GRACE PERIODS

European Commission Green Paper – European Research Area: New Perspectives

In a recent European Research Authority initiative, stakeholders were invited to answer the question, inter alia, whether a "grace period should be introduced in European Patent Law". The Federation's response to this question is below. [The full response is Federation paper PP13/07.]

Grace Period

The Federation is opposed to the introduction of a grace period.

Firstly, a grace period will add significantly to the period of uncertainty about whether information in a public disclosure (printed or oral, e.g., lecture) can be used. At present, competitors can assume that a disclosure on which a patent application is to be based will only be made after the patent application has been filed. The uncertainty period should thus be 18 months at the most, after which the published patent application will make clear what will be protected. A grace period of e.g. 12 months in advance of patent filing will add greatly to the uncertainty period, which would then be up to 30 months. This will have a chilling effect on competitive research and development effort. The longer uncertainty period will mean either significantly more wasted research by competitors, at considerably greater expense, than at present or a slow down in research effort.

Secondly, a grace period is likely to encourage more complex and protracted litigation, along the lines of US interference actions, concerning the sources of information in parallel applications by different parties (who did what and when). Patent applications by others made during the grace period will be challenged on the basis that information in them was (allegedly) "derived" from a graced publication.

Thirdly, the grace period will cause the patent system to develop as a "first to publish" system. There will be a rush to disclose information that relates to something that might be patented to pre-empt competitors, even though the published information reveals little about the protection that might eventually be sought. Subsequently, rights of some form (e.g. to prevent use by others, even though the information has been in the public domain without a patent having been applied for or the rights defined) will be alleged to date from the graced publication.

The Federation considers that it is well known among the research community that information relating to an invention that might be the subject of a patent application should not be publicly disclosed in advance of the application. Most universities and other research organisations have policies in place to protect the intellectual property that they generate. The introduction of a short intellectual property module into all science and technology courses would help to ensure that future researchers are properly informed.

Grace period – safeguards

The Federation appreciates that there is a strong lobby, not least from the United States, in favour of a grace period. If this lobby wins the day against the strong arguments above, there must be clear safeguards to ensure that the grace period is only invoked as a safety net to protect against inadvertent premature disclosure, rather than being routinely relied upon.

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Such safeguards should include:

The grace period should be short, not more than six months;

The grace period should run in front of the patent application filing date, not the priority date. This would align with other non prejudicial disclosure covered by EPC article 55. International filing would still be straightforward under the PCT.

Prior user rights should be available to those who, before the filing date of the relevant patent application, prepare to use information in a disclosure that eventually benefits from being graced. These rights should not depend on so called "good faith".

The onus of proof to establish i) that a particular disclosure should be graced and ii) that a competitor's application has been derived from that disclosure must fall on the party claiming grace. It should not be enough to allege derivation on the basis that a competitor's patent application contains information similar to that in the disclosure to be graced.

The relevant patent application should contain a declaration identifying the earliest disclosure to benefit from grace known to the applicant.

It would be preferable to provide for publication of patent applications 18 months from this earliest known disclosure.

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NOTE: TMPDF represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. This paper represents the views of the innovative and influential companies which are members of this well-established trade association; see list of members below.

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