Deutsche Vereinigung für gewerblichen Rechtsschutz und Urheberrecht
Bezirksgruppe Frankfurt am Main

Wir laden Sie herzlich ein zu einem Vortragsabend am

Montag, dem 14. November 1977, 17.30 Uhr

in der Industrie- und Handelskammer, Frankfurt am Main, Börsenplatz, Haupteingang, Raum 254 (2. Stock).

Herr Patentanwalt Karl F. Jorda, Ciba-Geigy Corp., New York

wird sprechen über das Thema:

„Verschiedene Erfinder in Prioritäts- und US-Anmeldungen"

Die Nachsitzung ist anschließend im Börsenkeller, Raum Hermes, vorgesehen.

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INVENTORSHIP DISCREPANCIES

BETWEEN

FOREIGN PRIORITY AND U.S. APPLICATIONS

GRUR MEETING

Frankfurt, Germany

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Introduction

According to recent statistics of the U.S. Patent & Trademark Office, German inventors are second among foreign patentees in the U.S. I am sure you know this. In 1976 the Germans obtained 6320 U.S. patents. The Japanese led with 6780 patents. The British, French and Swiss followed with 3098, 2519 and 1500, respectively. This has been the order for many years except that until 1975 the Germans were first and the Japanese second.

At any rate, the Germans get a lot of U.S. patents and for this reason and other reasons which I will go into shortly, my topic today might be of special interest to a German audience.

In my talk today I will show you how to live with inventorship discrepancies. In particular, I will suggest to you how to get off the two horns of the dilemma that foreign inventors find themselves on in naming inventors for U.S.. applications.

As a general rule foreign applicants have filed U.S. applications based on foreign priority applications with identical inventorship. Following this practice, they often either got invalid U.S. patents if they put on too

many coinventors or created problems for themselves in the priority countries if they put on too few inventors.

I am now contending there is nothing wrong with a foreign priority application that lists, e.g., ten inventors and a subsequent U.S. counterpart application that names only, e.g., two inventors.

But let us lead up to that conclusion by first briefly talking about U.S. inventorship designation especially with regard to joint inventorship for a better understanding and appreciation of my thesis.

In this day and age, the lone garret inventor is almost an extinct species. Inventions are the domain of corporate or institutional inventors. They invent jointly.[1] Their inventions are esoteric organic chemical compounds or intricate electronic machinery. As joint inventors or coinventors and serviced by large corporate patent departments or patent law firms they file not merely one patent application and not just in one country but many applications in quite a few countries. In other words, on any such inventive development they file a series of basic and improvement applications, continuation and divisional applications and product, apparatus, process and use applications and/or claims and corresponding Convention or non-Convention applications abroad in perhaps up to 100 countries or even more.

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1. While psychologists may still maintain that inventive activity is essentially a highly individual activity, it cannot be denied that cross-fertilization, stimulation and synergism occur in joint discussions.

The coordination in filing and prosecuting all these applications is a very difficult task in view of the complexity of the subject technology, the criticality of time and the differences of the patent systems, not to mention the difficulty of determining who the true inventors are.

Proper Joinder of Inventors is Critical in the U.S.

As all of you know, in the U.S. the correct designation of the true inventors is essential, if not critical, to the validity of the resulting patent. This principle is derived from a Constitutional provision - hence the inflexibility. Only since the 1952 U.S. Patent Act has it been possible to correct a wrong inventorship designation but only if it occurred by way of an inadvertent error and correction was diligently sought.

In my experience untold hours are wasted in discussions with inventorship claimants in inventorship determinations in team research situations. In a recent case Judge Newcomer called joint inventorship "one of the muddiest concepts in the muddy metaphysics of patent law."[2] There are no precise rules to help out; there are but a few guideposts which are quite technical and often difficult to apply to concrete situations. They present many pitfalls, even to U.S. practitioners. It is even worse when one also tries to

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2. Mueller Brass Co. v. Reading Industries, Inc., 176 USPQ 361 at 362 (E.D. Pa. 1972), aff'd, 180 USPQ 547, (3rd Cir. 1973).

3. US Code, Title 35, Section 116 (Joint Inventors) merely states that "when an invention is made by two or more persons jointly, they shall apply for patent jointly..." without setting forth what a joint invention is.

cope with the rule - as one must - that all claims must cover the coinvention of all named inventors. Avery confirms this.[3a] This rule compounds the difficulties manifold. All this is a big topic by itself and an interesting and important one. But any detailed treatment is beyond the scope of this talk.

Suffice it to mention that there is an excellent and comprehensive article on this matter in the recently-issued 1976 Patent Law Annual[4], entitled "Resolving Inventorship Questions" and authored by Dudley R. Dobie, Jr. with chapters on "The Necessity of Resolving Inventorship Questions", "Interviewing Inventor Candidates", "Other Counseling Considerations", "Factors to consider in Reaching a Decision on Inventorship", "The Pitfalls of Error", etc.

Laxity In Foreign Countries

In contrast to the strict legal requirements as regards inventorship designation in the U.S., there is a great deal of laxity in this respect in most foreign countries including, as I understand it, Germany. In the U.S. the inventors themselves must apply; in other countries assignees can apply. In some countries assignee applicants need not even mention the inventors. The general rule outside of the U.S., with the possible exception of Australia, Canada and Great Britain, is that inventorship designation has no bearing on the fate of a patent and is no ground for invalidity of a patent. The naming of coinventors is done rather liberally

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3a. Curt M. Avery, Das U.S. Patent, 1967, p. 52.

4. Matthew Bender, 1976.

and generously and, hence from a U.S. point of view, often incorrectly. To mention but two questionable examples from a recent Official Gazette, U.S. Patent No. 3,962,102 issued to ten Japanese nationals covering only one compound and U.S. Patent No. 3,969,104 issued to 21 Russian nationals claiming a narrowly defined magnesium salt-powder. Recently, I had occasion to evaluate a U.S. patent which issued to seven Japanese citizens on an improved product work-up procedure. I had to conclude that this inventorship designation cast a cloud on the validity of the patent.

More specifically, with respect to inventorship designations among earlier foreign and corresponding later U.S. applications, three practices seem to exist or are possible. First, we have the situation exemplified in the above-mentioned patents. The foreign priority application is filed in the names of all those who contributed in one way or another in accordance with the prevalent practice in the given country and without consideration of U.S. criteria of coinventorship. If and when a U.S. application is later filed, it is filed in the same number of inventors as in the priority application. Any issued patent carries the same names, too. The consequence of this practice, of course, is that the inventorship designation, perfectly correct under the given country's laws, may be completely wrong, and worse yet, perhaps even beyond correction, under U.S. law. This practice represents perhaps an early, less sophisticated stage.

A second possible practice, or perhaps a more advanced and sophisticated stage, is the following: The foreign priority application is filed in the names of only those individuals who are true coinventors under the strict U.S. rules, and any subsequent U.S. application has identical inventorship. In a recent article in a German patent law publication[5] by Seeger & Wegner, entitled "Open Questions of Coinventorship", the authors urge strongly that because of U.S. requirements most careful inventorship determination be made for German priority applications. Avery is silent on this point. It would appear that this is a better practice, even apart from the fact that no discrepancies arise. It certainly is the easy way out. It should be followed where it can be done conveniently. Having satisfied the requirements of the country with the most stringent standards it stands to reason that one should have no problem in any other country.

Inventorship Discrepancies

However, this practice is not ideal. It leaves something to be desired. It is not satisfactory in counrties like Germany, Japan and also Switzerland and most others. In Germany because of the famous Inventor Compensation Law it is highly desirable, if not indispensable, to name more coinventors than is compatible with U.S. requirements.[5a]

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5. Mitteilungen der Deutschen Patentanwälte (Communications of the German Patent Lawyers), 66, 1975, pp. 108-112.

5a. Cf. Johannerson, "Erfinder - Erfindungen - 'Betriebserfindungen'", GRUR 1973, p. 581

Under established policies and precedents they are entitled to a share of the compensation due employed inventors. While in other countries the designation of additional inventors (who would not go on the application under U.S. practice) may not be compulsory, it may nonetheless be preferable to do likewise for the sake of morale, motivation, incentive, cooperation, team spirit and harmony and avoidance of tension and confrontation which is especially desirable in the Japanese society.

Apparent inventorship discrepancy would result here. But is this so bad? There are many differences in existing patent systems and the laws affecting inventorship designation also differ around the world, unless one believes in a universally applicable concept of joint inventorship. Why should strict U.S. standards based on a U.S. peculiarity have to be followed in countries like Germany, Japan, Switzerland? Besides, since it is very difficult for U.S. practitioners to sort out inventorship when several coworkers contributed to an invention, it would be next to impossible for foreign practitioners to do this in their own countries.

The third possible practice and perhaps the best and most sophisticated one then is to file deliberately foreign and U.S. counterpart applications with discrepant inventorship designations where appropriate. This practice may entail possible complications in the U.S. In interferences and

in litigation opponents may base an attack on different inventorship. Thus, trouble may arise in the Patent & Trademark Office and in courts.

In this connection, let me point to recent experiences I had in two interferences. We moved to convert inventorship in our issued U.S. patents involved in these interferences[6] establishing A, B and C as joint inventors while the Swiss priority applications had been filed on behalf of A and B only and we moved to claim the benefit of the filing dates of the Swiss priority applications. While the former motions were approved in principle, the latter motions were denied for the specific reasons that while the Swiss Convention applications complied with Section 119 "with regard to support for the subject matter of the count(s)", they did not comply with Section 119 "relative to identity of inventorship".

Actually, this has happened to other U.S. practitioners also[6a] and is not inconsistent with provision 201.15 of the Manual of Patent Office Procedure: "If there is disagreement as to inventors on the certified copy, the priority date should be refused until the inconsistency or disagreement is resolved". Note this does not say that reliance on priority is forever barred. It merely calls for a resolution of the apparent discrepancy - somehow.

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6. Interferences Nos. 98,271 and 98,272; U.S. Patent Nos. 3,629,257 and 3,629,258.

6a. See also Interference No. 98,504, Newberry v. Klemm et al. (German applicants) (Bd. of Interfer. 1977) (unpublished)

In our interferences which I just mentioned, the Examiner cited Schmitt et al v. Babcock et al,[7] and stated that "here, unlike the situation involved in Schmitt, conversion does not appear to have been effected in the Patent Office of the convention country so as to obtain identity of inventorship in both the U.S. and the convention country". Why this requirement of identity of inventorship and conversion of inventorship in the foreign priority application? What counts is identity of invention not of inventorship. Section 119 nowhere refers to "identity of inventorship" but merely uses the phrase "the same invention".

I believe the Patent & Trademark Office is clearly in error and in disregard of its own precedents in requiring identity of inventorship. In the 1971 decision Payne v. Natta et al,[8] the Board of Interferences gave the party Natta, Pino and Mazzanti (Patentees of USP 3,112,301 on Isotactic Polypropylene) the benefit of its Italian filing date under Section 119 since its Italian application was regularly filed on behalf of all three coinventors even though only one was named - Natta - as permitted by Italian law which was fully explained in the record. In so holding the Board pointed out that Natta et al did not have to comply with Section 116 and Rule 45 for the foreign application to have been "regularly filed", nor did each inventor have to have made an equal contribution to the invention for them to be considered joint inventors.

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7. 153 USPQ 719 (CCPA 1967). In this case it was certified that inventor B of the joint (A and B) US application was added to the French application filed in the name of inventor A only.

8. 172 USPQ 687 (Bd. Intf. 1971)

In another interference back in 1964 involving Ciba and Merck, described in the published Reichstein et al. v. Brink et al.[9] decision, the Board of Interferences accorded Ciba priority in a situation where the U.S. appoication was filed in the name of nine inventors based on several Swiss priority applications each of which had fewer and different inventors.

It was also held in the Reichstein case[10] as well as in Joseph Bancroft & Sons v. Brewster Finishing Co.,[11] and intimated in a number of other earlier decisions[12] that priority obtains where the U.S. application acknowledges the priority application by giving country of filing, filing date and serial number and the certified priority application gives corresponding data.

Thus, it is clearly manifest that it is identity of invention that counts and not identity of inventorship and discrepancy in inventorship is not per se objectionable or rejectable.

Finally, I want to mention the recent CCPA decision, Fontijn v. Okamoto,[13] which is also noteworthy.

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9. 147 USPQ 115 (Bd. Intf. 1964).

10. Ibidem at 116.

11. 98 USPQ 187 (D.C. N.J. 1953)

12. Steel et al. v. Myers, 205 O.G. 1021 (Com. 1914)
Ex parte Mattlet, 347 O.G. 10 (1926)
Michelin et al. v. Hayes Wheel Co., 300 F. 458 (D.C. Mich. 1924)
DeJohn v. Gaus et al., 369 O.G. 488 (C.A. DC. 1928)

13. 186 USPQ (CCPA 1975)

The CCPA stated in a footnote[14] that the "Interference Examiner determined that a sufficient showing had been made that (A) was the sole inventor of the subject matter of U.S. Patent No. 3,447,308 and this issue has not been raised in the appeal" and the CCPA held that reissue was possible for the purpose of perfecting a claim of priority (without being violative of Section 251 due to broadening the scope of the claims) though the Dutch priority application in question had been filed in the names of three inventors.

Conclusion

While the practice in the U.S. Patent & Trademark Office may be unsettled on how to deal with inventorship discrepancies and this may cause certain problems and difficulties especially in interferences, I submit - and precedents and common sense and logic support this - that the following should take care of the problem: an explanation of the reasons for the apparent discrepancy, as was done, e.g., in Payne v. Natta and Fontijn v. Okamoto, or perhaps inventorship conversion as in Schmitt v. Babcock in the foreign priority application, where appropriate and still possible, which is apparently

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14. Ibidem at p. 100

a very simple and painless procedure[15] (unlike conversion in the U.S.). Hence, there should be no real objection or obstacle to a practice of discrepant inventorship designation between foreign priority and U.S. counterpart applications. In time it is to be hoped the U.S. Patent Examiners will be sufficiently "with it".

One might add here, also in conclusion, that the Patent & Trademark Office's attitude could possibly (further) soften in the wake of the very recent decision, Stoddard & Co. v. Dann, 195 USPQ 97 (C.A. D.C., 1977), which permitted conversion from one sole inventor to another sole inventor in the face of the Patent Office's and Board of Appeals' holdings and everybody else's belief that this could not be done.

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15. "In the United States you can change the inventors in a patent application by indicating that you had used diligence and have justification for wanting the change. You have to present the facts. But if you base your application on a foreign priority application and it has two inventors, you can take one out by stroke of the pen. The foreign Patent Office will often accept that and the United States Patent Office including the CCPA, will say it's perfectly alright. Never mind that it should be treated like a U.S. application, they're not going to do it." Statement made by Mr. W. A. Modance, Chairman, Board of Interferences, during a Modern Interference Practice Panel, Cincinnati, September 25, 1975 (p. 3 of Transcript of Proceedings).