

Question Q233

National Group: AIPPI-US Division of AIPLA

Title: **Grace period for patents**

Contributors: Peter Schechter, Andrew Simpson, Tom Smegal, Kevin Tottis, Richard Beem, James Slattery, Marc Richards, Drew Meunier, Damian Wasserbauer

Reporters within Working Committee: Peter SCHECHTER, Andrew SIMPSON

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Questions

I. Analysis of current law and case law

1) Does your country or region provide a grace period of any kind for patent applicants?

RESPONSE: Yes.

As used in these questions, “grace period” includes any situation where a disclosure prior to a patent filing date that would normally qualify as prior art to the patent application is disqualified as or removed from the prior art.

2) If the answer to Question (1) is yes, please answer the following sub-questions:

a) What is the duration of the grace period?

RESPONSE: 1 year

b) From what date is the grace period calculated? Please indicate the effect, if any, of an international filing date and/or a Paris Convention priority date.

RESPONSE: The date from which the grace period is calculated depends on whether the Leahy-Smith America Invents Act (AIA) applies to the patent application in question. For pre-AIA cases, the applicable duration of the grace period is one year from the earliest effective U.S. filing date, and foreign priority or international claims are not included in the calculation. For post-AIA cases, foreign priority and international claims are included in the calculation.

- c) What types of intentional acts, disclosures, or exhibitions by the applicant (including the inventor or co-inventor) qualify for the grace period?

RESPONSE: The scope of the pre-AIA grace period includes printed publications, patents, and public uses or sales/offers for sale of the invention by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor. While the scope of the post-AIA grace period has many similarities with respect to the pre-AIA grace period, the new grace period has different implications for disclosures by third parties. Third party disclosures prior to the inventor's earliest effective filing date generally count as prior art unless derived from the inventor. This is also an implication of how the pre-AIA grace period works (a disclosure by a third party prior to the applicant's filing date is generally prior art unless applicant is able to "swear behind" it). However, the AIA grace period, provides that if the inventor disclosed the invention and then subsequently filed within the grace period, the inventor's prior disclosure of the same subject matter as the intervening disclosure by a third party will cause the intervening disclosure to be deemed not to prejudice the inventor's entitlement to a patent with respect to that subject matter.

- d) What types of unintentional acts, disclosures, or exhibitions by the applicant (including the inventor or co-inventor) qualify for the grace period?

RESPONSE: Same as Answer 2c).

- e) What types of acts, disclosures, or exhibitions by a third party who is not the applicant, inventor, or co-inventor qualify for the grace period?

RESPONSE: For pre-AIA applications, a disclosure by a third party prior to the applicant's filing date is generally prior art unless applicant is able to "swear behind" it with evidence of an earlier date of invention. For applications subject to the AIA, third party disclosures prior to the inventor's earliest effective filing date generally count as prior art unless derived from the inventor. However, as explained in Answer 2c), the AIA grace period provides that if the inventor disclosed the invention and then subsequently filed within the grace period, the inventor's prior disclosure of the same subject matter as the intervening disclosure by a third party will cause the intervening disclosure to be deemed not to prejudice the inventor's entitlement to a patent with respect to that subject matter.

- f) To the extent not already answered in Question 2) e) above, is there any situation where a disclosure by a third party who did not learn of or derive the invention from the inventor(s) can be covered by the grace period?

RESPONSE: See Answer 2e).

- g) Is any type of statement or declaration by the applicant required to invoke the grace period?

RESPONSE: No.

If yes:

What are the requirements for the statement/declaration?
When must the statement/declaration be filed?

- h) Is the grace period defined by a statute or regulation? If so, please provide a copy of the relevant portion of the statute or regulation.

RESPONSE: The grace period is defined by statute. The pre-AIA grace period is established by 35 U.S.C. § 102(b), as follows:

[A person shall be entitled to a patent unless] the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States,

The new AIA grace period provision, 35 U.S.C. § 102(b)(1)-(2), provides:

(b) [Prior Art] Exceptions.—

(1) Disclosures made 1 year or less before the effective filing date of the claimed invention.—A disclosure made 1 year or less before the effective filing date of a claimed invention shall not be prior art to the claimed invention under subsection (a)(1) if —

(A) the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(B) the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.

(2) Disclosures appearing in applications and patents.—A disclosure shall not be prior art to a claimed invention under subsection (a)(2) if --

(A) the subject matter disclosed was obtained directly or indirectly from the inventor or joint inventor;

(B) the subject matter disclosed had, before such subject matter was effectively filed under subsection (a)(2), been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor; or

(C) the subject matter disclosed and the claimed invention, not later than the effective filing date of the claimed invention, were owned by the same person or subject to an obligation of assignment to the same person.

- i) Is there any special situation where only certain types of applicants/inventors are allowed to benefit from graced disclosures? (such applicants/inventors may include SMEs, universities, individuals, etc.)

RESPONSE: No.

Policy

- 3) If your country or region provides a grace period for patents, please answer the following sub-questions:

Note: The following answers relate to the AIA grace period that took effect on March 16, 2013, and to the pre-AIA grace period to the extent that the provisions are the same or similar.

- a) What are the policy reasons behind this grace period?

RESPONSE: U.S. stakeholders have consistently identified one year as an appropriate duration for the grace period in view of the need to facilitate research collaboration, encourage open dissemination of research results, provide time to obtain critical funding and perform research into the efficacy of an invention, and alleviate burdens on small and medium sized enterprises and individual inventors.

The 2011 House Judiciary Committee Report's section-by-section analysis of the AIA notes that "[stakeholders] argued that the grace period affords the necessary time to prepare and file applications, and in some instances, to obtain the necessary funding that enables the inventor to prepare adequately the application. In addition, the grace period benefits the public by encouraging early disclosure of new inventions, regardless of whether an application may later be filed for a patent on it." H.R. Rep. No. 112-98, at 41 (2011).

Congressional testimony on behalf of universities noted that:

"[C]urrent U.S. patent law provides a broad 12-month grace period before the effective filing date of an invention, during which the publication or other disclosures of the inventor and others carrying out research in the same area are not treated as prior art. This provision facilitates research collaboration and encourages publication and other forms of disseminating research results." *Perspectives on Patents: Harmonization and Other Matters: Hearing Before the Subcomm. on Intellectual Prop. of the Senate Comm. on the Judiciary; 109th Cong. (2005)* (statement of Charles K Phelps, Provost, University of Rochester, on behalf of the Association of American Universities).

- b) Is the grace period, as it currently exists in your country or region, considered useful?

RESPONSE: Yes.

- c) Is the grace period considered more useful for a certain class of stakeholders (for example, individuals, universities, small businesses, or large businesses)?

RESPONSE: No.

- d) How often is the grace period used? If you are unable to provide a quantitative answer to this question, please indicate one of: often; occasionally; or almost never.

RESPONSE: Often.

- 4) If your country or region does not provide a grace period for patents, please answer the following sub-questions:

- a) What are the policy reasons behind not providing a grace period?

No answer required.

- b) Would a grace period be useful for stakeholders in your country or region?

No answer required.

- c) Would a grace period be considered more useful for a certain class of stakeholders (for example, individuals, universities, small businesses, or large businesses)?

No answer required.

- 5) What are the positive aspects of the grace period law of your country or region?

RESPONSE: The grace period in the United States enjoys widespread support among universities, public research institutions, small entities, independent inventors, industry, and

the legal community. It allows and is consistent with a culture of rapid disclosure and dissemination of new discoveries and inventions.

6) What are the negative aspects of the grace period law of your country or region?

RESPONSE: There does not appear to be any U.S. opposition to, or criticism of, the AIA grace period or a grace period more generally.

7) As a practical matter, are the procedures and strategies of patent applicants in your jurisdiction affected by the grace period laws of other countries or regions? If so, in what way?

RESPONSE: Yes. All U.S. patent applicants wishing to obtain patents in other jurisdictions must be cognizant of the grace period, or lack thereof, in such jurisdictions in order to avoid forfeiture of rights.

II. Proposals for harmonisation

The Groups are invited to put forward proposals for the adoption of harmonized laws in relation to grace periods for patents. More specifically, the Groups are invited to answer the following questions *without* regard to their national laws.

8) In your view, and assuming a proper balance is struck between the rights of the applicant and the rights of the public at large, is a grace period for patents desirable?

RESPONSE: Yes.

9) Is harmonization of laws relating to grace periods for patents desirable?

RESPONSE: Yes.

10) Please provide a standard that you consider to be best in each of the following areas relating to grace periods:

a) The duration of the grace period

RESPONSE: One year.

b) The date from which the grace period is calculated

RESPONSE: The effective filing date in the United States, which includes any right of priority to which the applicant may be entitled.

c) The types of intentional acts or disclosures by the applicant (including the inventor or co-inventor) that should be covered by the grace period

RESPONSE: Making the invention available to the public.

d) The types of unintentional acts or disclosures by the applicant (including the inventor or co-inventor) that should be covered by the grace period

RESPONSE: Making the invention available to the public.

- e) The types of acts or disclosures by a third party who learned of or derived the invention from the applicant that should be covered by the grace period

RESPONSE: Making the invention available to the public.

- f) The types of acts or disclosures by a third party who did not learn of or derive the invention from the applicant that should be covered by the grace period

RESPONSE: Should not be covered by the grace period.

- g) The requirement for and content of any statement/declaration by the applicant to invoke the grace period

RESPONSE: Should not be necessary.

- 11) The Groups are invited to comment on any additional issue concerning grace periods for patents that they deem relevant.

RESPONSE: None.