



**AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION**  
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June 22, 2007

The Honorable Jon W. Dudas  
Under Secretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, Virginia 22313-1450

Attention: Mr. Jon P. Santamauro, Office of International Relations

Comments on "International Efforts to Harmonize Substantive  
Requirements of Patent Laws," 72 Federal Register 24566 (May 3, 2007)

Dear Under Secretary Dudas:

The American Intellectual Property Law Association (AIPLA) is pleased to provide these comments in response to the above-captioned Request for Comments regarding efforts to achieve meaningful near-term agreement on patent law harmonization. Our comments specifically address each of the 10 harmonization-related issues raised in the Request.

AIPLA is a national bar association having over 16,000 members engaged in private and corporate practice, in government service, and in the academic community. AIPLA represents a diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA has long supported efforts to harmonize substantive patent laws throughout the world, and is disappointed that consensus on harmonization has not been reached within the Standing Committee on the Law of Patents. Recognizing this, however, AIPLA views the "limited package" of issues now being considered by the Group B+ countries as providing perhaps the last opportunity to accomplish meaningful, though more limited, harmonization in the foreseeable future. International agreement on the prior art-related principles comprising the Group B+ discussions would be valuable in its own right, and could form a sound basis for subsequent harmonization efforts.

With this background in mind, the comments set forth below embody the current views of AIPLA on the questions raised, and represent what we consider to be a cohesive and interrelated set of best practices for an internationally-harmonized patent system. We will, however, continue to study and review these questions and may refine and revise our thinking in light of ongoing developments. As requested, the numbered comments track the numbering of the questions presented.

1. Priority of Invention: AIPLA supports the first-inventor-to-file (first-to-file) standard as a best practice for a harmonized patent system.

Given the cost and complexity of the present first-to-invent system in the United States, AIPLA supports moving to a first-inventor-to-file system as a best practice. Processes that provide fairness and certainty best serve any patent system. The current first-to-invent system, however, does the opposite; it adds procedural complexity in the form of interference proceedings that unfairly burden small entities, and produces uncertain results. Moreover, the first-to-invent system frequently fails to live up to its name; instead, by default, it awards patents to the first-inventor-to-file except where a second-inventor-to-file can marshal sufficient, corroborated invention date proofs to overcome the presumption afforded in favor of the first-inventor-to-file. Marshaling such proofs is difficult, costly, and time-consuming, and generally most disadvantages the small inventor who has neither the time nor the resources to meet the challenge, nor is likely to have maintained records in a format sufficient to establish the necessary proofs. Priority determined by the earliest filing date would benefit large and small entities alike, because it would eliminate the present delays, the added costs, and the uncertainty associated with resolving priority issues through interferences.

2. Prior Art Effective Date of Published U.S. Patent Applications: AIPLA supports giving all patents and published patent applications patent-defeating prior art effect from their earliest effective filing dates.

The very concept of harmonization suggests that we need a global standard of priority, so that a prior art reference has the same meaning in every patent system. In this regard, a best practice would be to give a patent or published application full prior art effect from its earliest effective filing date. The judicial interpretation of U.S. law provides disparate treatment, in terms of patent-defeating prior art effect, to applications filed under the Paris Convention outside the U.S. as compared with applications filed within the United States, and has long been a source of contention in harmonization efforts. In today's global economy, it makes no sense to have different effective dates in different countries for the same patent-defeating prior art.

3. Scope of Prior Art Effect of Published Patent Applications: AIPLA supports a published patent application having patent-defeating prior art effect for purposes of both novelty and obviousness, as of its effective global priority date.

Along with establishing a uniform date on which a published application shall have patent-defeating prior art effect, the needs for certainty and uniformity in a harmonized system require giving uniform effect to the prior art as of that date. Permitting overlapping patents on minor variations of an invention is not a best practice. A system that considers the prior art effect of published patent applications only for purposes of novelty and not for obviousness inevitably gives rise to patents that differ only in trivial ways from earlier ones. This results in multiple patents that are often virtually identical, yet legally insulated from one another. Considering published patent applications as prior art for purposes of both novelty and obviousness helps to avoid the grant of multiple patents with substantially the same scope of rights. Such patents put a burden on society, since anyone seeking to commercialize the invention may have to pay royalties to two or more entities.

4. Grace Period: AIPLA supports adoption of a personal grace period during which pre-filing disclosures of information made by or on behalf of an inventor or by a third party that obtained the information from the inventor shall not affect the patentability of the invention by the inventor.

An international grace period is a necessary safety net for inventors who may disclose their inventions before filing a patent application. The absence of an international grace period today means that many U.S. inventors, relying on the U.S. grace period, lose the right to obtain patent protection abroad. Also, first time inventors may not even be aware of the effects of early disclosure and may lose rights in an attempt to interest others in the invention. We believe that a grace period of 12-months duration is appropriate, measured from the filing date or, where priority is claimed, from the priority date of the application. We are opposed, however, to the imposition of procedural triggering mechanisms, such as declarations of intent to invoke the grace period. Such procedural requirements tend to be traps for the unwary, in particular for small entities or other applicants not fully familiar with the patent obtaining system. Further, such mechanisms would be inconsistent with the general goals of certainty and uniformity in that they would invite different interpretations of the same facts by different jurisdictions. An appropriate grace period should apply to any information disclosed by or on behalf of the inventor, or by a third party that obtained the information directly or indirectly from the inventor. We do not believe, however, that published patent applications should benefit from a grace period. An applicant knows exactly when an application will be published, and has established a filing date to protect against loss of rights.

5. Geographical Limitations in the Definition of Prior Art: AIPLA supports a definition of prior art that eliminates geographical restrictions and under which a disclosure anywhere in the world that is reasonably and effectively accessible to a person having ordinary skill in the art would be available as prior art.

Non-uniform geographical prior art restrictions are the antithesis of an internationally-coherent prior art system. Global communications in general and the Internet in particular, have largely eliminated the concerns that led to existing geographical distinctions. Moreover, in a global economy, differences in the availability of patent protection because of geographical prior art restrictions necessarily lead to undesirable barriers to trade. A far more rational best practice would be to include in the prior art, subject to an international grace period, anything that is reasonably and effectively accessible to a person having ordinary skill in the art.

6. "Loss of Right" Provisions: AIPLA supports elimination of the loss of right provisions found in 35 U.S.C. 102(b) that bar the grant of a patent when the invention was secretly used or secretly offered for sale more than one year prior to filing in the United States.

While loss of right provisions such as those currently found in U.S. law may be argued to prevent the unjustified extension of patent term by requiring earlier filing of patent applications, by their very nature such provisions lack objectivity and add uncertainty and complexity to patentability determinations.

7. “Experimental Use” Exception to Prior Art: AIPLA supports elimination of the experimental use exception to otherwise patent-defeating prior art.

Despite the long-standing history of a judicially-created experimental use exception to otherwise patent-defeating prior art under U.S. law, such an exception, which must be considered during litigation on a case-by-case basis, is another source of uncertainty and complexity in the patent system. As part of an overall rationalization of the definition of prior art, AIPLA believes that the experimental use exception is not a best practice and should be eliminated in favor of the international grace period discussed above.

8. Prior User Rights: AIPLA supports expansion of the prior user right defense to apply to both products and processes that are in commercial use or for which substantial preparations for such use were made prior to the effective filing date of a patent application.

Expansion of the prior user defense from that established by the American Inventors Protection Act of 1999 is appropriate as a best practice. Where a prior user has, in good faith, placed an invention in commercial use or made serious and effective preparations to do so prior to the effective filing date of the patent application, that user should have access to the defense. Such a defense should be personal to the prior user and should not prevent a patent owner from asserting rights against other parties to whom the defense would not apply.

9. Assignee Filing: AIPLA supports the direct filing of patent applications by assignees to whom the inventor has assigned the corresponding invention.

The right to obtain a patent belongs to the inventor. No one should be permitted to take an invention from the inventor and obtain a valid patent merely by filing the first application on that invention. An inventor, however, can assign the right to obtain a patent on his or her invention to another. This is usual and customary in the case of employed inventors, who traditionally and routinely assign the rights to their inventions to their employer. Recognizing the fundamental right of an inventor to obtain a patent, but permitting an assignee of such an inventor to directly file a patent application on the assigned invention, facilitates the process of filing a patent application, and does not harm the inventor.

10. Eighteen-Month Publication of Patent Applications: AIPLA supports publication of all patent applications 18 months after filing.

The American Inventors Protection Act of 1999 introduced 18-month publication of patent applications to U.S. patent law. In response, however, to concerns raised by some, the law provided an "opt-out" ability to prevent publication under limited circumstances. This provision unnecessarily delays the disclosure of inventions to the public and is largely unused by most who could use it. Furthermore, the provision interferes with the ability to harmonize the definition and effect of prior art. AIPLA believes that it is now time to implement fully the AIPA by eliminating the ability to opt-out of 18-month patent publication.

Other Comments: We note that the USPTO previously requested comments on 17 issues relating to patent law harmonization in a notice of March 19, 2001, (66 Federal Register 15409 – 15411) and that AIPLA responded in detail to that request in a letter dated April 30, 2001. Some of the positions stated in that letter overlap the positions set forth above; others, however, touch upon substantive patent law harmonization issues not specifically at issue in the current Group B+ discussion, but which nevertheless remain valid statements of AIPLA positions.

We appreciate the opportunity to comment on these important questions, and look forward to working with the USPTO in furthering the goals of patent law harmonization.

Sincerely,

A handwritten signature in cursive script that reads "Michael K. Kirk".

Michael K. Kirk  
Executive Director  
AIPLA