third parties. Thus, most representatives of European Industry have been rather negative or skeptical to introducing a novelty grace period, primarily because of the perceived uncertainty for third parties when deciding whether a certain technology, having been made publicly available by somebody else, is free to be used or not. Especially large companies hold the view that freedom to operate analyses will be more difficult or complex to make, adding costs and increasing the risk of infringing the patent rights of others.



Of course, modern patent systems, with publication of pending applications at 18 months, involve a certain imbalance or asymmetry as regards granting a monopoly in exchange for a comprehensive disclosure of the invention to the public. Certain rights are given from the filing date to the applicant, e.g. priority rights in relation to subsequently filed applications by others on similar subject matter, whereas the public at large and competitors obtain no information at all on the new technology, during a first, secret phase of the patent application (typically 18 months from the filing date of a first patent application).

This asymmetry, in terms of knowledge given to third parties concerning a possible protective right, will be changed with the introduction of a grace period. On the one hand, the technology itself becomes known at an earlier stage when compared to the regular publication of a patent application at 18 months. On the other hand, however, a longer period will elapse between such earlier disclosure and the moment at which a corresponding patent application will be published. Also, the applicant is the only one who is in control of the information. The applicant knows exactly what is contained in the patent application, even subject matter not included in the first disclosure, whereas third parties have to wait until 18 months after filing of the first patent application.

A further problem relates to determining if a certain previous disclosure originates from the inventor and should thus be graced. Possibly, a Declaration by the applicant, at the time of filing the first patent application, may assist third parties in determining whether or not the disclosure affects the novelty of a claimed invention in the patent application.

However, if such a declaration is made mandatory, it may also be a trap for the

inventor/applicant. Indeed, there are situations where the inventor/applicant cannot be quite sure whether the pre-filing activities will be of such a kind as to make the invention available to the public, and the applicant may also be unaware of accidental or inadvertent disclosures or acts made within a company. It is likely that invalidation attacks will be made a routine practice applied by third parties after receiving information on any pre-filing activity that might be considered to make the invention known to the public and which was not declared. Then, the uncertainty may be shifted to the inventor/applicant, a situation that may have to be resolved in time-consuming and costly litigation.

On the issue of imbalance, there is also a different perspective, applied especially in the US and Canada, where the publication of a patent application long before grant is regarded to be unfair in case the application does not lead to a patent. Then, the detailed and comprehensive knowledge is given to the public without any compensation.

It should be remarked that uncertainty concerning applicant's pre-filing activities exists even now in patent systems having no grace period provision, notably in Europe. Thus, with an absolute novelty provision, even inadvertent or accidental disclosures, perhaps even unknown to the applicant, may invalidate a European patent. Often, the situation is not possible to assess, and there is then an inherent uncertainty as to the validity of a patent application or a patent.

As to freedom-to-operate searches, the added complications due to a grace period are said, by searchers, to be fairly limited, especially considering the fact that such freedom to operate searches are inevitably uncertain.





A problem with a mandatory Declaration is that there needs to be an exception at least in case the pre-filing disclosure is not known to the applicant, or in case the date of such an accidental disclosure cannot be determined.

On balance, FICPI is not in favour of a Declaration, however if a Declaration is introduced it should not be mandatory. Nevertheless, it may be appropriate to provide a mechanism to determine whether or not a specific disclosure drawn to the attention to the applicant/patentee is derived from the inventor.

#### **Effect of third party activities between applicant's disclosure and filing of patent application, including prior users rights**

Clearly, information disclosed by third parties, being directly or indirectly derived from the inventor making a pre-filing disclosure, should be regarded in the same way as the inventor's direct disclosure, and should therefore be graced.

On the other hand, FICPI maintains the position that any subject matter that a third party has acquired independently of the applicant and disclosed prior to applicant's filing date, should be regarded as novelty-destroying prior art, not being graced, and should not be included in a patent granted to the applicant who has made a pre-filing disclosure.

Also, any third party who acquires knowledge from a pre-filing disclosure and starts using the invention, or makes substantive preparations for such use, may be awarded prior user rights, in accordance with the FICPI position in 2004. Thus, FICPI also maintains the position that prior user rights should be granted independently of any pre-filing disclosure, provided of course that the use or substantial preparations for use occurs before the date of filing the

patent application, and that all other criteria for obtaining prior user rights are met. Thus, even in case the applicant is entitled to a grace period before filing, the grace period award should not affect the prior user rights of third parties. The only condition should be that the use occurs before the patent filing date.

#### **What disclosures and acts should be graced or scope of the disclosures to be graced**

From the above, it follows that FICPI recognizes the following acts to be eligible for a grace period:

- all kinds of disclosures made by the inventor/applicant,
- disclosures derived directly or indirectly from the inventor/applicant and then made available by third parties, including public authorities,
- any act performed by the inventor/applicant before the filing date, during a grace period, even sales and exhibitions.

This is in line with the recent law changes in Japan and Korea, where the tendency has been to include more and more kinds of disclosures and acts to be graced.

#### **Burden of proof**

FICPI maintains the position that the burden of proof (for invoking the grace period or not) is initially on the applicant/patentee, and in general on the person who will benefit from or contest the benefit of the grace period.

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



In most drafts on a grace period provision made in connection with patent law harmonization discussions, 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. 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 in many respects.

On the other hand, in many jurisdictions that already have grace period provisions, such as Australia, Canada, Japan, Korea and China, the grace period is calculated up to the actual filing date of any regular application, e.g. a national application, possibly claiming priority from a first application, a complete application based on a provisional first application, or a PCT application, possibly claiming priority from a first application. In other words, the grace period starts from the filing date of the application from which the 20 year term is calculated, not from 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, unless the complete/PCT application filed under the filing date approach claims an even earlier priority date, for example from a priority setting application (e.g. a provisional application) filed soon after the initial disclosure. In this respect, the two approaches are substantially equivalent for third parties. When PCT applications are

filed under both approaches, the national phase entry date will generally be the same, and in this respect both approaches are substantially equivalent for applicants.

Experience from some of the latter jurisdictions, in particular 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 PCT application, rather than up to the priority date (the date of the first patent application on the invention). Accordingly, after disclosing the invention in public, the applicant will have to file a PCT application or regular or complete patent applications in jurisdictions of interest, within the grace period (e.g. 12 months). Then, the full 12 months priority term of the Paris convention cannot be used, but the advantage would be that there will be no further opportunity to add new subject matter to these applications, and 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.

Moreover, there is a fear that, if the grace period is calculated up to the priority date, as suggested in the patent law harmonization discussions and as implemented in the US AIA patent law, there may be problems for the applicant if new features are added in a subsequent application filed in other jurisdictions within 12 months from the priority date, but after 12 months from the pre-filing disclosure. Claims referring to features, or combinations of features, not disclosed in the priority setting application would be regarded as having no valid priority claim and would therefore be likely to lack inventive step over the pre-filing disclosure, since that disclosure will have occurred



more than 12 months prior to the filing date of the subsequent application. Thus, if the priority date approach is applied, the applicant would not be able to add any new subject matter at all when filing the second or subsequent application after 12 months from the pre-filing disclosure. The lack of harmonization in the way priority entitlement is assessed also makes it difficult for applicants, and their attorneys, to craft 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 12 month delay in initial filing, 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 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, there are pros and cons with both approaches, and there are indeed different views on the best practice in this respect.

### **“Safety net” aspect**

FICPI regards the grace period as a limited exception to the absolute novelty provisions existing in virtually all patent systems. Thus, the rules should be such that the applicant will have an incentive to file a patent application as soon as possible after a public disclosure or after performing an act that may make the invention available to the public. The incentive is provided by the impact of possible third party activities, such as use or substantive preparations for such use, invoking prior user rights, or

independent disclosures by third parties of similar subject matter being regarded as prior art.

### **Overall balance of interests and conclusion**

A grace period provision in the patent system will strike a proper balance between the interests of the public at large, inventor/applicants and third parties, *provided that*

- *it is provided as a strictly limited exception to the novelty requirements of any patent system,*
- *it is applied so as to recognize the prior art effect of a third party disclosure constituting an independent contribution to the particular technology during the grace period prior to applicant's filing date, and*
- *it will not exclude possible prior user rights being awarded to third parties that start using the invention, or make substantial preparations for such use, after a pre-filing disclosure but before the date of applicant's filing of a patent application, provided that all other criteria for obtaining prior user rights are met.*

Therefore, under these conditions, FICPI takes the position that the above-identified benefits of a grace period outweigh the disadvantages and is still in favor of an internationally wide-spread and largely uniform novelty grace period in the global patent system.





### Summary of the FICPI position

In summary, and including previously presented views, FICPI believes that an internationally wide-spread and largely uniform grace period is justified, preferably with the following 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: should not be mandatory;
6. Proving entitlement to 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.

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Appendix I. FICPI resolutions 1983 - 2011

Appendix II. FICPI statement 2002, and

Appendix III. FICPI position paper 2004

Appendix IV. History of FICPI position paper 2013



## Appendix I

## Resolutions 1983 -2011

(*cf.* annex with following resolutions in English/French/German, when available)

### VIENNA - 1983

#### 2. Resolution - Grace period Bis

The FICPI ExCo Meeting in Vienna. 10 - 14 Oct. 1983, taking notice of the draft Program and Budget for 1984-85 of WIPO welcomes the proposal that the International Bureau prepares a study concerning the effects of public disclosure by or derived from the inventor before a patent application is filed and the effect of accepting such public disclosure as not being prejudicial to patentability if within a defined period before filing of the application.

The FICPI considers this matter to be of major importance not least to small and medium sized industries and to the overall economy and urges that the proposed study be implemented in depth and with urgency in order to promote a uniform and general solution of the problem.

### FUNCHAL 1986

#### Resolution on Harmonization of Patent Laws

The Executive Committee of THE INTERNATIONAL FEDERATION OF INDUSTRIAL PROPERTY ATTORNEYS, FICPI assembled in FUNCHAL, MADEIRA 13 to 17 January 1986

HAVING CONSIDERED the results achieved at the first session of the WIPO Committee of Experts on the Harmonization of Certain Provisions in Patent and Utility Model Laws,

EXPRESSES its support for the positive actions taken by WIPO to achieve greater international harmonization of differing provisions in patent laws,

CONFIRMS the support of FICPI for the introduction of a general grace period on the international level and underlines the need for a widespread international acceptance of grace period provisions extending to all major industrialized countries including all member states of the European Patent Convention

AGREES to the application of a requirement of naming the inventor at the international level with the reservation that such a requirement should not be imposed as a condition for granting a filing date, and

#### RECOMMENDS

— that harmonization in respect of requirements for granting a filing date be limited to the following requirements:

- 1) an indication that patent or utility model protection is sought
- 2) an identification of the applicant, and
- 3) a disclosure of the invention which may consist in a mere reference to a prior application (not limited to priority cases) disclosing the same invention.

— that efforts for harmonization with respect to manner of claiming and unity of invention be concentrated on areas in which differences exist between national requirements for the form of the claims, bearing in mind that such efforts should include adaptation of national requirements to a common liberal standard, and

— that the need for a uniform international solution with respect to remedies available for an applicant to cure the failure to observe a priority term when such a failure is unintentional and caused by circumstances outside the applicant's control be added as a further subject for harmonization within the framework of the ongoing WIPO project.

### HILTON HEAD – 1987

#### Resolution on Harmonization of Patent Laws

The Executive Committee of THE INTERNATIONAL FEDERATION OF INDUSTRIAL PROPERTY ATTORNEYS, FICPI assembled at Hilton Head Island, USA 18 to 23 October 1987.



REFERRING to the resolutions on Harmonization of Patent Laws adopted during the Executive Committee Meetings in Funchal in January 1986 and in Melbourne in October 1986.

EXPRESSES its support for the proposal for a balanced package solution including as core elements universal adoption of the first-to-file system and an international grace period as made by the US delegation at the third session of the WIPO Committee of Experts in March 1986, and

CONSIDERING that attempts to harmonize provisions on enforcement of patent rights should not be made out of context with the work already performed and still going on in the WIPO Expert Committee, and that a need exists at the international level to improve access to enforcement in the period between filing and grant,

RECOMMENDS that harmonization of provisions concerning enforcement of patent rights including access to enforcement at the application stage be taken up within the WIPO harmonization project.

### COPENHAGEN - 1997

#### Resolution No. 1 - "Substantive Harmonization"

FICPI, the International Federation of Industrial Property Attorneys, internationally representative of the free profession of more than 60 countries, assembled at its World Congress in Copenhagen September 7 to 12, September 1997,

NOTING the increased international use of patent protection;

NOTING the efforts to facilitate exchange of information and data between patent offices and between the offices and users of the patent system by increased use of advanced computerized information technology;

NOTING the recent initiatives of major patent offices to standardise novelty search procedures to avoid unnecessary duplication of work with the aim that the result of a search conducted by any one office should be given full faith and credit by other offices; and

NOTING that the continuing work within the WIPO Committee of Experts on the Patent Law Treaty, limited to formal and procedural aspects of patent law, is likely to be finalized using the PCT provision as a basis;

TAKES THE VIEW that achievement of the full benefit of these efforts and initiatives will be frustrated while fundamentally different standards of patentability continue to prevail and that such benefit can be fully achieved only by further harmonization of patent laws in order to create common worldwide standards for assessment of patentability; and

THEREFORE RESOLVES that the further work of the Committee of Experts should include harmonization of substantive law on the basis of

- (i) the first-to-file principle possibly with an adequate transitional period,
- (ii) an international grace period, and
- (iii) a harmonized prior art effect of a patent application before publication.
- (iv) Sufficiency of disclosure.

#### Resolution No 6 - "European Community Directive to Harmonize National Laws on Utility Model Protection"

FICPI, the International Federation of Industrial Property Attorneys, internationally representative of the free profession in more than 60 countries assembled at its World Congress in Copenhagen September 7 to 12, 1997,

HAVING TAKEN NOTE that utility model systems already exist in many countries of the world;

HAVING TAKEN NOTE of the likely content of the forthcoming Draft Directive that would introduce a harmonized form of utility model protection in the European Union (EU) countries; and

WELCOMING the prospect that the forthcoming Draft Directive will provide only for minimum rights of utility model protection and thus permit the Member States to grant additional rights to applicants; however

CONSIDERING that such a Draft Directive will not include certain provisions which are of particular importance for individual applicants, university researchers, and small and medium sized enterprises (SME's), more so than for certain other applicants seeking IP protection;



AND TAKING INTO ACCOUNT that legal systems should develop towards establishing a novelty grace period rather than in the opposite direction, so that an inventor would not deny himself the possibility of IP protection by his own prior publication;

URGES the European Legislative Bodies to include in the forthcoming Directive on utility model protection in Europe :

- a mandatory novelty grace period of 12 months preceding the filing or priority date of the utility model application;
- the availability of utility model protection for inventions in all fields of technology;
- a right of the applicant to create a utility model application by branching-off from an international, regional or national patent application before the end of a given term after the disposal of the patent application or after the end of any post-grant opposition proceedings; and
- a right of the applicant to obtain national utility model protection in any EU member state by designation of that member state in a PCT application.

### VANCOUVER - 2000

#### RESOLUTION G - INTERNATIONAL GRACE PERIOD

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession of more than 70 countries, assembled at its World Congress held in Vancouver from June 12 to June 16, 2000, passed the following Resolution :

**Taking note** of the successful conclusion of the Patent Law Treaty on June 2, 2000 and welcoming the future implementation of the Treaty in national and regional patent legislation world-wide as a vital instrument to further harmonization of formalities and procedural provisions for the filing and prosecution of patent applications,

#### **Having considered**

- 1) the development of patent law at the national and regional level to meet the needs of business caused by the rapidly increasing use of information technology, including in particular the use of the Internet for exchange of information within the scientific and technological community, and
- 2) the forthcoming revision of the European Patent Convention to be concluded at the Diplomatic Conference from 20<sup>th</sup> to 29<sup>th</sup> November, 2000,

**Confirms** its previous and continued support for a harmonized international grace period,

**Resolves** that urgent reconsideration of the introduction of an international novelty grace period into the laws of as many territories as possible should be undertaken as an initial step to further the development and harmonization of substantive patent law in step with the development of technology and industry, and

**Urges** the Commission of the European Community and the Administrative Council of the European Patent Organization to take appropriate and urgent measures to promote such reconsideration.

### PRAGUE - 2002

#### RESOLUTION 1 - Grace period

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession of more than 70 countries, assembled at its Executive Committee meeting held in Prague, Czech Republic from October 7 to 9, 2002, passed the following Resolution

**Having considered** the model for possible introduction of a novelty grace period into the European patent system resulting from the expert workshop organized by the European Commission in Brussels, June 24, 2002;



**Reiterating** its position in favour of a harmonized international grace period covering any form of prior disclosure caused by or derived from the inventor or his successor in title during 12 months preceding the filing or priority date of a patent application, as expressed in resolutions adopted in Edinburgh in 1981, Vienna in 1983, Funchal in 1986 and Hilton Head in 1987;

**Resolves** that the proposed model for a grace period and in particular the 6-month duration and the proposed mandatory requirement for the applicant to submit a declaration on prior disclosures of the invention when filing a patent application is inconsistent with the grace period concepts as contained in the SPLT and made available by the Community Design Regulation and would be likely to become a trap for an applicant who, in order to avoid the detrimental effect resulting from an incomplete declaration, would be compelled to include in such a declaration any prior disclosure within his knowledge, but may not have complete and detailed information as to the actual extent and scope of the prior disclosure, in particular for a prior disclosure in a non-written form, its potential relevance to the claimed invention and even whether it would be considered to be public.

#### SINGAPORE - 2004

#### RESOLUTION - EXCO/SG04/RES/2002 - "SPLT Harmonization"

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession of nearly eighty countries, assembled at its Executive Committee held in Singapore from February 1 to February 3, 2004, passed the following Resolution :

**Supporting** the development, and subsequent ratification, of an effective Substantive Patent Law Treaty ("SPLT") under the auspices of WIPO for reasons of harmonization, legal certainty, efficiency, and economy;

**Considering** in detail all the issues contained in the current drafts of the SPLT within its national groups and Executive Committee;

**Seeing** a significant and valuable role for itself and its sister organizations in guiding and informing the discussions of the national governments and intergovernmental organizations ("IGOs") within the Standing Committee on the Law of Patents ("SCP"); and

**Preferring** to take a lead rather than becoming a party to an unsatisfactory compromise that would weaken its ability to argue strongly both within and outside the SCP in order to influence the thinking of the national governments and IGOs;

**Seeing**, however, the merit in attempting to unlock the deliberations of the SCP which have presently stalled by urging the SCP to focus its efforts for the time being on a reduced set of provisions where there is agreement between NGOs;

**FICPI considers** that the harmonization of the Substantive Patent Law should continue on the basis of a "reduced package" of the following provisions :

- \* the first-to-file system,
- \* a harmonized international grace period,
- \* a clear definition of the state of the art that is compatible with a first-to-file system including an international grace period, affording certainty for all users of the patent system, and solving *inter alia* the "double patenting" problem.

3 February 2004

#### RESOLUTION - EXCO/SG04/RES/2003 - "Harmonization not Centralization"

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession of nearly eighty countries, assembled at its Executive Committee held in Singapore from February 1 to February 3, 2004, passed the following Resolution :

**RECOGNISING** the potential benefit of international harmonization and cooperation in certain areas of IP law,

**BUT CONSCIOUS** that such increased harmonization risks leading to over-centralization and a consequent concentration of IP expertise in a limited number of countries and its depletion elsewhere

**URGES** the competent authorities to focus harmonization on areas of practical benefit to the users and especially individual inventors, universities and SMEs, achieving at least :





- harmonized rules for the drafting of patent specifications, and especially the claims,
- agreement on what constitutes prior art, including agreement on a harmonized grace period and an end to the dichotomy between “first to file” and “first to invent” systems, and
- the sharing between patent offices of search and examination results in a non-binding manner;

**AND URGES** those authorities to avoid over-centralization of IP expertise by for example :

- recognising the importance to users and third parties of having IP rights presented in a local language
- recognising that different countries may desire to provide forms of IP protection not required universally, for example, revalidation patents, utility models, petty patents, or *sui generis* systems for the protection of traditional knowledge or genetic resources
- recognising the need for users, especially individual inventors, universities and SMEs, to have at hand local expert advice on IP matters
- recognising the continuing need for national patent offices
- and recognising that national and regional authorities must retain the sole right to decide on the grant of IP rights that will be effective in their own countries and regions.

3 February 2004

### KOREA – 2005

#### RESOLUTION – EXCO/KRO5/RES/2003 - “Progress Towards Harmonisation”

FICPI, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the World, assembled at its Executive Committee held from 1 — 3 May 2005 in Seoul, passed the following Resolution:

Emphasising that FICPI has always supported and continues to support efforts towards the international harmonisation of substantive patent laws;

Conscious of the fact that the negotiations within WIPO’s Standing Committee on the Law of Patents (SCP) towards completion of a Substantive Patent Law Treaty (SPLT) have become stalled;

Noting proposals made by various groups of member states of the SCP and NGOs to conclude an early agreement on the basis of a “reduced package” of measures comprising “prior art”, “grace period”, “novelty” and “inventive step”, and believing that such an agreement would be to the benefit of all active and passive users of the patent system wherever they were situated;

Noting with approval recent initiatives to introduce a “first-to-file” system in the United States;

Noting the concerns raised by some member states during the negotiations on harmonisation regarding certain public policy issues, including the protection of genetic resources;

Recognising the proposal to establish a development agenda for WIPO for utilising the patent system to promote industrial development in developing and least developed countries;

Acknowledging the recommendations adopted at the end of the Casablanca Informal Consultations of 16 February 2005 and supporting initiatives taken by certain member states to address development issues separately from the reduced package; FICPI urges the members of the SCP to work expeditiously towards the conclusion of an agreement on such harmonisation at least initially on the basis of such a reduced package of measures comprising:

- first-to-file;
- a twelve months’ grace period recognising prior user rights in respect of any use of an invention begun before the priority date and without any declaration requirements;
- a definition of prior art that deems all information that has been accessed or was lawfully accessible before the priority date by any person not bound by an explicit or implicit obligation of confidentiality to be prior art, but excludes information for which there existed only a purely theoretical possibility of being accessed; and
- clear definitions of novelty and inventive step;

Urges the developing and least developed countries to appreciate that if progress is not made in the SCP then the governments of the Trilateral Patent Offices may independently enact the reduced package, and that they may lose the opportunity to pursue their interests and express their concerns in the harmonization process;



And reiterates that if any rules are adopted in relation to declaration of the origin of genetic resources in or in connection with a patent application then such rules must:

- be clear, precise and non-onerous for the applicant;
- not be applicable retrospectively;
- give the applicant an opportunity to rectify any deficiencies; and
- be such that the consequence of any ultimate failure to meet such rules shall not, in the absence of fraudulent intent, be invalidation or unenforceability of the patent;

And if there is a requirement to share any benefit accruing from an invention then there must be an appropriate authority in the country from which the genetic resources were obtained that the applicant can contact to enter into negotiations.

#### **AMSTERDAM – June 2007**

##### **RESOLUTION 1 - "PRIOR USER RIGHTS AND A NOVELTY GRACE PERIOD"**

FICPI, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee in Amsterdam, The Netherlands, from 3 to 6 June 2007, passed the following Resolution:

**Continuing to emphasize** that any patent system must provide a fair balance between the rights of patent owners and those of third parties;

**Continuing to support** the introduction of a harmonised world-wide 12-month novelty grace period, whereby a disclosure of an invention derived directly or indirectly from the inventor during that period shall not be considered as comprised in the state of the art, as urged in earlier FICPI Resolutions;

**Stressing** that the sole purpose of such a grace period is to provide an equitable remedy in the case of an invention that has been the subject of such a disclosure;

Therefore **urging** that the relief provided to an applicant as a consequence of any such grace period should be limited so as to discourage its deliberate use by a potential applicant wishing to preserve the option later to file a patent application for the disclosed invention;

**Resolves** that if prior user rights are available in the territory concerned, then these should also be available to persons who have become aware legitimately of an invention as a result of a disclosure excused by such grace period.

#### **SYDNEY – April 2008**

##### **RESOLUTION EXCO/AU08/RES/1 - "Grace period for Unregistered Community Designs"**

FICPI, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee held in Sydney, Australia from 13 April to 17 April, 2008, passed the following Resolution:

**Recognising** the benefit of the Unregistered Community Design Right, **Noting** the apparent desire of the legislators to avoid the creation of unregistered rights in Europe for designs that are never disclosed within the geographical area of the European Union; and

**Noting** the frequent need for the first disclosure of designs, even by European design owners, to be outside the geographical area of the European Union;

**Urges** the European Union Legislators to amend the Council Regulation (E.C.) No. 6/2002 of December 12, 2001 on Community Designs to provide a novelty grace period for an unregistered Community design, similar to that allowed for a registered Community design, during the three month period preceding the commencement of the unregistered Community design right.

##### **RESOLUTION EXCO/AU08/RES/2 - "Grace period and Declaration for Patents"**

FICPI, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee held in Sydney, Australia from 13 April to 17 April, 2008, passed the following Resolution:

**Continuing to support** the introduction of a harmonized world-wide 12-month novelty grace period before the priority date, whereby a disclosure of an invention derived directly or indirectly from the inventor during that period shall not be considered as comprised in the state of the art, as urged in earlier FICPI resolutions;

**Continuing to oppose** the requirement for a mandatory declaration of such a disclosure in order to benefit from the grace period;

**Recognizing** that in the course of the current discussions on substantive patent law harmonization some countries maintain that any such disclosure should be considered as not comprised in the state of the art only if it is the subject of a mandatory declaration, while

other countries are opposed to any kind of declaration;

**Noting** that some countries already impose on applicants the duty to identify prior art;



**Resolves** that any country may adopt procedures to determine whether a specific disclosure drawn to the attention of an applicant/patentee is derived from the inventor, but may not require a general mandatory declaration.

**BUENOS AIRES – January 2010**

**EXCO/AR10/RES/Pre-Grant Publication**

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee Meeting held in Buenos Aires, Argentina from January 10 to 14, 2010, passed the following Resolution:

**Having** considered the limited exemption in the United States of America (USA) from pre-grant publication at 18 months from the filing date or first priority date;

**Reiterating** its position in favour of a harmonized world-wide 12-month novelty grace period before the priority date of a patent application, whereby a disclosure of an invention derived directly or indirectly from the inventor during that period shall not be considered as included in the state of the art, as expressed in FICPI Resolution EXCO/AU08/RES/2, which was passed by the FICPI Executive Committee in Sydney, Australia in April, 2008;

**Recognizing** that one of the concerns expressed by users of the limited exemption is that examination and grant currently often do not occur until a considerable period of time after publication would have occurred;

**Reiterating** its position in favour of the introduction of a "first-inventor-to-file" system in the USA as part of efforts at international harmonization of substantive patent laws, as expressed in FICPI Resolution EXCO/KR05/RES/3, which was passed by the FICPI Executive Committee in Seoul, Korea in May, 2005;

**Urges** the USA to remove the limited exemption on pre-grant publication and publish all applications for patent in the USA no later than 18 months from the filing date or first priority date, and to establish a system of expedited examination and grant to address the concerns of those currently using the limited exemption; and further

**Urges** that discussion on harmonization between the USA and the other Group B+ countries proceed on the issues of the harmonized world-wide 12-month novelty grace period and the introduction of a "first-inventor-to-file" system in the USA, without regard to whether the USA removes the limited exemption from pre-grant publication.

**CAPE TOWN – March 2011**

**Resolution of the Executive Committee, Cape Town, 13-17 March 2011 "Grace Period"**

**FICPI**, the International Federation of Intellectual Property Attorneys, broadly representative of the free profession throughout the world, assembled at its Executive Committee held in Cape Town, South Africa from 13 to 17 March, 2011, passed the following Resolution:

**Recalling** that certain countries had, but no longer have, a novelty grace period, whereby disclosure of an invention derived directly or indirectly from the inventor for a limited time before the filing of a patent application filed by or on behalf of the inventor was not considered to be comprised within the state of the art for such patent application,

**Observing** that in practice the experience with grace periods is generally positive,

**Continues to support** the introduction of a harmonised world-wide 12-month grace period, as urged in earlier FICPI resolutions.



## Appendix II



Report by **Julian Crump**, reporter CET Group 3

### **FICPI's statement on the GRACE PERIOD**

As you probably know, FICPI is one of the main advocates in favour of a Grace Period, and in this FICPI represents patent attorneys all over the world, most of whom suffer with their clients under legislation incorporating the absolute novelty concept.

All patent attorneys have a responsibility for their clients, which include sole inventors as well as SMEs (which, as a recent survey showed, employs 70% of all working people).

Under this responsibility, FICPI has passed several Resolutions over the years asking for a worldwide Grace Period. We have reacted to the injustice of the absolute novelty concept, which we experience in our daily work, and to the perennial needs of our clients for such exceptional grace. It is simply incomprehensible and illogical for an inventor, that in publishing, testing or practising his own invention, should turn against himself, giving the public a tool to withhold his justified reward for his invention, namely a patent, and to open the field to copy the invention by others.

Many inventions are made by inventors under time pressure. They often have to develop their products and processes in view of a trade show or other public exhibition in order to get a feeling for commercialisation and its success. Frequently, only at the last moment, or sometimes even later, they think of the formality of patenting. This is even more true for scientists in Universities who are forced to publish their work as early as possible, mostly before they can even conceive of or plan for commercialisation, which is of course a prerequisite for patenting.

Any patent attorney who has experienced the horrified disappointment of an inventor or scientist when he is confronted with the fact of losing all patent rights for what he thought to have done a benefit to the public by early publishing, will understand and join our plea for a Grace Period.

It is true, that some (but not all) European industry, namely some big companies, represented by UNICE and others are set firmly against the Grace Period. That is self-evident, because they consider, that their R & D departments are so close to their patent departments that they can usually avoid undue early publication.



Naturally, in the absence of a Grace Period, they can also more easily benefit from the good ideas of other inventors who, for whatever reason, failed to consult a patent attorney early enough. Do we want to accept and promote this ?

The enemies of the Grace Period argue an alleged legal uncertainty, because a Grace Period may prolong the time before another, who wants to use a new development, knows of the existence of a corresponding patent application. Consider, who is it that is kept in uncertainty? Only those that want to copy the development of the inventor!

Do you think that this is a justified reason to withhold a patent from his author? We are here to protect inventors, not the copyists!

Moreover: Ask anyone in a country, which has or had a Grace Period, whether there has ever been any problem with the use of the Grace Period. You will hear that there is no problem at all. The only problem, of which you will hear, is that the Grace Period was, up to now, not worldwide accepted, but we are now here to solve this problem.

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## Appendix III

### **INTERNATIONAL GRACE PERIOD (FICPI position paper 2004)**

#### **1. YARDSTICK FOR APPRECIATION OF PATENTABILITY CRITERIA**

##### **1.1. The definition of the state of the art is essential for the patent validity appreciation**

No IP professionals will need any kind of detailed explanation to be convinced that the Prior Art to be taken into account for novelty and non-obviousness appreciation is **essential**.

##### **1.2. The general principle: everything publicly disclosed anywhere and in any form, can be opposed as prior art**

But it is difficult to find a general rule without any exception.

##### **1.3. Exceptions**

###### **1.3.1. Topical differences from one country to another, e.g.**

- limitation to national prior use
- limitation to printed documents
- the whole content approach vs/ prior claiming approach

###### **1.3.2. Non prejudicial disclosures**

In some laws and patent conventions, it is explicitly stated that disclosures which are :

- due to, or
  - a consequence of an evident abuse in relation to the applicant or his legal predecessor, or even
  - displayed at an officially recognised international exhibition,
- are not taken into consideration.

###### **1.3.3. Prefiling disclosures made by the applicant or derived from the applicant.**

This additional and not isolated exception to the absolute novelty criteria precisely corresponds to our cause for concern.

#### **2. GENERAL CONCEPT OF THE GRACE PERIOD**

Briefly, the Grace Period is the period of time preceding the filing date of a patent application, during which disclosures by the inventor of the invention for which the patent application is filed, will be considered as a non prejudicial disclosure in respect of said patent application.

This basic fundamental juridical concept has brought its supporters and detractors into conflict for quite a few decades, both sides emphasizing on arguments which are more or less the same throughout the large national and international fora.

#### **3. BRIEF HISTORIC REMINDER**

##### **3.1. The Paris Convention**

I would just like to remind you that there have been several attempts to introduce a novelty Grace Period in the Paris Convention for the Protection of Industrial Property of 1883. Such a Grace Period intends to offer immunity, against such disclosures, to the inventor who publicly discloses his invention before filing a patent application. These attempts were meant to be introduced into article 4 providing for the so-called Union Priority Right.

This failed at the London Revision Conference in 1934 and in the Lisbon Revision Conference in 1958.



### 3.2. Patent Law Treaty

The basic proposal for the treaty supplementing the Paris Convention as far as patents are concerned, which was submitted to the Diplomatic Conference for the conclusion of the PLT Treaty, in The Hague in June 1991, included on Article 12 which stated the circumstances of a disclosure not affecting patentability.

As you know, this article was neither accepted nor included in the framework of the first PLT Treaty.

### 3.3. UPOV Convention and Community Plant Variety Rights Regulation

In 1961, the International Convention for the Protection of New Varieties of Plants established a grace period of four years during which marketing of the new variety is not considered as novelty destroying.

In 1978, the UPOV Convention was revised, and the notion of Grace Period was broadened for specific plant varieties.

Finally, in 1991 the UPOV Revision Act contained a mandatory one year Grace Period in the territory of filing. The same kind of rule was adopted in the Council Regulation on Community Plant Variety Rights, which was making provision for a Grace Period of one, four or six years depending on circumstances.

One of the main arguments in favour of the Grace Period in this specific field was based on the fact that such a kind of varieties normally has to be tested in trials or must be submitted for registration or entered into official registers before the application for the Plant Breeders Certificate was filed.

### 3.4. The intergovernmental Conference of the member states of the European Patent Organisation on the reform of the patent system in Europe (Paris June 24, 25, 1999)

This Conference officially mandates the European Patent Organisation to examine under which conditions the effects of disclosures prior to filing could be taken into account in European Patent Law.

The Intergovernmental Conference observed that research institutes, universities and some firms have to practice certain forms of disclosure, and even more so considering that modern means of communications such as internet increase the risks that the results of research might be disclosed involuntarily.

### 3.5. The last draft Substantive Patent Law Treaty

This document dated September 30, 2003 contained the revised version of the draft Substantive Patent Law Treaty. It takes into account the views expressed in the Standing Committee on the law of patents during the ninth session held from May 12 to May 16, 2003, the next standing committee being expected to take place on May 10 to May 14, 2004.

This draft treaty contains an article 9 having the following revised content :

"Article 9 : Information not affecting patentability (Grace Period)

(1) [General Principle] ~~Information which otherwise would affect the patentability of a claimed invention~~ An item of prior art with respect to a claimed invention shall not affect the patentability of that claimed invention, in so far as the information was made available to the public anywhere in the world in any form during, or that item was included in the prior art under Article 8(2) on a date during ; the [12][six] months preceding the priority date of the claimed invention.

(i) by the inventor,

(ii) by an Office and the ~~information~~ item of prior art was contained

(a) in another application filed by the inventor [and should not have been made available to the public by the Office], or



(b) in an application filed without the knowledge or consent of the inventor by a third party which obtained the information contained in the item of prior art directly or indirectly from the inventor,

or,

(iii) by a third party which obtained the information contained in the item of prior art directly or indirectly from the inventor.

(2) ~~[No time limit for Invoking Grace Period]~~

[Alternative A]

The effects of paragraph (1) may be invoked at any time.

[End of Alternative A]

[Alternative B]

A Contracting Party may require that the applicant submit a declaration invoking the effect of paragraph (1) [as prescribed in the Regulations].

[End of Alternative B]

~~(3) [Evidence] [Where the applicability of paragraph (1) is contested, the party invoking the effects of that paragraph shall have the burden of proving, or of making the conclusion likely, that the conditions of that paragraph are fulfilled.] [A Contracting Party may require that evidence be filed with the Office by the party invoking the effects of paragraph (1), where that Office reasonably doubts the applicability of that paragraph.]~~

(43) ["Inventor"] For the purposes of paragraph (1), "inventor" also means any person who, at or before the filing date of the application, had the right to the patent.

~~(54) [Third Party Rights]~~

[Alternative A]

A person who in good faith had, between the date on which the information was made available to the public item of prior art was included in the prior art under paragraph (1) and the claim priority date of the claimed invention, used the claimed invention for the purpose of his business or started effective and serious preparations for such use shall have the right to start or continue to use the invention for that purpose. The claimed invention shall be considered to be used where the person performed any acts that would otherwise constitute an infringement under the applicable law.

[End of Alternative A]

[Alternative B]

No provision in the Treaty and the Regulations.

The Practice Guidelines would clarify that the issues concerning third party rights remain a matter for the applicable law of the Contracting Party concerned.

[End of Alternative B]

#### **4. OUTSTANDING SITUATION IN DIFFERENT COUNTRIES**

The Status of a number of countries having accepted the principle of Grace Period is classified in the table appended in Annex 1, according to the main specific conditions for application.

#### **5. MAIN ARGUMENTS IN FAVOUR OF GRACE PERIOD**

As stated before, almost all the arguments raised for or against the grace period, remain more or less exactly the same throughout all the discussions which have been taking place for decades in national and international fora.

In a lot of fields, included in biotechnology, some basic inventions remained unprotected only due to the culture of the academic and scientific world which encourages early publication of their innovative activity.



It has always been considered that an invention had to be completely finalised prior to the filing of the patent application. This implied carrying out validation trials, constructions of prototypes, cooperation with other technical advisers..., circumstances in which it is difficult to avoid pre-filing disclosures. This is getting truer and truer nowadays. Additionally, effectiveness and value of the invention must be estimated before making the decision of filing the patent application. Such a pre-filing procedure requires scientific and technical outside advices. This requirement increases the risks of disclosure.

Collaborations between Universities or Public or Academic Research Institutions and Industry, have recently increased, due to technological and economical requirements.

In practice, it poses problems :

- on the one hand in view of the obligation of the Universities or other institutions to generate and disseminate their technical or scientific knowledge.
- and on the other hand, in view of the willingness of the Industry to obtain an exclusive right through filing a valid patent application.

The new information and communication technologies, more specifically the internet and intranet communications, have widely increased the risks of an uncontrolled publication with a very rapid spreading which became possible because of the electronic information disclosed on the internet.

More and more often, before each scientific and/or technical seminar or conference, the text of communication or at least its abstract, is put on the web in an uncontrolled way.

On the other hand, it has become compulsory to get the enlightened consent of patients and volunteers in the framework of clinical trials and biotechnological researches which themselves are compulsory in order to obtain the Marketing Authorisation for a medicine or vaccine.

More and more, the current trend in the world is to request the full knowledge of this consent in order to respect the freedom and dignity of the patient. Under those circumstances, it is obvious that the information given to the patient has to be as complete as possible in order to obtain consent without any restraint.

Sometimes, the patient subjected to the clinical trials, signs a document in which he fully admits having received the full knowledge of his treatment. It is often specially stated that he might turn to an expert to complete his information.

In essence, this disclosure has nothing confidential as any expert can control it at the patient's demand.

It is clear that it is often at the end of the clinical trials that the final formulation of the medicine will be adopted. In most cases, the patent application will be filed later on.

Furthermore, we should not forget that a patent application is generally published only 18 months after its priority date of after its filing.

Under these circumstances, one could consider that an early publication will put the competitors in a more favourable position because they become quickly informed about the new technical developments much earlier than in case of waiting for a patent application to be published.

Thus, the submarine effect of patent applications published 18 months after their filing has faded.

## **6. MAIN ARGUMENTS AGAINST GRACE PERIOD**

The main argument was, still is and I hope no longer will be, that introduction of Grace Period would create legal uncertainty for third parties. The prima facie argument is easy to understand, since third parties who have the knowledge of the disclosed subject matter may believe that it is not protected and thus can be freely developed. This does not seem to us to be such a convincing argument, since in any case, even in a post-filing disclosure, the publication of a patent application can occur later on.



The second argument against Grace Period is that it is in fact against the inventor's own interests since it could encourage an increase in the number of disclosures which in turn, could increase the risk for the inventor to be deprived from his rights.

## **7. LISTING OF SEVERAL POSSIBLE CRITERIA FOR THE DEFINITION OF GRACE PERIOD**

### **7.1. Harmonisation at international level**

It is essential that, if such a harmonisation could be taken into account, it should take place at an international level.

Indeed, nowadays, for a Canadian inventor, it seems extremely frustrating to find out that despite being able to divulgate his invention before filing the corresponding Canadian patent application, he will not be able to validly claim its priority later on in Europe. It seems unnecessary to insist on the fact that the existing patchwork situation is no longer satisfying in the framework of a worldwide economy.

### **7.2. Who is entitled to benefit from grace period ?**

Generally speaking, it will be the applicant or the owner of the patent application or patent who will be able to benefit from this exception.

In practice, the applicant might indifferently be the inventor, or one of the inventors having conceived and realised the invention.

Quite often, the right to the invention will be automatically or contractually transmitted to a person, for example the company employing the inventor. It is then a matter of recognising the benefit of this exception to the successor in title.

### **7.3. Direct or indirect disclosure**

On the one hand, direct disclosures are the first disclosures coming from the inventor itself.

On the other hand it is clear that indirect disclosures are those coming from the first disclosure issued from the inventor but which might be achieved by a third party.

In order to benefit from this exception, it is clear that the person who shall claim this right will have to demonstrate the relation between the derived disclosure and the first disclosure issued from the inventor. In case such a demonstration could not be undoubtedly shown, the exception would not be recognized.

### **7.4. Different types of disclosure**

No restriction should exist.

This can be in the course of conferences, oral disclosure, disclosure contained in posters exhibited during scientific conferences and public use of the invention. The acceptable kinds of disclosures should also include publications of uncontrolled patent application from the applicant or patent applications which should not have been disclosed by an Office and which were filed without the knowledge or consent of the inventor.

### **7.5. Location of the disclosure**

It is sensible to consider that no restriction could be seriously taken into account as far as the location of the disclosure is concerned.

This is even truer nowadays with the internet. Generally speaking, all disclosures which took place all over the world should be considered.





## 7.6. Duration of the grace period

The different protagonists have seriously hesitated and for quite a long time between 6 months and 12 months. The period of 6 months was usually considered as a compromise conceded to the detractors of the system for the grace period.

It was also upheld that the shorter the period, the less insecurity for third parties.

This argument does not seem relevant because of the blind 18 months from the filing of the patent application.

There is above all, another very strong argument in favour of a grace period of 12 months. All over the world and more specifically in Europe, the requirement for claiming priority for the same invention is becoming stricter and stricter. The decision of the Enlarged Board of Appeal G02/98 fixed the rule : "The requirement for claiming priority of "the same invention", ... is to be acknowledged only if the skilled person can derive the subject matter of the claim directly and unambiguously, using common general knowledge, from the previous application as a whole".

This decision stated that a narrow or strict interpretation of the concept of the same invention referred to in Article 87(1) EPC is perfectly consistent with paragraphs (2) to (4) of Article 84 EPC and with Article 4C4 of the Paris Convention.

Furthermore, the decision also mentions that an extensive or broad interpretation of the concept of the same invention referred to in Article 87(1) EPC is inappropriate and prejudicial to a proper exercise of priority rights.

The patent practitioners know indeed that an invention is never really achieved at the time of filing the first patent application.

On the contrary, it has been noted, especially in the chemistry and biology fields, that the research will go on after the filing date, and that complementary trials will somewhat redefine the invention or will simply confirm the general prospected character of the invention the complete definition of which was not always entirely confirmed by the experimentations at the first filing date.

Serious problems do occur in practice in the latter case.

Therefore a first patent application can for example define an invention like a family of new compounds represented by a general formula allowing quite a number of variations which are obviously not all described. If new compounds corresponding to the general formula are synthesised in the priority year, the description of the foreign application filed under priority, will quite often be completed by addition of these supplementary examples.

One of these additional examples might be interesting and might need to be protected by a specific sub-claim. But, if the inventor has published some results in connection with these special compounds within the year of priority, he will not be allowed the specific sub-claim corresponding to his compounds due to its disclosure.

A 12 months grace period would be the only way to solve his problem.

## 7.7. Starting date for calculation of the grace period

The G3/98 decision has decided that for the calculation of the 6 months period of an unlawful disclosure provided for by Art. 55 EPC, the date which has to be taken into account is the filing date of the European application and not the priority date.

This means that such a disclosure is only considered as non prejudicial in the case of the first filed application and the disposition cannot be in favour of applications later filed under priority.

Therefore, the only starting date in order to lead to an homogeneous situation as regards the grace period, is indeed the priority date when such a priority has been claimed.



## 7.8. Need for an applicant's declaration

If one considers that such an applicant's declaration would be necessary, it would lead to a lot of questions and problems.

### 7.8.1. One should first find out when such a declaration should be filed.

The following possibilities could be envisaged:

- priority date
- filing date
- publication date
- when the prior disclosure is cited or opposed : one could wonder whether such a declaration could be indifferently filed before a national, regional or international Office or yet again before a Tribunal in charge of the validity of the title or the patent.
- before grant

### 7.8.2. Form of the declaration

In case such a declaration is requested, its form would need to be specified. It could be a unilateral declaration signed by the applicant. It could also be a witnessed declaration or it could only consist in ticking a box in the filing request for the patent application.

### 7.8.3. Content of the declaration

If such a declaration is requested, the details of its content would also need to be specified. It could for example need a full description of the disclosure.

Generally speaking the identification of the disclosure should specify the description, date, location and circumstances of the disclosure

It can of course be a scientific publication together with its detailed references. The situation could be more complicated in case of prior use disclosure. This would imply a technical description of the information which has really been disclosed through this use, but of course, it would imply the specification of the date, place and special circumstances of the disclosure. For example, in order to illustrate the circumstances, it would be best to specify how the clinical trials have been done, at which scale, how long for, how were the results worked, etc.

Through this analysis, we note that requesting a declaration from the inventor only complicates the situation without ensuring any juridical security to all the users of the patent system, i.e. the patentee or third parties.

Furthermore, the obligation to request such a declaration has got the major drawback to exclude from this exception the prior disclosures which occurred without the applicant's knowledge, such as all the prior, uncontrolled publications on the internet, which happen more and more prior to a scientific publication, or presentation in the framework of a seminar or conference.

### 7.8.4. No request for declaration would be preferable

Finally, the best solution would be the easiest, that means not to request any declaration from the applicant, bearing in mind that, when the time has come, he will have to prove that he fulfils the required conditions for applicability of this exception.

## 7.9. Simple exception to the principle of prior art disclosure

It must be quite clear for everybody, that the grace period is not a priority system getting immunity against any later independent disclosure from third parties.



This is another good reason not to request a declaration from the inventor at the time of filing the patent application as it is to be done in case of unionist priority claiming.

Therefore the grace period system does not generate any rights but is only an exception with all the consequences at its application level, especially the fact that an exception always has to be interpreted in a restrictive way.

#### **7.10 .Possible extension to confidentiality or secrecy violation**

If one admits that an unprejudicial disclosure can be issued directly from the inventor or can indirectly result from a first disclosure issued from the inventor, it is then obvious that this arrangement covers the traditional non prejudicial disclosures which are the consequences of an abuse in relation to the applicant or his legal predecessors.

Under these circumstances, the best would be to harmonize the corresponding arrangements, especially regarding the duration of the time limit to be taken into consideration.

In practice, we are once again confronted with specific situations where the obligation to request a declaration at the time of filing the patent application in order to benefit from the grace period, is completely unrealistic.

#### **7.11. Burden of proof**

There is no need to elaborate too much on this subject.

Traditionally, the burden of proof is on the person who intends to benefit from or contest the benefit of the grace period.

On the one hand, therefore, during prosecution, the applicant will normally have to prove that the pre-filing disclosure is directly or indirectly issued from him or the inventor.

But on the other hand, if the patent is attacked before a Tribunal, the plaintiff will have to contest that a pre-filing disclosure did not satisfy the conditions required by the legal disposition and have to demonstrate for example that it has occurred independently from any intervention from the inventors.

#### **7.12. Prior user rights derived from the disclosure**

One might first be tempted to answer negatively since the grace period system is an exception and all exception has to be interpreted in a limiting way and therefore the period of grace can only wave the disclosure from the opposable state of the art.

As a consequence, one might consider that there is no possibility for third parties, to acquire any prior user rights from this pre-filing disclosure.

If this impossibility is admitted, additional questions will have to be answered :

i) direct / indirect information of the prior user.

Should the possible third party acquiring the rights, be informed directly by the inventor or can he be indirectly informed by a third party having received the information itself from the inventor.

ii) to a third party making preparation to use the invention or to a third party having already started a commercial use of the invention

This is a traditional question which has already been asked in the framework of prior user rights. The French solution of the prior personal possession does not seem to have such a bright future at an international level. The solution consisting in authorising to pursue a commercial or industrial use, has the real advantage to be clear. However, serious and genuine preparations for the use of the invention should not be put aside systematically.



Once again, the practical situation and the circumstances in which the invention can be used should lead us.

On the one hand, the use of an invention might be easy to contemplate, e.g. an immediate change of process which just implies changing a catalyst. On the other hand, the use of an invention can also lead to the construction of a completely new production line which is of course a lengthy business.

### iii) burden of proof

Yet again, the burden of proof is on the shoulders of the person who intends to benefit from this prior user right, or of the person who contests such a right.

Depending on the conditions which might be required, it is clear that the demonstration will be concerned with the prior use or preparations for that use and with the conditions in which the information was acquired by the prior user.

It comes out from the above observations that the most commendable because the most pragmatic solution would consist in seeing to the question of prior user rights in a way completely independent from the grace period system.

In other words, it does not seem necessary to provide any strict prohibiting of intervening prior user rights due to a non prejudicial disclosure issued from the inventor. It does not seem necessary either to demonstrate the link between the non prejudicial disclosure coming from the inventor and the use by a third party. The acquisition in good faith of the information concerning the invention would be the only condition which might still exist in order to allow the recognition of prior user rights.

Accepting the risk of an intervention of third parties rights without any other special condition, even seems to be in favour of the acceptance of the system of period of grace. It first moderates quite considerably the argumentation of the detractors of the grace period who consider that one of the drawbacks would be that the inventor could be tempted to carelessness.

In other words, an uncontrolled pre-filing of an unprejudicial disclosure can always occur and the grace period is meant to wave its devastating effects.

Nevertheless, knowing that third parties do have the complete possibility to benefit from intervening rights will urge the inventors or their successors in title to file their first patent application as quickly as possible.

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To summarize the presentation of this question, it is possible to start thinking about a definition which does not really show any new characteristic but which could be used as the basis for a discussion on this everlasting question which nevertheless is a burning topic.

## **8. PROPOSED DEFINITION OF GRACE PERIOD**

**8.1.** Any disclosure of information relevant for the patentability of an invention claimed in a patent application shall not be taken into consideration when determining the state of art relevant for that invention where the information was disclosed, during the 12 months preceding the filing date or, where priority is claimed, the priority date of the patent application,

- (i) by the inventor, or
- (ii) by a third party which acquired the information direct or indirect from the inventor or in consequence of acts performed by the inventor, or
- (iii) by a Patent Office, the information being contained in :
  - a) another patent application filed by the inventor, which should not have been disclosed by the Office, or
  - b) a patent application filed, without the knowledge or consent of the inventor, by a third party which obtained the information as stated in § ii).



**8.2.** For the purposes of paragraph 1., inventor means any person who, at the filing date of the application, had the right to the patent.

Inventor also means the original owner of the invention other than the inventor itself, and any successor in title of the inventor or of such original owner.

**8.3.** The effects of paragraph 1. may be invoked at any time.

**8.4.** The burden of proof will be on the shoulders of any person who intends to take benefit of the grace period stated in paragraph 1.

Francis AHNER  
President



## Appendix IV– History of the FICPI Position paper on Grace Period, 24 January 2013

At the FICPI World Congress in Melbourne, in April 2012, a Working Group on the Grace Period was formed at a meeting with the Work and Study Commission (CET), Group 3. This Group generally deals with international patent matters.

After an initial exchange of views, and involving some further interested persons, the following FICPI members took part in the work:

Jan Modin, SE (Chair)  
Ivan Ahlert, BR  
Andrew Meikle, US  
Alain Leclerc, CA  
Jérôme Collin, FR  
Uwe Borchert, DE  
Robert Watson, UK  
Charles Berman, AU  
Ziaohong Cai, CN  
Kay Konsihi, JP (Ms), and  
Kyeongran (“Rana”) Lee, KR (Ms)

There followed an extensive email debate within the Working Group, with contributions from all the above members. Additionally, a number of FICPI officers provided valuable input, viz.:

John Orange, CA  
Heinz Bardehle, DE,  
Michael Caine, AU,  
Eric Le Forestier, FR  
Julian Crump, UK  
Danny Huntington, US  
Shoichi Okuyama, JP, and  
David Cheng, CN.

After some preliminary findings, various aspects of the Grace Period were discussed at a CET meeting in Saint Paul de Vence, France, in October 2012.

Finally, at a meeting with the Executive Committee of FICPI in Cartagena, Columbia, 20 – 24 January 2013, the Grace Period was discussed again at a Workshop, on the basis of a briefing paper which was structured as a draft position paper. The Executive Committee thereupon suggested a few amendments and unanimously approved of the present position paper on 24 January 2013.

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