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Avoid loss of priority and potential invalidity in Europe: Priority claimant must have actual ownership of the priority right when they make their claim to it

Summary:

Case law in Europe interprets the Paris Convention with a degree of stringency that will be harsh on many applicants where necessary transfers of priority right are not carried out in full and before the end of the convention year when the later application claiming priority is filed.

A claim for priority under the Paris Convention must be made by the identical legal person who filed the earlier priority establishing application. If a different legal person makes the claim to priority, then they must be the successor in title of the priority applicant at the time they claim the right to priority, i.e. on the date they file the later application, whether this succession is by way of assignment or operation of law. If there is no clear transfer by the filing date of the later application, then currently, the right to priority is lost. Where transfer takes place by way of assignment, this must take place before the later application is filed.

Loss of priority can lead to patent invalidity if there is a relevant document or disclosure (an “intervening” disclosure) made public in the period between the priority date and the filing date.

The applicability of the Paris Convention to trademarks and designs as well as patents means that the above issues may apply to all forms of IP protection in Europe claiming Paris Convention priority.

The European Patent Office (EPO) position:

In Legal Board decision J0019/87, the question was whether an assignment signed by the assignor, but not the assignee, amounted to a transfer. The question was also determined under the relevant national law, being that of the UK. According to legal opinion about the effect of UK law, the transfer was held valid and so priority was upheld by the Board.

Technical Board decision T1008/96 found that purported transfer documents were not effective under the applicable Italian national law and priority was denied. The patent was found invalid in view of the public use of the invention by the patentee within the Paris Convention year.

Belgrave Hall, Belgrave St
Leeds LS2 8DD UK

Tel: +44 (0) 113 233 0100
Fax: +44 (0) 113 233 0101
Email: hgf@hgf.com

HGF also have offices in Aberdeen, Liverpool, London, Manchester, Rugby, Sheffield, York and Glasgow

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In a more recent decision, Technical Board T0062/05 applied a stringent standard for valid transfer of priority rights. In the case in question, a Japanese priority application and transfer of its priority rights was at issue. The Board required that the standard for transfer of the priority right is the same as that for the transfer of a European Patent application; namely that the transfer has to be in writing and has to be signed by the parties. Proof of an intention to assign is not enough. Moreover, the valid transfer must take place before the filing of the later application claiming priority. However, this decision seems inconsistent with the earlier decisions regarding applicable jurisdiction, as well as with EPO Examination Guidelines A-III 6.1 which refers to the “relevant national provisions”.

As to who constitutes “the person” for the purposes of Paris Convention priority, Technical Board decision T0788/05 found that an application filed by party “A” was a first application for the purposes of claiming priority, despite the existence of an earlier application containing the same subject matter filed jointly by parties “A and B”. The reasoning was that “A” was a different person to “A and B”.

What is clear is that priority can only be claimed by the identical applicant of the relevant earlier application or his valid successor in title. An assignment executed after a later application has been filed cannot retrospectively give the applicant the right to claim priority from an earlier application.

UK National Law - Edwards Lifesciences AG v. Cook Biotech Incorporated ([2009] EWHC 1304(Pat)):

Edwards sought revocation of Cook’s European Patent (UK) protecting stent valves and claiming priority from a US patent application. Critical for validity, an “intervening” publication occurred after the claimed priority date and before the PCT filing date.

Three joint inventors filed the US priority application. Obermiller, Osse and Thorpe. Obermiller was an employee of Cook. Osse and Thorpe were not. The PCT (for states other than the US) was filed in the name of Cook, not the three inventors. Cook claimed the priority rights of the three inventors. Following PCT filing and before grant by the EPO, Osse and Thorpe assigned their rights to Cook, so plainly there could have been no earlier assignment of their priority rights to Cook before the PCT filing date.

The applicable law for European and UK patents is Article 4 of the Paris Convention. Kitchin J. decided that all three inventors who jointly filed the US priority application equate *with “the person”* who had “*duly filed an application for a patent*” according to the Convention. The priority applicants jointly were therefore “the person” who had the right to claim priority. Obermiller (on his own) had no right to claim priority. Moreover, Cook had no right to claim priority either because it was not the assignee or successor in title to the person who owned priority at the time the PCT was filed.

An Appeal has been made against the judgment of Kitchin J. in this case.

French National Law – TGI Paris, 31.1.2009

The applicable law in France requires express transfer of the priority rights. In the case in question, Swiss inventors who filed first in the US, executed transfer documents to the company filing the PCT application, but these transfers did not expressly transfer the right to priority. Evidence from Swiss experts pronounced that there was valid transfer of priority rights under Swiss law, but the court rejected that and did not consider the question of applicable jurisdiction. Instead the court focussed on the issue of proof of the express transfer of priority rights before the PCT filing date and found none. The court also rejected the decision of T0062/05 requiring satisfaction of the EPC and the signature of all parties to the transfer of priority rights.

Mitigation of risk – some practical suggestions

- Obtain an assignment of rights from all inventors to any intended assignee as soon as possible after filing a priority establishing application, if possible before filing.
- Ensure the assignment identifies the invention and any priority application and explicitly transfers the right to claim priority, not just the application.
- Have all parties to the assignment execute it.
- Include an appropriate jurisdiction clause in the assignment of priority rights.
- Review the rights to priority in good time before filing any PCT or European or UK application to allow any missing assignments to be drawn up and executed.
- Adopt the precautionary principle - if the applicant's right to claim priority is at all uncertain, file the application in the name of "the person" who filed the priority establishing application and then take subsequent corrective action from this position. This may require appropriate combinations of applicants jointly, in order to minimise risk in situations where assignments from some, but not all, priority applicants are perfected before the filing date.
- Consider the Paris Convention priority position first, ahead of making any adjustments to applicants/inventors over time when implementing a desired filing strategy.
- Reconfigure diary systems to prompt for assignment/transfer of priority rights as a due date within the Paris Convention period from first filing.

Contributor: Richard Williams

**For further advice, please contact your usual HGF attorney or Richard Williams at rwilliams@hgf.com
0207 440 8907**