

DRAFT SUBSTANTIVE PATENT LAW TREATY – PROPOSALS AND COMMENTS**I. GENERAL REMARKS**

UNICE has always supported attempts to harmonise patent law for the benefit of users of the patent system.

However, while international harmonisation of substantive patent law is desirable and may contribute to higher efficiency and lower costs, industry is not willing to accept a compromise that does not correspond to users' needs merely for the sake of reaching an agreement.

Taking into account the slow progress of the WIPO negotiations on the draft SPLT, the question also arises as to whether WIPO is the right forum to achieve progress on this important issue and whether possible alternative routes should not be considered.

In order to break the deadlock in the negotiations on the draft SPLT, UNICE supports the idea to restrict its scope to a few central issues.

In this context, UNICE would like to make some comments on the following issues raised in the proposals submitted by the EPO to the Patent Law Committee.

II. SPECIFIC REMARKS**1. PRIOR ART**

Even though there is no specific provision on who is entitled to the patent, the prior art definitions implicitly make this clear: prior art is everything published prior to the priority date, taking earlier filed applications that have not yet been published into account: this is a first-to-file system.

In this context, it is of particular importance to avoid replacing the words "**before the priority date**" with something along the lines of "**before the relevant date in accordance with national law**" as the latter wording would give to the USA the freedom to define that the relevant date is the date of invention. This is of particular relevance since the trilateral compromise stresses that the provision on who is entitled to the patent should be shifted to an SPLT-II, which would take away one of the most basic elements of international patent law harmonisation that has always been considered necessary in order for Europe to be able to accept the grace period.

Regarding earlier PCT applications as prior art, UNICE is of the strong opinion that an earlier PCT application should be taken into account as prior art for novelty provided only that the application was still pending when WIPO published it. Therefore, entry into the regional phase should not be a prerequisite for accepting an earlier PCT application as prior art.

In this context, it should be noted that an earlier European patent application is accepted as prior art for any later national application even when the European patent has not been validated for the national state concerned. Therefore, the question also arises as to why an earlier PCT application with regard to a later European application should be treated worse than an earlier European application with regard to a later national application.

In order to ensure legal certainty, it is necessary that the prior art effect of an earlier application is clear as soon as it has been published at 18 months from the priority date, rather than waiting until 31 months from the priority date.

2. GRACE PERIOD

UNICE firmly believes that the introduction of a grace period is not desirable at European level for the reasons set out in Mr. Galama's expert opinion prepared at the request of the European Patent Organisation.

However, UNICE could accept a grace period only in the framework of overall acceptable and truly international harmonisation of substantive patent law based upon the first-to-file principle and meeting all the essential conditions set out below.

Such a grace period should not be longer than six months prior to the priority date of a claimed invention. Only disclosures from or based on information from the applicant or his predecessor in title (including the inventor) can be excused. In the interest of legal certainty, with regard to all disclosures that the applicant knows or should know, the applicant should by written declaration invoke the grace period on filing the patent application and should provide all details of the disclosures that are to be excused. In addition the applicant should pay a fee to enjoy the benefit of the grace period.

The patent application should be made available with all the above details at the latest 18 months after the earliest disclosure that is to be excused or 3 months after the filing date, whichever expires last.

Prior user rights and intervening rights should not be affected.

It is an essential feature of the first-to-file system, and particularly needed when a grace period is introduced, that whoever used the invention, or has made serious preparations for such use, prior to the priority date may continue to do so without having to respect the patent. Such a provision is still missing from the current draft SPLT. In UNICE's view, this issue cannot be left to national law.

III. COMMENTS ON THE PROPOSALS FROM THE USPTO AND THE JPO

1. PRIOR ART

In UNICE's view, the basic rule should be that the prior art is everything made available to the public prior to the priority date.

Consequently, everything that is not made available to the public is new and can still be patented. Hence, even Coca Cola should be able to get a patent on its method of making Coca Cola, provided that its invention is new and non-obvious with regard to anything made available to the public prior to its priority date.

More generally, it is not desirable to include US-style loss-of-rights provisions in harmonised patentability criteria. These loss-of-rights provisions are justified in a first-to-invent system, in which the first inventor should be granted his patent (basically even for an invention made years ago) if his invention is patentable over the prior art at the time of his invention. In that context it makes sense to say that if this first inventor has sold products in accordance with his invention more than a year prior to the filing date, he should no longer be granted a patent. However, in a first-to-file system, there is no need for such loss-of-rights provisions. On the contrary, such loss-of-rights provisions would make the patentability rules less clear and less transparent.

If something is made available to the public by means of an experiment that has been carried out in public, novelty is lost. For reasons of clarity and transparency, no exceptions to the basic rule should be recognised. Moreover, if in the framework of balanced international harmonisation based upon the first-to-file principle a grace period is introduced, there is no need at all for a special provision on experiments.

2. PRIOR ART EFFECT OF EARLIER APPLICATIONS

An earlier, non-prepublished application should have a prior art effect as from its priority date provided that it is published while it is still pending. In this sense, the US Hilmer doctrine should now finally be abandoned.

For PCT applications, this prior art effect should not depend upon entry into the national phase, so that the prior art effects of a PCT application are fixed as soon as that application has been published by WIPO. The JPO in its submission stresses that someone who abandons his PCT application after the WIPO publication but before national phase entry is no longer interested about who is granted the patent. This would mean that it is acceptable to grant the patent to a later applicant.

However, this approach is not acceptable. Someone who abandons his patent may do so for various reasons (including lack of funding required for national phase entry and the various ensuing translations), while he still wants to be able to exploit his own invention without being impeded by any patent granted to any later applicant.

UNICE cannot accept the US view that such a prior application is relevant for both novelty and inventive step of a later application.

Furthermore, UNICE is of the strong view that it is not desirable to discriminate between the applicant of the earlier application and other applicants by means of an anti-self-collision clause. As UNICE has already stated, anti-self collision provisions are not desirable. In US law, anti-self-collision is a fixture that leads to “continuations” and “continuations-in-part”. This kind of inefficient practices paves the way for re-filing of subject-matter and leads to further unwanted delays and legal uncertainty.

3. DOUBLE PATENTING

There is no need to have rules concerning the issue of patents having an overlapping scope. The patentability of each claimed invention should be judged on its own merits. Rules on double patenting diminish the clarity and transparency of a first-to-file system.

In UNICE’s views, no terminal disclaimers are needed or desired.

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