

IP: Do you have a culture of intellectual property knowledge?

Public disclosure of inventions without patent filing affects future U.S. and foreign patent applications

By [Sandra Thompson](#)

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In several [past articles](#), I have briefly discussed the value of an intellectual property committee, the use of defensive publications, trade secrets and patent application subject matter conflicts, to ensure that outside counsel is not handling work from competitors. There are other company activities that need to be cataloged and tracked, which is the subject of this article.

Most off-the-shelf intellectual property docketing software allows a business to docket and track patent applications, patents, trademarks, copyrights and related litigation. While this information is imperative to docket and track, many companies fail to track it or to notify outside counsel of other potentially significant and/or barring activities. This failure can directly impact a company's intellectual property and bottom line.

Company activities, such as trade shows and presentations, sales pitches, defensive publications, press releases and other activities should be cataloged and tracked within a company docketing system or outside counsel docketing system. This process will require either an organized in-house legal team or an inside counsel/inside management team leader who is in constant communication with both the technical and sales teams and outside counsel.

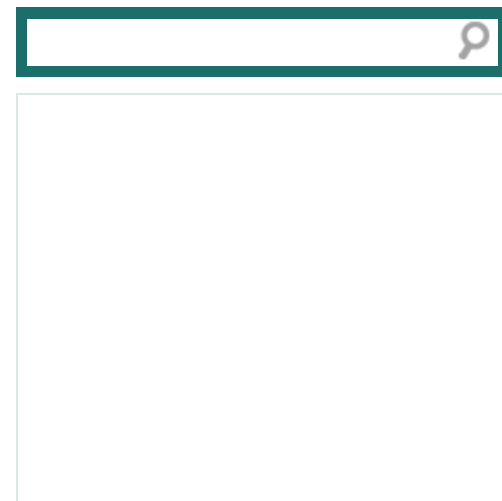
As background, every country in the world, except for the U.S., has a first-to-file patent system in place, which means that the first person or company to file a patent application on a particular technology has the right to pursue a patent on that invention (the "race to the patent office"). The U.S. was the only country that used a first-to-invent system, which meant that if you filed second, but invented first, you could still pursue a patent on your invention.

It has been reported that the America Invents Act (AIA) harmonized the U.S. with the rest of the world and instituted a first-to-file system, but that may not exactly be true. The new section 102(b) reads, in part:

"A disclosure made 1 year or less before the effective filing date of a claimed invention shall not be prior art to the claimed invention...if the disclosure was made by the inventor or joint inventor or by another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor."

Therefore, if there are two companies who invent the same technology and never disclose it publicly, the first to file at the Patent and Trademark Office (PTO) "wins" the race to the patent office. If two companies invent the same technology and one company discloses it first (but files at the PTO second), then that company can take advantage of this provision to use its application as prior art against the other application.

While companies may gain competitive advantage by using a defensive publication strategy for some inventions in order to preserve priority of invention, they may also lose patent rights in other countries. A public disclosure of an invention without a patent filing in advance of the disclosure means that the invention can never be patented in another country. In other words, all foreign patent rights are forfeited. While this issue is being discussed and debated in the patent community, it is clear that there will be a lot of case law covering this topic in the future.



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Therefore, it is clear that, ideally, a company or in-house legal team should review all defensive publications, press releases, presentations, trade show appearances, journal articles, trade publication articles or company announcements before the event or before publication to ensure foreign rights remain intact, but if advance notice is missed, then each of these disclosures should be tracked, so that an intellectual property committee can make a decision whether to file a U.S. patent application before the one-year deadline. It is also important for the intellectual property committee to realize that foreign patent protection on anything publically disclosed before the company seeks patent protection is likely a waste of company resources. In-house or outside counsel should check with each foreign country to determine what type of public disclosure is barring, given that each foreign country is different in this regard.

Ideally, through training and follow-up information, a company should develop a culture of intellectual property knowledge, such that each employee understands the value of intellectual property and what public disclosure means to that value. An easy route of communication between all company employees and in-house/outside counsel should be put in place. If there is no in-house counsel at the company, then employee communications should be routed to the intellectual property committee initially, in order to save outside counsel costs. But, the company should have a bottom-up understanding of intellectual property and how seemingly routine disclosures can impact the bottom line.

About the Author



Sandra Thompson

Sandra P. Thompson, J.D., Ph.D., is a shareholder in the Orange County office of Buchalter Nemer. Her practice focuses on intellectual property, specifically, patents and trademarks. Dr. Thompson may be reached at (949) 224-6282 or sthompson@buchalter.com.

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