

Part II

- II. Brightco would like to obtain patent protection covering the 'invention' of EP2, namely devices which incorporate the improved fibre of EP1. Such protection is required in Europe, Australia, Japan and US. They would also like to protect the improvements made by Newman, the improvements being required due to an unexpected problem in the devices of EP2.

There are two main alternatives for obtaining patent protection in Europe (EP), Australia (AU), Japan (JP) and US. The first is to file separate applications in each state. This will involve a high initial outlay on filing. The other alternative is to file a single PCT application designating EP (one designation), US, AU and JP. This is initially much cheaper, and defers the main costs for at least a year as required.

The PCT application may be filed at a receiving Office which is "competent", Article 10 PCT. By Rule 19 PCT, this can be any office in, or acting for, a state for which at least one of the applicants is a national or resident, or at the International Bureau of WIPO. As will be discussed below, there are various possible applicants, however these all appear to be nationals and residents of Britain. Therefore, the application must be filed at either the British Patent Office, the European Patent Office, or at the International Bureau.

The application must cover the described examples X and Y of EP2. As there were disclosed on 24 June 1994, priority must be validly claimed from an earlier application before this date, otherwise the application will not meet the requirements for novelty.

Priority may only be claimed from the first relevant earlier application - Article 8 PCT and Article 4 of the Paris Convention. This earlier application is one in or for a Convention State, and must be filed no more than 12 months earlier.

Accordingly, if priority is only claimed from EP2, no priority will be claimed from any matter contained in EP1, even if this is also contained in EP2. This is because EP1 will be the first earlier application for such matter.

Since EP1 disclosed the broadest general concept of the use of the improved optical fibre in devices, to obtain broad protection for this, priority must be claimed from EP1, as well as EP2.

If there is no valid priority claim for the broad invention, the disclosure of 24 June 1994 will be relevant state of the art. In this case, such a broad claim would lack novelty (for example under Articles 52(1) and 54 EPC).

Therefore, priority must be claimed from EP1 and EP2.

To claim priority, as indicated above, the later application must be filed within 12 months of the first relevant earlier application. The relevant application was filed on 14 April 1994, and so the new application should be filed by 14 April 1995. However, Rule 80.5 PCT provides that where a period expires on a day on which the national office where the document may be filed is closed, the period will be extended to the next working day. By President's notice of 10.11.94, the 14th, 15th, 16th and 17th April 1995 are all days on which the EPO is closed.

Therefore, the PCT application may be filed on 18th April 1995 and validly claim priority from EP1 and EP2. (I assume that the UK P.O. is also closed on these dates due to Easter, and so the application may be validly filed at the UKPO or EPO on 18.04.95).

Even though only the filing and search fees were paid for EP1 and EP2, under Article 80 EPC, no further fees need to be paid for a filing date. Priority may be claimed from an application sufficient to give a priority date - Article 4, Paris Convention.

With regard to the improvements made by Newman, if the details of these are available in time, they may be included in the application. This would certainly save money as the costs of further applications would not be necessary.

If Newman's invention is not available by 18 April, this can be filed separately at a later date. Since Newman's invention is the recognition of a problem (which is itself patentable generally, for example in the EPO Guidelines C-IV, 9), and it is indicated that this would not be obvious even in view of X and Y, there would be no problem from a patent view point in filing this later.

In view of the comments, it appears the invention won't be ready to file by next Tuesday, and so it is likely to require filing separately. This may initially be a European patent application, for which fees do not need to be paid to secure a filing date - Article 80 EPC. A PCT application may be filed in 1 year claiming priority from this. In this way, fees will be deferred for 1 year.

Assuming a PCT application is filed, the application can be filed by any person who is a resident or national of a contracting state - Article 9(1) PCT. Therefore, it can be filed in the name of Brightco.

Nevertheless, for US, the applicant must be the inventor(s). Accordingly, both Kappa and Lamda must be named the applicant for US. Additionally, Newman must be named as an applicant for US if his invention is included in the application.

It is necessary for the applicants to give an authorization for the representative. This must be done by each applicant signing the request or a separate power of attorney - Rule 90.4(a) PCT. Accordingly, powers of attorney authorising a representative will be required from Kappa, Lamda, Brightco and, if named, Newman. Such an authorization may be filed on request from the receiving office. Accordingly, when Kappa and Lamda return, they must sign an authorization.

A power of attorney cannot be filed by fax, and therefore the filing of the power of attorney from Brightco must be filed by hand or by post, but may be filed after the application - PCT Guidelines (EPO as Receiving Office).

When making a priority claim, Rule 17.1(a) PCT requires the filing of a copy of the earlier application certified by the authority with which it was filed. This must be submitted to the International Bureau or the receiving office within 16 months of the priority date. Accordingly, certified copies of EP1 and EP2 must be filed by 14 August 1995 (calculated under Rule 80.2 PCT). The photocopy of EP2 will not meet the requirements unless certified by the EPO. A certified copy of a priority document cannot be filed by fax.

As searches have been carried out by the EPO, the request for grant made on filing the PCT application should indicate these searches. This is allowed - Rule 4.1(b)(ii) PCT. In this way, the EPO as International Searching Authority will allow a reduction in the International Search Fee due - Legal Advice 14/83, agreement between EPO and WIPO.

As pointed out, the application may be filed by fax - the EPO allow this - agreement with WIPO.

The application must be in a language allowed by the Receiving Office which depends on the language allowed by the International Search Authority. If the Receiving Office is the International Bureau or EPO, the language may be English, French or German. If it is the British Patent Office (which I also assume to be closed 14-17 April) then it must be in English.

- My advice is to file a PCT application
- designating EP, US, AU and JP, claiming
- priority from EP1 and EP2 by 18 April 1995.

In this case, the application may be filed at UKPO, EPO or WIPO.

The priority claim must be made on filing - Article 8(1) PCT and Rule 4.10 PCT which requires the dates and states of the earlier applications. Certified copies must be filed by 14 August.

The transmittal fee, basic fee and search fee should all be paid within one month of filing - Rules 14, 15.4(a) and 16.1(b) PCT respectively.

This is by 18 May 1995. A request should be made under Rule 16.3 PCT for a partial refund of the search fee.

A designation fee should be paid under Rule 15.1(ii) PCT within 12 months of priority (18 April) or 1 month of filing (18 May 1995) - Rule 15.4(b)(ii) PCT, (i.e. by 18 May).

Eventually, it will be possible to convert the international application into national or regional applications (entering the national phase) in EP, AU, JP and US. This may be done under Article 22(1) PCT after 20 months from priority date, i.e. by 16 December 1995.

Alternatively, and in view of the desire to defer costs, a "Chapter II demand" may be filed under Article 31(1) PCT. Providing this demand is filed within 19 months of the priority date, i.e. by 16 November 1995, the date for entering the national phase is extended under Article 39(1)(a) PCT to 30 months from the priority date, i.e. until 16 October 1996.

In the EPO, these periods are extended by a further month - Rule 104b(1) EPC.

The application should name Brightco as applicant for all states except US, and Lamda and Kappa as inventors for all states, and as applicant for US.

Assignments to Brightco will be needed, probably in the form of assignments from Glazeco who will own the rights initially by employment of Lamda and Kappa. For US, assignments will be needed from Lamda and Kappa.

Newman's invention may be filed as a separate application, or if time permits may be included in the PCT case.

An assignment of the right to claim priority will also be needed as EP1 and EP2 are in the name of Glazeco, and priority may only be claimed from an earlier application by the applicant or his predecessor in title - Article 4, Paris Convention.

II. Potential Infringement

In US, a patent is not published until it is granted. Therefore Flashco have a granted US patent for their method of making the improved fibres.

The US patent, USP1, would appear to cover a method for manufacturing improved optical fibres. This will probably protect both the method, and fibres made by the method. Brightco do not intend to manufacture any fibres - they intend to buy from Glazeco. Glazeco make fibres by a different method. Therefore, neither Glazeco or Brightco can infringe the existing US patent.

At present, there can be no infringement of PCT(F) as this has not been granted. Nevertheless, there is the potential of infringement if the patent is granted.

PCT(F) presently covers a method for producing the fibres, and a device using a fibre. As discussed above, Brightco are not manufacturing fibres and so they could not infringe the method. Similarly, Glazeco are using a different method and so do not infringe. Nevertheless, Brightco intend to make device X which would infringe a claim to this if granted resulting from PCT(F).

However, EP2 discloses device X. As Brightco intend to file a PCT application claiming priority from EP2 and including details of X, this should enable them to prevent a European patent being granted to Flashco covering device X.

Article 54(3) EPC provides that the state of the art for novelty includes European or PCT applications with a date of filing earlier than the present application but not published until after the date of filing of the present application. By Art. 89 EPC, date of filing is priority date. This applies to earlier European applications and PCT applications designating Europe providing these are in English, French or German, and the national fee is paid to enter the national phase in Europe - Article 158(1) and (2) EPC.

The details of device X were not included in USP1, and therefore the priority date for this invention for Flashco is the date of filing of PCT(F), namely 19 May 1994.

By filing a PCT application covering device X, and claiming priority from EP2, providing this application eventually enters the national phase in Europe, this will form part of the state of

the art against PCT(F) in Europe. Accordingly, PCT(F) in Europe will lack novelty as regards device X, and therefore no patent will be granted to Flashco covering this.

In summary, by filing a PCT application and eventually entering the European phase, Brightco can prevent Flashco from obtaining a European patent covering device X. Therefore, Brightco do not need a licence in respect of Europe.

Regarding the US, the situation is less clear as the US have a first to invent system, not a first to file. Accordingly, Flashco may show that they invented device X, and reduced this to practice in the US first, and so are entitled to the patent in the US. Therefore, a licence may be required for US.

Another potential ground of attack on PCT(F) will be prior disclosure at the Trade Fair of 9-12 May 1994. This was before the earliest priority date for device X, the earliest date being the date of filing. In respect of most countries, the state of the art comprises anything made available to the public. Accordingly, the disclosure at the trade fair will generally form part of the state of the art as it was shown and described. This is notwithstanding the fact that the draft data sheet was not circulated.

However, Japan and US both have grace periods of 6 months and 12 months respectively. This allows an application to be filed, and any disclosure by the applicant within the grace period before the filing will be deemed not to form part of the state of the art. Therefore, in Japan and US, the prior disclosure will have no effect on the patentability. Therefore, a licence may still be required for Japan and US.

Regarding attacking PCT(F), this cannot be done yet. The provisions outlined above under Article 54(3) EPC in Europe only apply when PCT(F) enters the national phase in Europe, and after Brightco's PCT applications enter the national phase in Europe. Accordingly, there is no relevant prior art from EP2 currently in existence with which Brightco can attack the PCT(F) application.

Although the prior disclosure at the trade fair will be useful as an attack in future, it cannot be used yet as it is not relevant for all states, and as the PCT has no provision for third party observations. This may be used nationally later.

Inspection

PCT applications are published about 18 months after the priority date - Article 21(2)(a) PCT. Therefore, PCT(F) should be published about now (21 March).

The demand for international examination need not be made yet, although in practice to get the full effect from such examination, this should be made within 19 months of priority, i.e. by 21 April 1995 - Article 39(1)(a) PCT. It is possible to confirm whether the demand is made.

It is not possible to obtain a copy of the examination report - Article 38(1) PCT provides that the report is confidential.

Effect on Brightco's applications

As indicated above, for the idea of a device including the improved fibres, including device X, Brightco have an earlier priority date than Flashco. Therefore, in most states, Brightco's application will not be affected by USP1 or PCT(F).

The disclosures in May 1994 by Flashco are after Brightco's priority date, and therefore these will not affect Brightco's application. The same applies to the disclosure in June 1994.

However, in US due to the first to invent system, it is possible that Flashco may have invented first, and so may obtain a patent rather than Brightco.

Brightco should obtain patent protection everywhere, except possible US. They should be able to prevent Flashco getting patent protection for device X everywhere except possibly US and JP.