IMPORTATION OF JAPANESE INVENTIONS TO THE UNITED STATES

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The topic of introduction or importation of foreign inventions to the United States deals with an apparently not to well-known area of patent practice: No article has been written on it; Rivise & Caesar treat it rather cursorily and there are relatively few decisions in this area. (1)

However, this subject is a very practical one and presents interesting implications not only in interference practice but also in patent prosecution (Rule 131 practice) and in validity studies. Retrospectively perhaps reliance on importation of foreign inventions has been a rather rare occurrence, but prospectively it will surely be more important and more frequent.

There has been a tremendous growth of multi-national and international businesses - and the trend continues - with research being carried out abroad, foreign technology being acquired, research and license agreements being concluded and business men and inventors traveling back and forth. Foreign companies have subsidiaries in the United States and U.S. companies have subsidiaries abroad.

(1) Even in the Patent Office the importation possibilities are often not appreciated. A Primary Examiner once told the author that he knew based on "30 years of experience" in the Patent Office that filing a Rule 131 affidavit in a case of foreign origin "can't be done".

Indeed, a high percentage of the applications pending in the U.S. Patent Office is of foreign origin and of course a high percentage (slightly more than 25% in 1970 and 1971 and probably even more in 1972 and 1973) of the issued patents is of foreign origin. Importation opportunities or problems may arise with respect to these applications and patents.

Interestingly enough, Japanese were in third and second place among foreign patentees in the United States in 1970 and 1971 with 2720 and 4154 patents respectively. In 1972 they kept the second place ranking with 5301 patents but narrowed and almost closed the gap vis-a-vis the Germans who were first in these three years with 4496, 5586, 5797. From these rates of increases it follows that Japanese patentees were in the first place starting in 1973. For these reasons this topic is bound to be of very practical interest to a Japanese audience.

In many of the interferences involving applications of Swiss origin with which I had experience importation has been relied on. Where this has been done reference has been made to reports and samples having been sent over, Swiss inventors having come over or U.S. residents having come back with knowledge and embodiments of the inventions made in Switzerland.

As I already intimated, when I speak of importation of foreign inventions to the United States I refer to situations where knowledge of an invention made abroad is sent or brought

here by foreigners and divulged to somebody in this country or is communicated to a U.S. citizen abroad who then brings it with him to the United States. This is tantamount to conception in this country on the day it is read and understood here by someone or brought in by someone capable of understanding it. Additionally, I refer to situations where also the physical object or embodiment of such an invention is sent here or brought here and is in somebody's possession here who fully understands its nature, its production and its use which may be tantamount to reduction to practice in this country.

Section 104

Why Importation? Why are we concerned with importation in the first place? Very simply because of the existence of Section 104 of Title 35 of the U.S. Code. This Section which is entitled "Invention made abroad", stipulates that

> "In proceedings in the Patent Office and in the courts, an applicant for a patent or a patentee, may not establish a date of invention by reference to knowledge or use thereof, or other activity with respect thereto, in a foreign country..."

Two exceptions are made in Section 104. One is that provided for in Section 119 of Title 35 of the U.S. Code (the right of Convention priority) and the other covers persons domiciled in the United States but serving in a foreign country in connection with operations by or on behalf of the United States. In a sense, as I will explain a little later, importation is sort of a third exception.

The law of the country has always been as expressed in Section 104 except in the period between 1939 and 1945 in validity contests due to the Supreme Court decision in Electric Battery Co. v. Shimadzu, 307 U.S. 5, 41 USPQ 155 (1939). As you know, Section 104 had been removed in a recent patent bill but then promptly put back in.

At this point, I would like to make a digression. You are aware that this section has been decried by foreigners as unfair and discriminatory.(1) In a certain sense and in comparison to Canada's Conflict practice, this is true. However, as was pointed out in the very first importation case, Thomas V. Reese, 1880 C.D. 12, as well as in the fairly recent decision, Monaco v. Hoffman, 127 USPQ 516 (D.C.D.C. 1960), aff'd 130 USPQ 97 (C.A.D.C., 1961), the statute does not distinguish between citizens of the United States and foreign countries but between inventions made in the United States and other countries. U.S. citizens residing abroad are also subject to Section 104 and foreigners living in this country are not.(2) According to the Thomas case the "law is absolutely impartial as between foreign and domestic applicants". In the Monaco

(1) P.J. Federico has shown that this rule of law has also a favorable impact on foreigners since public knowledge and use of their inventions cannot defeat their rights to U.S. patents and that, according to a survey of the outcome of interferences involving foreign and domestic inventions which he made over a recent three-year period, there was no material difference: the party who made the invention in a foreign country won the interference about as often as the party making the invention in the U.S. P.J. Federico, "Patent Interferences in the United States", GRUR 1/1971, pp. 21-56.

(2) For this reason, Prof. Irving Kayton of the George Washington University has suggested that reference to "extrateritorial" inventors would be more appropriate than reference to foreign inventors, which is a point well-taken.

case Montecatini launched a frontal attack on Section 104. Having lost the priority contest in the Patent Office because the junior party was able to establish reduction to practice in the United States prior to their Italian filing date, they filed a Section 146 action and took a great deal of testimony in Italy proving still earlier reduction to practice there. However, Judge Holtzoff ruled against Montecatini while sympathizing with them. He admitted that

> "the present rule originated in the days when the only means of travel between continents was by sailing ships, and the sole means of communication was by slow mail. Conceivably, under those conditions an invention made abroad might have never become known in the United States. Today with modern means of travel and communication, information may be transmitted from Europe to the United States as rapidly as from the eastern seaboard to Honolulu and Alaska." Id. at 522.

He continued that it could be argued that with the "great increase in the volume of travel between countries, as well as the constant utilization of new means of communication", the reason for the rule no longer exists and the Presidential Commission on the Patent System came to the same conclusion in the mid 1960's.

Actually, if there is discrimination in U.S. interference practice it is against the junior party whether he be a domestic or foreign party. As a practical matter a foreign applicant who with an earlier foreign filing date becomes senior party can often sit back and win hands down while the domestic party labors for weeks taking testimony

at great expense. A recent case in point is Archer v. Gordon et al. v. Freter et al., 166 USPQ 322 (CCPA, 1970), wherein Freter et al. relied on their German priority date and did not even write briefs nor attend the hearing before the CCPA. In fact, to the extent that foreigners tend to file early according to the practical dictates of their first-to-file systems, they have an advantage vis-a-vis U.S. inventors.

Importation in General

Be that as it may there are ways and means to neutralize Section 104 in a perfectly legitimate manner, namely, by introduction of foreign inventions. In a manner of speaking, as already indicated earlier, this is another exception to Section 104. The best known exception and the one expressly covered in Section 104 is, of course, reliance on a foreign Convention application under Section 119. Under this Section the foreign applicant, however, can go back only up to one year. Thus, reliance on Section 119 is in a sense a limited tool. With importation one can go further back in time much like a domestic inventor can.

There are a number of situations and circumstances where importation is indeed advisable and can be of concrete value. These are as follows:

1) When there is delay in filing a foreign priority application. As I said before, foreigners as a general rule need race to the Patent Office more than U.S. inventors, but on the other hand tend to be conservative and deliberate and often work out an invention to perfection

before filing. This appears necessary in the chemical area, for instance, because coverage can often be obtained only for that which was actually reduced to practice; it also appears necessary due to the absence in foreign patent systems of CIP practice. Sometimes, a good deal of testing has to be undertaken first or testing has to be carried out in certain geographical areas or under special conditions, all of which may occasion delays.

2) When the priority application is abandoned and refiled and a new priority year is started. This practice is fairly wide spread abroad and is even followed in this country. Here there is obvious delay and, by the same token, obvious need for importation.

3) When a U.S. application is not filed under the Convention but a non-Convention application is filed later on.

4) When Convention filing is missed which happened, for example, in the case of Schmierer v. Newton, 158 USPQ 203 (CCPA, 1968). There the application was delayed in customs and was filed a few days too late. Incidentally, in this case the foreign applicant tried to argue - to no avail - that Section 104 did not apply because the application was executed before a U.S. Consul in Paris. (Query: How about execution in a U.S. embassy which enjoys extraterritoriality?)

5) When the required certified foreign priority application is not timely filed in the U.S. Patent Office because, for instance, there are undue delays in obtaining it from the English Patent Office [another remedy here is reissue according to Brenner v. State of Israel, 158 USPQ 584 (C.A.D.C. 1968)].

6) When the foreign application has generally insufficient disclosure, e.g. of utility, or does not contain sufficient support for the subject matter of the count and its benefit cannot be obtained.

7) When, e.g., post-dating in Great Britain takes place and Section 119 precludes the right of priority as can be seen from the case In re Clamp, 151 USPQ 423 (Com.1966).

All of these delays and problems can arise and have arisen. Under such circumstances, it is advantageous to fall back on importation if there was any.

But even if it is possible to rely on a foreign priority date, and the priority application is good, it can still be helpful or essential to resort to earlier importation on top of it. As between two foreign applicants, the one with the later priority date will not get far in an interference unless he can allege earlier importation in his Preliminary Statement. The same is true in an interference between foreign and domestic applicants, where the foreign applicant's priority date is still not early enough to enable him to prevail over the domestic party. A number of cases where these situations are graphically illustrated are discussed below.

It is, of course, rather clear in spite of contrary argument often made by opponents that one can depend at the same time on the foreign priority application and on acts of importation. There is no need to make an election between one or the other. Wilson et al. v. Sherts et al., 28 USPQ 379 (CCPA, 1936), Lassman v. Brossi et al., 159 USPQ 182 (Board of Interferences; 1967). Thus, like in an interference involving domestic parties, both courses of action are open: filing of foreign applications and importing of the foreign inventions and should be resorted to where opportune and feasible.

In this context it is interesting to note that in multi-national or international companies, especially those that are "technology-intensive", to use an economist's term, importation is taking place frequently though unwittingly. This can have ironic consequences: there is importation as a substantive matter but not provable as an adjective matter. In other words, there is importation de facto but not de jure. Research reports, models, samples or what-have-you come in from foreign subsidiaries, foreign parent companies or foreign research partners or licensors, and there are visits back and forth. However, unless the Patent Attorney gets involved and establishes procedures, much like in the area of notebook keeping, it is unlikely that im-

portation can be proven as a legal or procedural matter. But before I talk about certain procedures that must be established and followed it will be helpful to review the extant importation cases to get a clearer understanding of and feeling for importation within the framework of U.S. priority of invention concepts, namely, conception, reduction to practice and diligence.

The important issue of the extent to which foreign activities can be adduced will also be put in relief and in this context it should be stressed at the outset, and contrary to arguments often made by opponents, that for certain purposes activities abroad must be considered. Cases decided before enactment of Section 104 in 1946 are not affected by that enactment. They involved interference proceedings, and Section 104 was intended by Congress merely to bring the law applicable in infringement suits into line with the law which has always been applicable in interference proceedings. See the discussion of the legislative history in Monaco v. Hoffman, supra. Furthermore, Section 104 precludes consideration only of activities which occur "in a foreign country" and does not purport to touch pre-existing case law regarding activities in the United States on behalf of a foreign inventor.

Rule 217 of the Rules of Practice entitled "Contents of Preliminary Statements; Invention Made Abroad", expressly and officially sanctions preliminary statements alleging importation of foreign inventions. It thereby also sanctions at least implicitly Rule 131 Affidavits. And Form 45 of the Rules of Practice entitled "Interference; preliminary statement of foreign inventor" provides a suggested text.

Importation of Descriptions of Foreign Inventions

If it has always been the law that foreign activities cannot be relied on it seems that it has also been the law that importation can be depended on. The first case to come down, in 1880, was Thomas v. Reese, supra, in which the Commissioner of Patents, in commenting on the position of a foreign inventor stated:

> "...If, having conceived it and reduced it to practice abroad, he communicates it to an agent in a foreign country and sends his agent to the United States to obtain letters patent or to introduce it to public use, he may, in an interference, fix the date of his invention on the day of his agent's arrival in the United States..."

In Gueniffett v. Wictorsohn, 1907 C.D. 379, aff'd 1908 C.C. 367, Gueniffet had reduced the invention, a machine for making mouthpieces for cigarettes, to practice in France, and the evidence indicated that one Jaros had been shown the machine, in operation, in France and its mechanism fully explained to him. He then came to New York bringing with him a number of cigarettes made with the machine. However, he did not disclose the invention to anyone in this country

until after Wictorsohn's filing date. The Commissioner held that mere knowledge by Jaros, uncommunicated to anyone in this country, was insufficient.

Winter v. Latour, 1910 C.D. 408, involved an interference proceeding between two foreign inventors, one German and one French. The German inventor claimed a conception date of 1902 and a reduction to practice in Berlin in December 1902. He filed his German patent application on January 14, 1903, at a time when Germany had not yet adopted the international convention on patents. The German inventor disclosed his invention to an employee of the General Electric Company in Berlin in January 1903, and this employee sent a description of the invention to a member of the General Electric staff in New York, where the description was read and understood on January 24, 1903. The German inventor applied for his United States patent on March 7, 1903.

The French inventor filed his French patent application on January 21, 1903, at a time when France had already adhered to the international convention on patents. The French inventor also transmitted a description of his invention to the General Electric offices in New York, and this description was read and understood by a member of the General Electric staff on February 5, 1903. The French inventor instructed General Electric to file a United States patent application, and such application was filed on January 19, 1904, within the one year priority period provided by the convention and the United States patent laws.

The court agreed that the German inventor was properly awarded January 24, 1903, the date on which the description of his invention was read and understood in New York, as his invention date in the United States. However, the court held that the French inventor was entitled to his priority date of January 21, 1903, under the terms of the convention.

The court did not question the finding of the Patent Office that both the German and the French inventors were entitled to claim as their invention dates in the United States the respective dates on which the description of their inventions was read and understood by a member of the General Electric staff. It does not appear that either inventor ever came to the United States.

DeKando v. Armstrong, 1911 C.D. 413 (Appeals D.C. 1911), involved a situation where an invention was conceived in Hungary in 1904. It related to railroad cars and was installed in Italian trains the same year. An American engineer saw the invention in operation and obtained a full description of it and returned to the U.S. where he disclosed it in full detail other engineers on June 19, 1905. An application was only filed in 1906 when the U.S. inventor's patent with a filing date of June 28, 1905 and a conception date of 1902, had already issued. There had been

no other activities in this country on behalf of the foreign inventor. Under these circumstances, the foreign applicant lost. Cf. Westinghouse v. General Electric, 207 Fed. Rep. 75 (2nd Cir, 1913) which was based on the same interference.

In Minorsky v. Thilo, 16 USPQ 401 (CCPA, 1933), an interference proceeding between a German inventor and a U.S. inventor was involved. The German inventor filed his German patent application on January 6, 1923. A description of the invention arrived in the United States on September 3, 1923, in the hands of a person who was apparently an assignee of the inventor's rights to the invention. The German inventor's United States patent application was not filed until December 24, 1924, almost a year after the expiration of the one year priority permitted by the international patent convention and the United States patent law. It was conceded that the German inventor was not entitled to priority as of the date of the filing of his application. He did not allege a reduction to practice in the United States prior to his filing date but introduced considerable evidence to show diligence in reducing the invention to practice in the United States from the date of the introduction of the invention into this country until his filing date.

The United States inventor filed his application on June 25, 1926, but was awarded a priority date of May 31, 1924, when he was held to have reduced the invention to practice.

The court held that the German inventor was entitled to September 3, 1923, as his conception date in the United States. This was the date on which the inventor's assignee arrived in this country with a written document containing a full disclosure of the invention. The court further held that the German inventor was entitled to priority because he was "diligent" in reducing the invention to practice during the period immediately preceding the United States inventor's invention date (May 31, 1924) and his application date of December 24, 1924. In so holding, the court attributed to the German inventor the activities of the United States assignee. The Board of Patent Appeals had stated that since the German inventor "personally could do nothing in this country and had presumably passed title to the invention it would seem that this diligence on behalf of Dubilier (the assignee) should inure to the benefit of (the German inventor) or those now in interest in the invention". The Court of Customs

and Patent Appeals also held that "responsibility for reasonable diligence in the particular circumstances heretofore stated, rested upon Dubilier and those who worked under or with him". The court also rejected the contention of the U.S. inventor that the delay of some 15 months between the conception date and the date of the U.S. patent application constituted a lack of diligence. The court noted that during the critical period between May and September 1924 "the record shows continuous activity either in the way of experimenting (in the United States) or in a great amount of correspondence which was going on between the inventor in Germany and his representatives here". The court also stated that the delay in filing the application in the months of October and November 1924 were excusable because Dubilier was waiting for the return of the application from Germany and because of a misunderstanding between the parties as to who would prepare the application.

In Wilson et al. v. Sherts, supra, in an interference proceeding between a U.S. inventor and English inventors, the English invention was disclosed by a collaborator, apparently not named in the patent application, in the United States in October 1928. After this disclosure, the collaborator returned to England, the

English inventors proceeded with their experimentation in England; and they filed an English patent application in March 1929. They were entitled to this priority date under the international convention and under the United States patent law because they filed their U.S. application within one year.

Although the United States inventor did not file his United States patent application until November 1930, he was awarded a date of reduction to practice in the United States of December 1928.

The court held, first, that the English inventors were entitled to October 1928 as their conception date in the United States. However, the court denied priority to the English inventors on the ground that their diligence in reducing the invention to practice in England between October 1928 and their priority date of March 1929 could not be considered. The court held that the English inventors could prevail only by showing diligence in the United States during the critical period between October 1928 and March 1929. The court noted that "it is conceded that there was nothing done (by the English inventors) in the United States, or by anyone in this country on their behalf, toward reducing the invention to practice" during that period. The court further stated that

> "The evidence clearly establishes that there was no activities by (the English inventors) in the United States toward reducing their invention to practice during the critical period. Had there been such activities in the United States, we express no opinion as to whether, under such circumstances, the activities of (the English inventors) could be considered on the question of whether they had shown the necessary diligence."

It should be noted that the court did not question that activities by the English inventors, or someone on their behalf, in the United States could, had there been any such activities, be considered on the question of diligence. By thus narrowing its decision, the court distinguished Minorsky v. Thilo, supra, the holding of which it did not disturb. Indeed, the court pointed out that, in Minorsky v. Thilo, the German inventor's U.S. representative "had been diligent in this country in reducing the benefit of (the German inventor)".

An interesting situation is presented in General Talking Pictures Corp. v. American Tri-Ergon Corporation et al. 36 USPQ (3d Cir. 1938). This was an interference proceeding in which the prevailing party first conceived his invention on shipboard. The inventor, a United States citizen, sailed

from New York on October 6, 1918, aboard a ship of British registry. On October 12, 1918, while at sea, he had a conversation with his patent attorney, Samuel E. Darby, who was also on board the ship and corroborated the story, and reduced to writing his conception of the invention. In holding that the inventor was entitled to the date of his re-entry into the United States as his date of conception, the court stated as follows:

> "There is evidence to indicate that (the inventor) returned to the United States upon January 1, 1919, and this date the Board of Appeals held should be taken to be the date of his conception of the invention, since upon October 12, 1918, he was on the high seas upon a ship of British registry. Since it is the recognized practice in the United States Patent Office in cases of interference to allow a foreign inventor to claim as the date of his conception of an invention, the date upon which a letter sufficiently describing that invention is received in the United States, (the inventor) as a citizen of the United States certainly must be put in no worse position than a foreign inventor and we therefore hold that he is entitled to claim January 1, 1919, the first day of his re-entry into this country, as the date of his conception of the invention in question".

(Query: would the situation be different if an inventor travels on an American ship?) *

* Cases like General Talking Pictures might well be kept in mind by patent attorneys who jet to Tokyo or London or other places with their inventors. An interesting situation was recently described in the March 5, 1971 issue of Life Magazine (p. 55) dealing with Robert Abplanalp, President of Precision Valve Co. and President Nixon's "other friend". This article describes how on a business trip to Paris several years ago, Abplanalp started thinking about a new product. He was unable to sleep and got out of bed at 1 a.m. and began drawing. At 7:30 a.m. he handed the company's lawyer twelve pages of notes for a new self-contained spray unit (apparently Precision Valves' PREVAL product covered by U.S. Patent No. 3,326,469). Clearly Abplanalp was in the shoes of a foreigner and his earliest date was the day he alighted at Kennedy on his return.

In Langevin v. Nicolson, 45 USPQ 92 (CCPA, 1940) an invention relating to piezophony was made in France and allegedly disclosed in Washington D.C. in June 1917 by a Franco-Britannic mission at scientific conferences. However, all the affidavits relied upon by Langevin to establish the introduction of the invention into the United States were made sixteen years after the alleged disclosure and they were held inadequate for him to be awarded conception.

A significant case is Mortsell v. Laurila, 133 USPQ 380 (CCPA, 1962) a contest between a German inventor, Laurila, and a Swedish inventor, Mortsell. Mortsell was senior party on the basis of a Swedish application filed April 15, 1954.

Laurila's German agent sent a text of a specification in German to U.S. attorneys who received it on March 12, 1954. The text was translated and a U.S. application was sent back to Germany on April 1, 1954. Laurila executed it on May 3-5, 1954. It was mailed to the U.S. attorney by the German agent on May 11, received in the United States on May 18 and filed on May 20. The Patent Office, in a decision not reported, held Laurila to have been diligent. The CCPA affirmed. Since the period in which diligence was required to have been shown was from just prior to April 15, 1954 when Mortsell filed, until May 20, and since the major part of that time involved only activity in Germany, it is clear that such activity must have been considered in weighing diligence.

The last case to be discussed in this group of cases is Lassman v.Brossi et al.,supra. In the two-count interference behind this case the British and Swiss applicants had filed their foreign pplications on the same day. Lassman proved, however, that a letter and memorandum disclosing a process meeting the terms of count 2 had been sent to his attorney Pike in the United States several months prior to his British filing date and that Pike had read and understood this memorandum, endorsed this fact on the face of the

memorandum and acknowledged receipt of it. Lassman was therefore awarded priority as to count 2. But as to count 1 which covered a derivative of the product made by the process of count 2 neither party was entitled to judgment of priority because neither party had established prior importation.

The rules that can be deduced from this line of cases is that the foreign inventor (and in fact a U.S. inventor making an invention abroad as well) may establish a U.S. priority or an early invention date by reference activities in this country by persons acting on his behalf. Such inventor is awarded conception as of the date when the invention is first disclosed to and understood or possessed by his representatives in this country or brought in by a U.S. citizen to whom the invention was disclosed abroad. He himself does not have to come to the United States. Introduction of the knowledge or description of the invention is thus conception or tantamount (equivalent in effect) to conception in this country when it is read and understood by someone in this country capable of doing so. The disclosure must of course, be adequate and full.

The need that knowledge of a foreign invention is possessed by someone in this country is of course bottomed on the basic principle of U.S. patent law, reiterated in the Monaco case, supra, that there must be assurance that an invention will be rendered available to the American people.

At this point and in this context mention should be made of the Disclosure Document Program of the Patent Office. Insofar as foreigners are concerned this could be construed as providing for importation of disclosures of foreign inventions. Filing of a Disclosure Document establishes at best only a conception date. (Query: is it even that much since it is not read and understood by someone who could corroborate this and is kept only for two years and then thrown away unless a patent application has been filed and reference to the disclosure document has been made?)

Importation of Embodiments of Foreign Inventions

While the law on importation of foreign inventions is quite clear on the issue of whether knowledge of a foreign invention is tantamount to conception in this country, it is not so clear on whether importation of an embodiment of a foreign invention is reduction to practice or tantamount to it, especially with respect to chemical compounds and complex machinery and electronic gear. I submit it should be

With respect to this issue the decisions are even sparser. In Swan v. Thompson, 28 USPQ 77 (CCPA 1936), three interferences were involved. According to the court the facts were "not in serious dispute, but the conclusions to be drawn from them and the proper application of the law to them are matters of much controversy." Id at 79. Swan made the invention which related to safety razors and blades therefor in England. He brought samples to the United States - later exhibits in court - and with intention to sell his invention showed them in the United States to

Thompson of Gillette and others, some of whom shaved with them. Swan introduced testimony taken in England and here to show, among other things, that when he brought the razors and blades into this country he was in complete possession of the invention. The court, overruling the Interference Examiner and the Board of Appeals, agreed with Swan and held:

> "Swan having completed the structure embodying the issue of the counts and disclosed it to others and found it to be useful for any purpose should not be deprived of the benefits flowing therefrom because another entering the field later has found that additional beneficial results could be obtained from it." Id. at 82

Although, at first blush, this case appears to be a derivation case involving the issue of originality inasmuch as Swan claimed that Thompson obtained the invention from him, it is not such a case. "The tribunals below found to the contrary and it is not necessary in view of our conclusion that Swan was the first inventor of the subject matter of the counts here involved, to pass upon this question..." said the court. (Id. at 82)

In French v. Colby et al., 64 USPQ 499 (D.C. Cir. 1945), cert. denied 326 U.S. 726 (1945), the opinion of the Court of Appeals is rather cryptic, and the opinions in the District Court and the Patent Office appear not to have been published. However, it does appear from the opinion that foreign inventors (French et al) sent from their office in England to their U.S. "affiliate" a letter dated January 27, 1939 describing the invention and enclosing a sample (integrally woven ladder web for venetian blinds). The letter was received in the New York office of their U.S. affiliate by one Harris in "early February", who in turn took it "early in March 1939" to one Gibbons, the manager of their mill in Massachusetts who was capable of understanding the invention. The United States inventors' (Colby et al) "date of disclosure" was March 6, 1939.

The court in reversing the District Court held:

> "We agree with the Patent Office that French is entitled to a date early in February 1939, when his letter was received in New York. [citing Winter v. Latour, supra, and Rivise & Caesar]. The letter specified the problem to be solved, described the solution, and enclosed a sample. The invention is sufficiently simple... to be understood even by a non-expert person. But in any event, it passes belief that Gibbons, an admitted specialist, who had been working toward a solution of the same problem should have had the slightest difficulty in understanding the invention when the sample was shown to him prior to March 6, 1939."

It is interesting to note that Colby had argued - to no avail - that it was necessary to examine the specimen under a magnifying glass in order to understand it.

A third case was Kravig et al. v. Henderson, 150 USPQ 377 (CCPA, 1966), in which a machine for fabricating decorative bows was brought in from Canada by the Canadian Henderson and installed and operated at Plattsburg, New York, by others allegedly in 1955. The Board of Interferences had awarded all four counts to Henderson, even though he had to prove his case beyond a reasonable doubt. However, the CCPA on appeal awarded Henderson only two counts because the other two counts did not read on the imported machine. Two years later the CCPA had this case again before it and it took away those two counts also because new evidence had shown that the machine had not been brought in as early as had been alleged. [157 USPQ 564 (CCPA 1968)].

Lastly, as far as published decisions go where embodiments of inventions were imported, there are two recent Board of Interference cases: Andre v. Daito, 166 USPQ 92 (1969) and Weigand v. Hedgewick, 168 USPQ 535 (1970).

Andre v. Daito manifestly was an importation case even though this is apparent not so much from the decision as from the file history. Andre, a U.S. business man, conceived a design of a desk lamp in this country and went to Japan where he reduced it to practice. He brought back a model and the day when he arrived in San Francisco with the model was the day of his reduction to practice. This was on September 4, 1966. Daito filed in Japan on September 12, 1966; he was senior party inasmuch as Andre had only filed on December 27, 1966. The holding was as follows:

> "In support of his case for priority Andre has presented well-documented evidence in the form of his own testimony, the testimony of two corroborating witnesses (in addition to statements on record by his attorney relating to the preparation of his involved application) and including some forty documentary exhibits and three physical exhibits.
>
> The above-noted evidence establishes conception of the invention in issue by Andre as early as June 16, 1966 and the presence of a model...in the United States in his custody in early September of 1966 prior to September 12, 1966 the date to which Daito is restricted.
>
> Such model....embodies the invention in issue and sustains a holding that Andre had both conceived and reduced the invention to practice prior to Daito." Id. at 93.

In Weigand v. Hedgewick, supra, the invention which related to safety caps or closures for containers of drugs or medecines, was independently made by two Canadians whose applications were respectfully filed on April 5, 1966 and June 27, 1966. The senior party Hedgewick took no testimony but Weigand introduced "a mass of testimony and exhibits" the bulk of which related to "activities occurring wholly in Canada leading up to the asserted introduction of the invention into the United States". However, the only evidence relating to the actual receipt in the United States of a sample and a pamphlet was by one Simmons, the Executive Secretary of the National Association of Retail Druggists, to whom Weigand wrote in an attempt to promote his invention in this country. Unfortunately, Simmons could only recall that he saw the sample and that there was some information that accompanied the sample. He remembered no details and the sample was lost. In holding against Weigand under these circumstances, the Board distinguished the Swan, supra, and Wilson, supra, decisions wherein it had been proven that the inventions supporting the counts were disclosed in this country prior to the opposing parties' record dates.

Apparently, no other published decisions exist. But it is submitted that it is amply and manifestly clear even from the few cases which are on the books and even though foreign inventors in general do not seem to have fared too well in them, that in proper cases, properly proven, importation of the physical object or embodiment of an invention made abroad, accompanied by full and clear disclosure of its nature and its mode of production and use, is tantamount to reduction to practice in this country. No separate and independent actual reduction to practice in this country by re-construction and re-testing should be necessary. (Query: Is the situation different when the invention relates to a method of preparing or using a product which is imported?)

Importation of Embodiments of Complex Inventions

Of course in the case of a simple invention like a lamp design and a ladder web for venetian blinds and perhaps even a razor and a machine for making bows, mere visual inspection may reveal the nature of the invention and its mode of construction and use. However, complex electronic apparatus and chemical compounds defy visual identification, but that does not mean that therefore they cannot be imported as a legal matter without being reduced to practice in this country all over again. It merely means

that the burden of proof is different and more onerous. It is then indispensable, in order to establish the nature or identity of the invention, to submit evidence based on actual or stipulated testimony taken abroad or in this country in case the inventor and his representatives came here for the purpose. A whole chain of evidence may then have to be forged to demonstrate, for example in the case of a chemical compound, that the compound made was the compound analyzed, was the compound tested, was the compound shipped, was the compound received.

It is perfectly clear that Section 104 does not ban, and never has banned, testimony relating to acts outside the United States where the testimony is used to show merely the identity of an invention introduced into the United States and is not designed to establish dates of invention abroad. Some of the cases discussed above bring this out and, as has been stated earlier, enactment of Section 104 did not render these authorities nugatory.

Another case is Rebuffat v. Crawford, 20 USPQ 321 (CCPA 1936). Rebuffat took testimony in Italy, dealing with conversations he had with his agent, one Pomilio, about work he had done in Europe. Pomilio came to the United States and assertedly discussed the invention

with Crawford. The Court held that Rebuffat had not proved introduction into the United States "beyond reasonable doubt." On the question of activity abroad the Court remarked that Rebuffat could not obtain any benefit for the work he did abroad but then added:

> "The nature of his work abroad might be important in determining the identity of the invention or whether he had any concept of it or not, but it is incumbent upon him to prove, in this case, that the invention was introduced into the United States prior to the filing date of the senior party..." Id. at 324.

In Interference No. 93,802 of record in the file of the U.S. Patent No. 3,454,554, numerous affidavits were filed to establish the identity of the compound received in this country from Switzerland. The opponents moved that all of these affidavits be stricken from the record as violative of Section 104 but the Board of Interferences held that the evidence would not be stricken particularly since the events abroad may be necessary for a complete understanding of what occurred in this country.*

* In interferences involving an originality contest (who made the invention first) rather than a priority contest (who made the invention first) it is well-established that foreign activities can be relied on, Nielsen v. Cahill, 133 USPQ 563 (Board of Interference,1961) and cases cited therein. Here, too, there is a very similar rationale and no attempt to prove an invention date abroad.

Alternatively, and as a desirable backstop, an independent analysis in the case of chemical compounds could be carried out in this country so that one or more persons know of their own knowledge the identity of an imported compound. In most cases, however, it would be a tall order to make a complete analysis. Perhaps one reliable test, a so-called finger-print test, as for example, an X-ray determination, to at least corroborate the structure, is all that is needed. Even this is a tall order if hundreds of compounds are being imported from abroad. 1) 2)

1) In these cases, it might perhaps be sufficient to keep a sample or sub-sample of every compound and do analytical work later on only for those few compounds which are tagged as commercial candidates. There should be no problem of nunc-pro-tunc reduction to practice which is frowned upon by the courts [Heard v. Burton et al., 142 USPQ 97 (CCPA, 1964)]; perhaps such practice can be brought under the rule of General Motors v. Bendix, 102 USPQ 58 (D.C. Ind., 1954) to the effect that subsequent tests are admissible to corroborate and supplement evidence relating to prior reduction to practice.

2) In discharging the burden of proof regarding the identity of the invention whether it be by forging a chain of evidence from preparation abroad to receipt in this country or by establishing independent analysis in this country or both, one must keep in mind of course that corroboration should not "be based on facts the truth of which depends upon information received from the inventor." Thurston v. Wulff, 76 USPQ 121, 126 (CCPA 1947).

Diligence

In addition to conception and reduction to practice or something tantamount to it, diligence may also be an issue. On the one hand, perhaps, diligence is the most serious problem if there is an importation of knowledge of an invention and nothing further. On the other hand, no diligence problem need arise if a completed invention is imported including a model or sample or if a patent disclosure is sent to a U.S. attorney who works diligently with it towards U.S. filing or a machine or compound is shipped in for testing or use which is diligently carried out. An interesting legal point here is whether on the diligence issue activities abroad can be relied on if coupled with activities here. Section 104 would seem to preclude it. Rivise & Caesar, Interference Law & Practice, Vol. I, Sec. 187, p. 585 (1940) indicate that it can be done citing Wilson et al. v. Sherts et al., supra. There the court stated that "activities abroad...unaccompanied by any activities in the United States may not be considered in establishing diligence..." citing Hall v. O'Connor, Interference No. 51,743, an unpublished decision, where there were activities in the United States and Canada and the Board held that the Canadian activities could be relied on although the work done in the United States would have been sufficient.

In Lorimer v. Erickson, 1916 CD 200 (App. D.C. 1916), evidence of diligence abroad was admissible. Lorimer conceived the invention in this country in 1904. He then went to France, where he built and operated a successful embodiment. He returned in November 1905 and on November 18, wrote to a patent attorney to begin preparation of an application. The application was filed in April 1906. Erickson's date was December 9-15, 1905, so that Lorimer's diligence was the crucial question. The Court found that he had been diligent, and in so holding clearly considered Lorimer's activity in France, for it said

> "Diligence in the particular case depends upon the special facts and circumstances attending it. It is quite clear that Lorimer never gave up the invention. He carried it to France with him where he was engaged in filling a contract of his employers with the French Government, and there constructed it and tested it completely with the automatic telephone system then installed.
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> "Appreciating the importance of the invention, he immediately upon his return to the United States disclosed it to the patent attorney....He was not concealing the invention, nor did he show any intention to abandon it....." Id.at 203.

There are no recent CCPA or other Court decisions which expressly permit such coupling by way of an exception to Section 104. But in a recent and unusual case,

Rosen et al. v. NASA, 152 USPQ 756 (Board of Interference 1966) involving a satellite communication system, the Patent Office recognized coupling (citing Wilson v. Shertz, supra) since the system necessarily extended outside the United States. It is granted that this is a special situation and while neither the Wilson nor the Hall case can be considered as sound precedents coupling as a practical matter may be possible as is illustrated in Mortsell v. Laurila, supra. If the ball bounces back and forth so to speak as was the case there with respect to the preparation, review and execution of a patent application, perhaps it can be said that while the ball is abroad there is at least a reasonable explanation for the inactivity in this country at the moment.

Conclusion

Although the foregoing discussion deals predominantly with interference practice it should be kept in mind that the subject of importation also has relevance in Rule 131 practice and validity studies as was mentioned at the outset. This is illustrated, for instance, in Ex parte Pavilanis et al., 166 USPQ 413 (Board of Appeals 1969) where a reference was sworn back of by virtue of importation from Canada of a patent application draft for the purpose of filing in the United States. A rule 131 affidavit based on importation is also found in the file history of U.S. Patent No. 3,448,200.

From the cases discussed above and the principles enunciated in them, an outline of a procedure for legally and procedurally adequate and effective importation can be put forth. Such a procedure would consist essentially of three steps:

1) It would involve as early as possible a full disclosure of the foreign invention in the United States, preferably in writing, including detailed information on the mode of preparation, the nature and constitution of the invention and its utility and accompanied, where feasible, by a model or sample or other embodiment of the invention.

2) These materials would be promptly and carefully studied and inspected upon receipt, preferably by two persons who are capable of understanding the invention and who master the language if a foreign language is employed - otherwise a prompt translation would have to be obtained. Each person would date and sign and annotate each page as having been read and understood by him. Incidentally, also foreign priority applications can be handled in the same manner just in case something goes wrong with the Convention filing or claim of priority.

3) These materials, including any sample or sub-sample or other embodiment, would be carefully kept or preserved and good records would also have to exist abroad pertaining to the production and testing and importation of the invention. Independent exploration of the nature of any embodiment of the invention, e.g. analytical structure corroboration in case of a chemical substance, would be a desirable backstop.

While foreign inventors more often have failed than prevailed in United States interference proceedings in the past either because they had not resorted to importation at all and were restricted to their foreign priority dates or they had imported their inventions as a substantive matter but were unable to prove it as a procedural matter, the author is confident that foreigners fully aware of the importation opportunies and heeding the above-outlined procedure, would fare much better in priority contests in the future.

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KFJ/tw