

February 28, 2013

The Honorable Theresa Stanek Rea  
Acting Under Secretary of Commerce for Intellectual Property and  
Acting Director of the United States Patent and Trademark Office  
United States Patent and Trademark Office  
600 Dulany Street  
Alexandria, VA 22314

*Via email: IP.Policy@uspto.gov*

**Re: Request for Comments on Matters Related to the  
Harmonization of Substantive Patent Law,  
78 Fed. Reg. 7411 (February 1, 2013)**

Dear Acting Director Rea:

The American Intellectual Property Law Association (AIPLA) is pleased to comment on the United States Patent and Trademark Office Request for Comments concerning Matters Related to the Harmonization of Substantive Patent Law, published in the February 1, 2013, issue of the *Federal Register*, 78 Fed. Reg. 7411.

AIPLA is a U.S.-based national bar association whose approximately 15,000 members are primarily lawyers in private and corporate practice, government service, and the academic community. AIPLA represents a diverse spectrum of individuals, companies, and institutions involved directly and indirectly in the practice of patent, trademark, copyright, unfair competition, and trade secret law, as well as other fields of law affecting intellectual property, in the United States and in jurisdictions throughout the world.

**Preliminary Comment**

AIPLA has been supportive of international harmonization of substantive patent laws for many years. We believe it is in the best interest of U.S. patent rights holders and others throughout the world to provide harmonized patent laws wherever possible to strengthen the protection of innovation, leading to a more cost effective, efficient and uniform patent system. To the extent patent harmonization can be achieved on any substantive issue, both applicants and third parties benefit. Such harmonization can bring about more uniform prosecution of patent applications which can assist in work sharing and cooperation among patent offices to improve the quality of issued patents, and permit inventors to gain international protection in a more efficient, cost-effective way. It can reduce the need for costly tailoring and modifying specifications and claims to address specific sets of laws in different countries. It can provide more uniformity in

allowed claims, thereby reducing the needs for multiple litigations and enforcements. Many other benefits can be achieved as well in the overall patent system through patent law harmonization.

AIPLA also believes with the passage of the Leahy-Smith America Invents Act and U.S. patent law moving towards a global standard, there is a unique opportunity to achieve further substantive patent law harmonization on a global basis. Although harmonization discussions have been taking place for many years and in numerous fora, we are happy to see the efforts of the Tegernsee Group in trying to address harmonization on at least the four issues that they have identified.

AIPLA is pleased to provide the following comments on each of the four areas being addressed by the Tegernsee Group in connection with patent harmonization. Furthermore, we are available for further discussions on any of these topics and are willing to cooperate in whatever manner we can to further the progress on international patent law harmonization.

### **Grace Period**

Of all the issues relating to patent law harmonization, we believe establishing a harmonized grace period is perhaps the most significant of the four issues to address, and perhaps the most critical issue in need of harmonization.

A grace period is a critical component in the ability of individual inventors, startup companies, universities, and research organizations to achieve potential benefit of their innovations with limited risks. It would protect those not knowledgeable about patent systems to prevent loss of rights through accidental disclosure, derivation, or breach of confidence.

AIPLA believes the form of grace period that should be instituted as part of global harmonization is that which is referred to as an “international grace period,” of the type discussed at the World Intellectual Property Organization during their drafting of a Substantive Patent Law Treaty. That is, it should provide a period of time to an inventor who publicly discloses the invention prior to filing a patent application during which his own pre-filing disclosure will not be held against him as prior art.

The international grace period must be one that not only protects inventors against consequences of breach of confidence and theft of information (abuse type). It should not be limited to a “safety net” function, but should also allow inventors to strategically disclose their invention if they believe it is in their best interest. For example, it should permit inventors to test the marketability of their invention and/or attract venture capital financing before undertaking the expense of pursuing patent protection for the innovation.

Of course, an applicant who uses the benefit of such an international-type grace period would bear the risk of subsequent independent third party disclosures prior to the filing date, which could qualify as prior art against the application in most countries. However, if the third party

derived knowledge of the invention from the first disclosure, that should not be considered as an independent disclosure.

With respect to the need for providing a declaration or other such information of the applicant's pre-filing disclosure, AIPLA does not believe that such declarations are necessary. A requirement of submission of such declarations will only provide an additional trap for applicants who may potentially lose patent rights for failure to submit the necessary information. To the extent an examiner discovers a pre-filing disclosure during prosecution, the applicant can provide the necessary documentation as evidence to show that the applicant was the origin of the pre-filing disclosure, and that it is therefore covered by the grace period.

To the extent a grace period becomes part of an international treaty, the grace period should be 12 months in duration. The grace period term should begin one year prior to the effective filing date, including any claimed priority date. Without this, the grace period loses much of its international value and benefits only local filers. A true international grace period should benefit applicants from one country using the grace period to file in another country.

AIPLA also believes that the mode of disclosure that should be covered by an international grace period should be any form of public disclosure whether in writing, orally, and even public use or public sale, in other words, any disclosure that qualifies as prior art. The underlying justification for the grace period, whether it be protection from abuse, safety net, or strategic purposes, equally covers all types of disclosures and should not be limited to any particular manner of disclosure.

As stated above, AIPLA firmly believes that harmonizing the issue of grace period is of the highest priority, and that it should be considered as the top priority among the four issues being addressed by the Tegernsee group.

### **Publication of Applications (18-Month Publication)**

AIPLA has been consistent for many years in its support for publication of all patent applications 18 months after filing, unless they have been withdrawn or are subject to secrecy orders. As part of global harmonization, it would be desirable to eliminate the ability to opt-out of an 18-month patent publication.

With respect to requiring a patent office to make available to the applicant search and/or examination results in advance of the 18-month date, it is our position that this should be optional to the applicant. There are numerous situations where applicants would not specifically want or need such early search and/or examination results, but applicants should be given the opportunity to request early search and/or examination results when desired. The availability of search and/or examination results prior to the 18-month publication could be helpful in determining whether to continue to publication, or perhaps abandon the application thereby retaining the invention as a trade secret.

## **Treatment of Conflicting Applications**

AIPLA appreciates that there are numerous approaches to treating conflicting applications, namely those that have overlapping disclosed subject matter, as prior art. The different approaches address how the prior art itself is treated as to novelty, novelty with minor differences, or novelty and nonobviousness. Likewise, we appreciate that differences exist with respect to how such prior art is applied to applications of third parties, as opposed to how it is treated for applications of the same applicant (self-collision). Where the applications were filed by the same applicant, anti-self-collision should apply, and it should not be considered as prior art against that same applicant. The term applicant is meant to include both common ownership and where there is a joint research agreement.

Of the various approaches, the one that strikes the best balance among competing interests is the one that uses conflicting applications as prior art for the examination of both novelty and inventive step/nonobviousness. On the one hand, this approach provides protection so the first inventor to file for a new concept has the ability to secure the invention by preventing others from obtaining patents on obvious variations of the claimed invention. This gives the applicant a broad protection for his own invention, preventing others from “piggybacking” on his original concept and eroding the applicant's inventive contribution.

At the same time, this approach allows an applicant to file additional closely related patent applications, and thus provide the opportunity to reap the full benefit of the inventive concept and contribution. This is especially important in a first inventor to file system, where the inventor would be anxious to get his application on file quickly, while he may still be working on variations and modifications. Applying the first application only to subsequent applications of others for nonobviousness purposes will give the inventor the opportunity to fill in the original invention with subsequent inventions so closely related that they are patentably indistinct from one another.

However, while this provides the greatest benefit to a first inventor to file on a new inventive concept, the inventor should not be able to extend the time period of his protection. This would be prevented by the use of terminal disclaimers for claimed inventions by the same applicant that are patentably indistinct. Thus, while this approach would give the inventor the benefit of broadening protection of the invention, it would prevent the unjustified extension of protection in time, to the detriment of the public.

With respect to applications filed under the Patent Cooperation Treaty (“PCT”), AIPLA believes the prior art effective date of a conflicting PCT application should be the international filing date or the priority date, if claimed, upon designation of the country or region in question and provided that the application was published under the PCT. This would enable a much earlier determination of the patentability of an invention contained in a subsequent application. AIPLA further believes that the PCT application should be considered as prior art regardless of the language in which the publication takes place.

### **Prior User Rights**

As part of global harmonization, AIPLA has consistently supported the principle that reasonable prior user rights should operate as a complete defense to infringement, where the 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, unless the prior user derived knowledge of the invention from the patentee. American business, especially small business, should have the protection of a prior user right, especially because foreign-based operations already have such protection. Thus, prior user rights should continue to be discussed in the context of global harmonization.

### **Conclusion**

AIPLA fully supports the efforts of the Tegernsee Group and appreciates the opportunity to submit its views on the four issues currently selected for study. We look forward to providing ongoing input in the process as it develops, and express our hope that the process will be a success, and that it will encompass additional issues in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey I.D. Lewis". The signature is written in a cursive, flowing style.

Jeffrey I.D. Lewis

President

American Intellectual Property Law Association