

Bumping Into Your Own Prior Art

BY: PETER L. BREWER

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BY: PETER L. BREWER*

I. Introduction

There are few things more annoying to an inventor (or his or her patent attorney) than to have the inventor's own prior art cited against them. Yet, it happens. Sometimes it happens during the prosecution of the patent application. Sometimes it occurs years later in litigation.

Here is a list of scenarios where the inventor may bump into their own prior art:

- an improvement application is filed after an earlier-filed patent issues;
- the inventor files a CIP patent application after the parent application has published;
- a divisional patent application issues before the parent application issues;
- a patent application is filed more than one year after a commercial sale, or an offer for sale;
- a patent application is filed more than one year after a so-called secret sale;
- a patent application is filed more than one year after a disclosing publication; and
- an improvement application is filed following a long period of secret use.

In this paper we will address these scenarios.

By way of background, and for those less familiar with the Patent Act, the term "prior art" generally refers to a U.S. or foreign patent, a published application, a printed publication (such as a published journal article), a public use of the invention, a public presentation, a product brochure, an offer for sale of the invention, an actual sale of a product claimed in a patent application, or anything that "otherwise makes available to the public" the invention disclosed by the inventor in their patent filing.¹

The universe of materials allowed to be used as prior art is set by the priority date of the patent application: anything before that date may be used by the Patent Office to disqualify the inventor's patent from issuing. Anything occurring after the priority date is off-limits. The priority date can be either the filing date of the application itself or the filing date of an earlier application to which current the application claims priority. Hence, it is common practice to file applications, whether continuations,

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¹ 35 U.S.C. § 102(a) (2018).

divisionals, continuations-in-part, or international applications, and try to obtain the benefit of an earlier filing date by referring to an earlier application.

The earlier application is typically called the “parent” while the subsequent applications seeking to obtain the benefit of the earlier filing date are typically referred to as “children.” 35 U.S.C. § 120 provides some rules governing the filing of a “child” application:

An application for patent for an invention disclosed in the manner provided by section 112(a) (other than the requirement to disclose the best mode) in an application previously filed in the United States, or as provided by section 363 or 385 which names an inventor or joint inventor in the previously filed application shall have the same effect, as to such invention, as though filed on the date of the prior application, if filed before the patenting or abandonment of or termination of proceedings on the first application or on an application similarly entitled to the benefit of the filing date of the first application and if it contains or is amended to contain a specific reference to the earlier filed application.

This rather confusing paragraph can be distilled into roughly three requirements to claim priority:

- (1) the subsequent application must disclose the same invention as the one previously disclosed in an earlier application meeting the written description requirements of 35 U.S.C. § 112(a),
- (2) the subsequent application must contain a specific reference to the earlier-filed application, and
- (3) the two applications must be co-pending, that is, they must both be open at the same time.

This becomes somewhat more complex when there is a string of child applications descending from a common parent application. In this instance, as long as one “older” child application is still pending at the time of the filing of the subsequent application, the subsequent child application may still claim priority to the original parent, even if it is no longer pending. However, as we shall see below, any new matter claimed in a continuation-in-part application filed long after a distant parent has issued, or even published, can create a scenario where the applicant “bumps into his own prior art.”

II. The America Invents Act and The One-Year Grace Period

The Leahy-Smith America Invents Act (AIA) precludes a person from obtaining a patent on an invention that was disclosed before the effective filing date of the patent application. As found in 35 U.S.C. § 102(a)(1), the Act provides:

A person shall be entitled to a patent unless . . . the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention.

The AIA was signed into law on September 16th, 2011 and exactly 18 months later, it switched the United States from a first-to-invent system to a first-inventor-to-file system. The key difference between these two systems is that while the first-to-invent system gave priority to whichever inventor

conceived and diligently reduced his invention to practice, the first-inventor-to-file system gives priority to the first inventor to file a patent application regardless of who “conceived” first or who “reduced to practice” first. The first-inventor-to-file system focuses on the filing date of the patent application to determine which applicant receives the patent.

Under the old first-to-invent-system, conception and reduction to practice were the threshold inquiries when determining who gets a patent. “Conception has been defined as ‘the complete performance of the mental part of the inventive act’ and it is ‘the formation in the mind of the inventor of a definite and permanent idea of the complete and operative invention as it is thereafter to be applied in practice....’² Reduction to practice can be satisfied by either making a working prototype or by filing a patent application (called “constructive reduction to practice”). Reduction to practice must be done with reasonable diligence with regards to the date of conception and other subsequent inventors.³

As long as the inventor satisfies the three requirements of conception, reduction to practice, and reasonable diligence, his (or her) date of conception will be credited as the date of invention. It will not matter who files a patent application first, the first inventor to conceive will get the patent. On top of this, under the old first-to-invent-system, the inventor had a one-year grace period from the date of any public disclosures they made within which to file the patent application. During this grace period, their own prior disclosures could not be used against them as prior art.

In a first-inventor-to-file system, it is simply a race to the patent office amongst bona fide inventors. Whoever files their application first, regardless of conception, reduction to practice or due diligence, will get the patent. That does not mean that anyone can simply take an idea they found and patent it, whether they invented the invention or not. (35 U.S.C. 101 begins with “Whoever invents...”) This still has not changed and only inventors may get a patent (unlike some other countries, where ownership, not inventorship is what matters).

Most other nations around the world use some form of a first-to-file system, but usually provide for an absolute novelty requirement. In this system, any public disclosure prior to the filing date by an inventor or another becomes an absolute bar to patentability. Fortunately, the U.S. and Canada both offer a one-year grace period for inventor and inventor-derived disclosures.

Under the post-AIA first-inventor-to-file system, the U.S. retains the one-year grace period for inventor-originated disclosures, but it does not operate quite the same as before. This may occasionally cause a loss of rights by inventors if the nuances of the new system aren’t carefully understood. Under the new first-inventor-to-file system, any public disclosures by third-parties count as prior art and cannot be removed by showing prior conception. In other words, the inventor can no longer “swear behind the reference.” The result is that if the inventor waits to file a patent application and a third party files an intervening patent application, then the third party is likely to be awarded the patent.

A more interesting issue is what happens when a third party publishes an intervening article describing the invention. Assuming that the third party acted independently of the inventor, then the

² MPEP § 2138.04, quoting *Townsend v. Smith*, 36 F.2d 292, 295, 4 USPQ 269, 271 (CCPA 1930).

³ MPEP § 2138.05 and MPEP § 2138.06.

article becomes prior art that may be cited against the claims. Of course, that scenario would not involve the inventor “bumping into their own prior art.”⁴

However, there is still a way to remove pre-filing third-party disclosures occurring as prior art, albeit a more limited way.⁵ While an inventor may no longer swear behind a third party’s patent application or other disclosures by showing an earlier date of conception (coupled with due diligence to reduction to practice), an inventor may remove prior art disclosed by a third-party if the inventor has already disclosed the same subject matter publicly⁶. As long as the inventor’s disclosure (or the disclosure of a third party who obtained the material, either directly or indirectly from the inventor) does not occur more than one year before the filing of his patent application (causing him to “bump into his own prior art”), any subsequent disclosures of the same material by third-parties cannot be used as prior art against the inventor’s application.⁷

One might then ask: Under the first-inventor-to-file system, what is the use of the one-year grace period if it is so hard to use against third-parties? Attorney James Yang has speculated that “the one-year grace period under the first inventor to file system is used to salvage unintended public disclosures. Under a pure first-to-file system, an inventor would be prohibited from seeking patent protection if he/she had publicly disclosed the invention. Under the U.S. version of the one-year grace period, the inventor can still file the patent application but could lose the patent if someone else had won the race to the patent office.”⁸

III. The Problem of the Previously-Issued Patent

It is foundational knowledge to the patent attorney that an invention must be novel to be patentable.⁹ Moreover, the invention must be non-obvious in view of the prior art.¹⁰

Because inventors (and their employers) tend to file multiple applications within the same general technical areas, the patent attorney should be aware of patents that have already been issued to the same

⁴ 35 U.S.C. § 102(a)(2). This scenario is analogous to the old pre-AIA Section 102(e), which addressed so-called secret prior art. Under section 102(e), an application filed by a third party prior to the inventor’s filing could become prior art once it is published. Any prior art within the scope of 35 U.S.C. § 102(a)(1) or (a)(2) (i.e., pre-AIA § 102(a), (b), (e), or (g)) may, in turn, be used in an obviousness analysis. See *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1568 (Fed. Cir. 1987); MPEP § 2141.01.

⁵ See exceptions to 35 U.S.C. § 102(a) as listed in 35 U.S.C. § 102(b). See also MPEP § 2153.02.

⁶ 35 U.S.C. § 102(b)(1)(B) and 35 U.S.C. § 102(b)(2)(B).

⁷ *Id.* See MPEP § 2153.02 for a more detailed discussion of the inventor-originated prior public disclosure exception.

⁸ James Yang, *Dangers of 1 yr grace period under first-inventor-to-file system*, OC PATENT LAWYER, (Nov. 7, 2014), <https://ocpatentlawyer.com/dangers-of-1-yr-grace-period-under-first-inventor-to-file-system/>. (Or, the author here might add, the race to the technical journal.)

⁹ 35 U.S.C. § 102(a)(1).

¹⁰ 35 U.S.C. § 103.

filer.¹¹ Such patents, when issued before a new application is filed, represent prior art even if the inventor or owner is the same.¹² The same can be said of published applications. Once an application is published, it becomes prior art.

An exception to this rule arises where a new filing is made within one year of publication of the application that matures into the cited patent (or, in the rare instance that the patent issues before publication, within one year of issuance). Section 102(b)(1)(A) provides that a disclosure made one year or less before the effective filing date of a claimed invention shall not be prior art under section 102(a)(1) 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.”

But what happens where the published application does not have exactly the same inventors? In that case, section 102(b)(1)(B) provides that a disclosure made one year or less before the effective filing date of a claimed invention shall not be prior art under section 102(a)(1) if “the subject matter disclosed had, before such disclosure, been publicly disclosed by the inventor or a joint inventor or another who obtained the subject matter disclosed directly or indirectly from the inventor or a joint inventor.” In other words, as long as there is at least one joint inventor, section 102(b)(2)(B) saves you.

Of course, a third scenario may arise, and that is a patent application publishes where there are no common inventors. In that case, the exceptions of section 102(b)(1) will not apply. However, 102(b)(2)(B) may save you if the inventor(s) publicly disclosed their invention before the filing of the prior-art application, as long as you are still within the one-year grace period of 102(b)(1). This public disclosure can serve to prevent subsequently filed patent applications and issued patents from being used as prior art. The lesson learned is that if you wish to file a new application on behalf of a corporation, consider claiming subject matter from the published application in the new application, and add one or more of the inventors from the published application – assuming they are still with the company. In this instance, there should be an obligation to assign both applications to the same company.¹³

It is noted that when examining the new application, the U.S. patent examiner will probably issue a rejection based on the previously-filed patent application. To overcome the rejection, the attorney may submit a statement of common ownership. The statement of common ownership will provide that “the disclosure of the subject matter on which the rejection is based and the claimed invention were owned by the same person or subject to an obligation of assignment to the same person not later than the effective

¹¹ As a matter of practice, when filing an application for a large corporation the author will conduct a search of prior patent applications naming the inventors, and include those applications in the Information Disclosure Statement, regardless of subject matter.

¹² *In re Van Langenhoven*, 458 F.2d 132, 136–37 (C.C.P.A. 1972) (allowing “appellant’s own French patent” to be cited “to establish obviousness” of CIP claims for subject matter beyond the original disclosure, and remarking that “[i]t is of no avail to appellant that the Societe patent is his own”). *See also Santarus, Inc. v. Par Pharmaceutical, Inc.*, 694 F.3d 1344 (Fed. Cir. 2012) (an issued patent was deemed prior art even though the invalidated patent, which was filed after the parent application had issued, was listed as a CIP where the claims in the CIP were not supported by the original parent filing).

¹³ This presents yet another reason why inventors should execute assignments as soon as the invention disclosure is created, or at least when the application is filed.

filing date of the claimed invention.”¹⁴ This may be placed in the remarks section of a Response to Office Action.

As a reminder, if the prior application’s earliest date of publication was more than one year before the effective filing date of your new application, then there are no exceptions. Any application that was published or patented more than one year before a new application is filed will be prior art.

IV. The Problem of the Previous Publication

The America Invents Act (AIA) preserved the one year “grace period” for printed publications. Section 102(a)(1) states that a person shall be entitled to a patent unless “the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention.”¹⁵ Once again, an exception is provided in section 102(b)(1)(A) where a disclosure is made “one year or less before the effective filing date of [the] claimed invention under subsection (a)(1),” and assuming the publication was made by the inventor or joint inventor or one who obtained the information either directly or indirectly from the inventor or joint inventor.¹⁶ Prior publications need not be in English or even in this country to count as prior art.¹⁷

A potential problem arises during examination where a publication names more authors or contributors than are named on the subject patent application. In that case, an examiner will likely use the pre-one year reference as prior art, and it will be up to the applicant to discern whether that portion of the cited reference was truly authored by a named inventor only or whether the author of the cited portion obtained it from a named inventor.¹⁸

A prior publication can only serve as prior art to the current application if the subject matter was not obtained, either directly or indirectly, from the inventor or if it has been more than a year between the previous publication and the filing of the patent application in question.

V. The Problem of the Parent Patent Application

It is common practice in the United States for technology companies to file patent applications as part of a “family.” As with your human family, a patent family will include a parent, followed by one or more children, followed possibly by one or more grandchildren. In some cases, the child is a divisional application or a continuation application. In those cases, no new matter is presented and the parent application is not considered prior art. Yet, some advance strategy is in order before the parent application is filed.

¹⁴ 35 U.S.C. § 102(b)(2)(C).

¹⁵ 35 U.S.C. § 102(a)(1).

¹⁶ 35 U.S.C. § 102(b)(1)(A).

¹⁷ See MPEP, § 2152.02.

¹⁸ See MPEP, § 2153.01(a).

The most immediate problem of course is the one-year time bar. The parent application should be filed within one year of any commercial use or public disclosure. Where the applicant intends to file in Europe, the application should ideally be filed before any commercial use or public disclosure takes place. Failure to file before the time bar is the most classic case of “bumping into your own prior art.”

But what happens when the inventor “keeps on inventing?” This is a frequent problem – the inventor asks the patent attorney to file a patent application, and three months later comes up with an even better solution to the problem that arguably renders the original application obsolete? If the original application was filed as a utility application then the attorney is left with the following options:

- prosecute the first application but file a continuation-in-part application, prosecuting the two applications in parallel; or
- abandon the first application and file the second application as a utility application.

In this first instance, the CIP should be filed within 30 months of the priority date for the first application (or within 12 months of the publication of the U.S. parent application); otherwise, the parent application will publish and any new matter will be examined in view of the disclosure of the parent application.¹⁹

But perhaps there is a third option:

- file the second application as a provisional application, preserving the priority date within 12 months of publication of the parent application, and then later file the second application as a CIP claiming priority to the parent utility application and also claiming the benefit of the provisional application.

This gives the inventor the best of both worlds – the ability to file a CIP later than 18 months after the earlier priority date while reaching back and claiming priority even to the “new matter” within 12 months of publication.

All of this raises another question, and that is the problem of filing the original application as a utility application in the first place. Inventors like to invent, and they particularly like to create new embodiments and solutions relative to the original problem to be solved. I virtually insist that every first application be filed as a provisional application. For all but the largest clients, the government filing fee

¹⁹ Patent applications are published 18 months after filing. At publication, the clock for the one year time bar begins to tick. *See, e.g., Studiengesellschaft Kohle, M.B.H. v. Shell Oil Co.*, 112 F.3d 1561, 1564 (Fed. Cir. 1997) (holding that an applicant must “meet the disclosure requirement of [35 U.S.C.] § 112, ¶ 1 in a single parent application in order to obtain an earlier filing date for individual claims”). *See also* Herbert F. Schwartz & Robert J. Goldman, *Patent Law & Practice* § 2.III.D.7.c (6th ed. 2008) (“A continuation-in-part is entitled to the parent’s filing date as to any subject matter in common, but only to its own filing date as to the new matter.”). This assumes that the applicant has not otherwise attempted to commercialize the invention prior to publication, which may itself be a lofty wish.

is only \$140 and there is no limit to the claims that can be filed. For larger clients, they can afford the \$280 filing fee and should file early and often.

Filing the provisional patent application gives the client the flexibility of adding “new matter” to the original application without incurring the choices outlined above. It also allows the patent attorney to file a patent application to obtain a priority date for the first filing even if the inventor anticipates adding new embodiments. In some cases, I have filed three provisional applications in series before finally filing a first utility patent application. More and more frequently I file my first draft of the application as a provisional application before the client even reviews it. This gives the client plenty of “breathing room” to review the application, knowing that a baseline priority date has been set.

VI. The Problem of the Continuation-In-Part Application

The continuation-in-part application is a creature that is unique to U.S. patent law. If you wish to file a CIP application in another country, it will be filed as an independent application. If at all possible, international applications should be filed within 12 months of the parent application being filed in the U.S.

The CIP is a wonderful thing. It allows the practitioner to “reach back” to an earlier priority date to defeat the on-sale bar, to avoid secret prior art, and to overcome the inventor’s own ill-advised publications and disclosures. This, of course, is only helpful to the extent of common matter found between the two filings.²⁰ Any new matter will not enjoy the benefit of the earlier priority date. Specifically, only a claim with all of its limitations fully supported by the disclosure of the parent application is entitled to the parent’s earlier priority date; all other claims are given the CIP application’s later priority date. However, in my experience few examiners are willing to make that distinction.

But even in the U.S. there are downsides to the CIP. For one, any prior arguments and statements made in the parent application / patent can and will be used against the applicant to more narrowly interpret the claim language in the patent maturing from the subsequent CIP.²¹

In addition, the term of any patent maturing from the CIP application is calculated from the filing date of the earlier-filed original patent application.; it is not calculated from the filing date of the later-filed CIP application. Simply put, the patent term is “cut short” in a CIP.

But perhaps most troubling, the applicant’s own disclosure can be used to find a claim in a CIP application obvious. If the CIP application’s claim extends even slightly past what a published parent application disclosed more than a year earlier, the parent can be used as prior art against the CIP claim.²²

²⁰ *Waldemar Link GmbH v. Osteonics Corp.*, 32 F.3d 556, 558-59 (Fed. Cir. 1994) (“A CIP application can be entitled to different priority dates for different claims.... The CIP application thus does not explicitly memorialize the filing date accorded particular claims”).

²¹ *Trading Techs. Int’l, Inc. v. Open E Cry, LLC*, 728 F.3d 1309, 1323 (Fed. Cir. 2013).

²² *See, e.g., In re Chu*, 66 F.3d 292, 296–97 (Fed. Cir. 1995) (holding that even though Chu’s “application claims to be a CIP of the Doyle patent,” some claims were not supported by Doyle alone, so for those claims “the Doyle

Therefore, the applicant should strive to file the CIP (or at least a provisional application for the CIP) within one year of when the parent application publishes.

VII. The Problem of the Secret Sale, and the Not-So-Secret Sale

Every patent statute since 1836 has included an on-sale bar.²³ The on-sale bar precludes a person from receiving a patent on an invention that was “in public use, on sale, or otherwise available to the public before the effective filing date of the claimed invention.”²⁴ The U.S. Supreme Court has held that the statutory on-sale bar applies whether the offer discloses each detail of the invention or not.²⁵ But what happens when the sale of the invention is secret?

A secret sale is a sale that happens under a private contract. Typically, the contract requires the buyer to keep the terms and conditions of the sale confidential. In addition, the product or technology that is the subject of the sale is not made available to the public. In some cases, the contract will prohibit the buyer from using the product outside of its own facilities.

Under pre-AIA cases, the Federal Circuit — which has “exclusive jurisdiction” over patent appeals,²⁶ —recognized that “secret sales” can invalidate a patent.²⁷ When the AIA was passed, it retained the on-sale bar but added the catchall phrase “or otherwise available to the public.”²⁸ Many, including the U.S. Patent Office itself, interpreted this as an attempt by Congress to do away with the “secret sale” prohibition. However, in *Helsinn Healthcare S.A. v. Teva Pharmaceuticals USA, Inc.*,²⁹ the Federal Circuit determined: “after the AIA, if the existence of the sale is public, the details of the invention need not be publicly disclosed in the terms of sale” for the sale to be invalidating. In so reaching this ruling the Federal Circuit largely did away with the belief that the AIA created a safe harbor for sales that did not disclose the details of the claimed invention.

patent was properly relied on as prior art”); *Paperless Accounting v. Bay Area Rapid Transit System*, 804 F.2d 659, 665 (Fed. Cir. 1986) (for claims in a CIP with new matter, any patent issued or document published more than one-year before the CIP filing date would count as prior art under 35 U.S.C. 102(b)).

²³ *Pfaff v. Wells Electronics, Inc.*, 525 U. S. 55, 65 (1998).

²⁴ 35 U. S. C. § 102(a)(1). See *Consolidated Fruit-Jar Co. v. Wright*, 94 U.S. 92, 94 (1877) (“[A] single instance of sale or of use by the patentee may, under the circumstances, be fatal to the patent . . .”); *Smith & Griggs Mfg. Co. v. Sprague*, 123 U. S. 249, 257 (1887) (“A single sale to another . . . would certainly have defeated his right to a patent . . .”); *Elizabeth v. Pavement Co.*, 97 U. S. 126, 136 (1878) (“It is not a public knowledge of his invention that precludes the inventor from obtaining a patent for it, but a public use or sale of it”).

²⁵ *Pfaff*, 525 U.S. at 67.

²⁶ 28 U. S. C. § 1295(a).

²⁷ See, e.g., *Special Devices, Inc. v. OEA, Inc.*, 270 F. 3d 1353, 1357 (2001) (invalidating patent claims based on “sales for the purpose of the commercial stockpiling of an invention” that “took place in secret”); *Woodland Trust v. Flowertree Nursery, Inc.*, 148 F. 3d 1368, 1370 (1998) (“Thus an inventor’s own prior commercial use, albeit kept secret, may constitute a public use or sale under § 102(b), barring him from obtaining a patent”).

²⁸ 35 U.S.C. § 102(a)(1) (2012) (“A person shall be entitled to a patent unless” the “claimed invention was . . . in public use, on sale, or otherwise available to the public . . .”).

²⁹ 855 F.3d 1356, 1371 (Fed. Cir. 2017).

The Federal Circuit explained the rationale for the expansive nature of the on-sale bar as follows:

A primary rationale of the on-sale bar is that publicly offering a product for sale that embodies the claimed invention places it in the public domain, regardless of when or whether actual delivery occurs. The patented product need not be on-hand or even delivered prior to the critical date to trigger the on-sale bar. And, as previously noted, we have never required that a sale be consummated or an offer accepted for the invention to be in the public domain and the on-sale bar to apply, nor have we distinguished sales from mere offers for sale. We have also not required that members of the public be aware that the product sold actually embodies the claimed invention. . . . our prior cases have applied the on-sale bar even when there is no delivery, when delivery is set after the critical date, or, even when, upon delivery, members of the public could not ascertain the claimed invention.³⁰

The case was taken to the U.S. Supreme Court. In an opinion written by Justice Thomas, the Supreme Court agreed with the Federal Circuit and affirmed a judgment invalidating the patent at issue. The Court held that a commercial sale to a third party who is required to keep the invention confidential may place the invention “on sale” under § 102(a), regardless of whether the disclosure actually places the public in possession of the invention or the ability to practice it. The additional language in the AIA version of section 102(a) “or otherwise available to the public” was deemed too subtle to effect a change in pre-AIA law.³¹

This raises the question: could there ever be a scenario where a “secret sale” made more than one year before a first patent application is filed is not prior art? This author believes so. The classic example is the “garage inventor” who works with a machine shop, an engineer, a 3D printing company or an illustrator to develop prototypes. Of course, this could also apply to the company that enters into a contract for manufacturing services. The Federal Circuit has held that “a contract manufacturer’s sale to the inventor of manufacturing services where neither title to the embodiments nor the right to market the same passes to the supplier does not constitute an invalidating sale under [the on-sale bar].”³²

The basis for this principle is that what the inventor is contracting for is not the sale or commercialization of the product itself, but only manufacturing services. The inventor (or owner of the invention) retains control of the invention, including its future distribution or sale. Of interest, the Federal Circuit noted that the inventor could even “stockpile” manufactured goods without encroaching upon the on-sale bar.

So, where did Helsinn Healthcare go wrong in its case? Helsinn Healthcare went beyond a mere manufacturing agreement and contracted for the distribution, promotion and marketing of a projected drug. Separately, Helsinn entered into a supply and purchase agreement. The agreements were the subject of press releases and Form 8-K filings. While none of the releases or filings “disclosed the

³⁰ *Helsinn Healthcare S.A. v. Teva Pharm. USA, Inc.*, 855 F.3d 1356, 1370–71 (Fed. Cir. 2017) (internal citations omitted), *cert. granted*, 138 S. Ct. 2678 (2018), and *aff’d*, 139 S. Ct. 628 (2019).

³¹ *Helsinn Healthcare S.A. v. Teva Pharmaceuticals USA, Inc.*, 139 S. Ct. 628, 632 (2019).

³² *Medicines Co. v. Hospira, Inc.*, 827 F.3d 1363, 1381 (Fed. Cir. 2016).

specific dosage formulations covered by the agreements,” the agreements were clearly commercial in nature. Helsinn then waited two years to file its provisional patent applications.³³

VIII. The Problem of Secret or Experimental Use

Under 35 USC 102(a), a public use, either by the inventor or another, more than one year before the filing date of the application, can be used as prior art against an application for patent. There are two exceptions to this statutory bar: the case where the use is not in fact “public” under the meaning of the statute, and the judicially created exception for “experimental use.” “The public use bar is triggered where, before the critical date, the invention is in public use and ready for patenting.”³⁴ These exceptions have come under fire recently and have lost significant ground.³⁵ Inventors commonly run into the problem of disqualifying prior art under the secret and experimental use exceptions because of a failure to either (1) maintain control and secrecy of the use while it is happening (in the case of secret use), or (2) engage in some sort of prohibited commercial transaction involving the invention, hence invalidating the “experimental” nature of the use.

In *Allen Engineering Corp. v. Bartell Industries*, the Federal circuit laid out a number of factors to use in determining whether or not a given use qualifies as experimental. These include:

(1) the necessity for public testing, (2) the amount of control over the experiment retained by the inventor, (3) the nature of the invention, (4) the length of the test period, (5) whether payment was made, (6) whether there was a secrecy obligation, (7) whether records of the experiment were kept, (8) who conducted the experiment, ... (9) the degree of commercial exploitation during testing[,] ... (10) whether the invention reasonably requires evaluation under actual conditions of use, (11) whether testing was systematically performed, (12) whether the inventor continually monitored the invention during testing, and (13) the nature of contacts made with potential customers.³⁶

In *Barry v. Medtronic, Inc.*, an orthopedic surgeon sued Medtronic in the Eastern District of Texas alleging infringement of two patents entitled “System and Method for Aligning Vertebrae in the Amelioration of Aberrant Spinal Column Deviation Conditions³⁷.” Dr. Barry designed a medical device and corresponding methods of use to correct spinal abnormalities. The issued patents both had a priority date of December 30, 2004, making December 30, 2003 the critical date for purposes of the public use bar. Medtronic alleged that Dr. Barry had invalidated his own patents with a disqualifying public use,

³³ *Helsinn*, slip op. at 2-3.

³⁴ *Barry v. Medtronic, Inc.*, 914 F.3d 1310, 1320 (Fed. Cir. 2019) (quoting *Polara Eng'g Inc v. Campbell Co.*, 894 F.3d 1339, 1348 (Fed. Cir. 2018)).

³⁵ Kris J. Kostolansky, Daniel Salgado, *Does the Experimental Use Exception in Patent Law Have A Future?*, Colo. Law., January 2018.

³⁶ *Allen Eng'g Corp. v. Bartell Indus., Inc.*, 299 F.3d 1336, 1353 (Fed. Cir. 2002) (quoting *EZ Dock v. Schafer Sys., Inc.*, 276 F.3d 1347, 1357 (Fed.Cir.2002)).

³⁷ *Barry v. Medtronic, Inc.*, 914 F.3d 1310 (Fed. Cir. 2019).

namely three surgeries conducted in August and October of 2003, more than a year before the filing of his first patent application.

The Federal Circuit held that the surgeries themselves were an “experimental use” and did not meet the requirements of either the on-sale bar or the public use bar because the invention was not “ready for patenting.” This fact was established by testimony and evidence from Dr. Barry himself that until a January 2004 follow up visit for the October surgery, he was not sure if the invention would work. To prove that an invention is “ready for patenting” requires showing that it is “shown or known to work for its intended purpose.”³⁸ Since Dr. Barry did not possess this knowledge until examining all of the patients after three months and observing their recovery, his invention was not ready for patenting and consequently his public uses fell under the experimental use exception.

Not all plaintiffs are as fortunate as Dr. Barry however, and there is long history of quite obscure or hidden uses of an invention creating prior art headaches for the inventor when a patent application is filed. In *New Railhead Mfg., L.L.C. v. Vermeer Mfg. Co.*, (another Texas case) the inventor of a patented drill bit and method for horizontal oil and gas drilling learned the hard way that “The statutory phrase ‘public use’ does not necessarily mean open and visible in the ordinary sense; it includes any use of the claimed invention by a person other than the inventor who is under no limitation, restriction, or obligation of secrecy to the inventor.”³⁹ The patentee made the mistake of having a third party test his drill bit *and* method of drilling on public land at a commercial worksite, without any control over the confidentiality of the operation or any need or desire to experimentally test or improve the drilling method.⁴⁰ Given that the use was public and that the invented method needed no improvement and worked for its intended purpose, the Federal Circuit held that the invention had been reduced to practice and was ready for patenting, making the public use non-experimental.

Texas plaintiffs have made it to the Federal Circuit in several high-profile experimental or secret use cases. The Houston-based plaintiff in *Minton v. Nasdaq* similarly failed to meet the requirements of experimental use when he sold a license to use his TEXCEN software with a warranty of workability to a third party.⁴¹ This transfer and guarantee of workability negated any argument of experimental use because it made it clear that the invention was “ready for patenting” and the release of the software to the public through a sale to a company with no obligation of confidentiality made it undeniable that the use was public.⁴² Houston-headquartered Clock Spring, L.P. (a high pressure gas line repair company) similarly tried and failed to invoke the experimental use exception in *Clock Spring v. Wrapmaster*.⁴³ The Federal circuit held that 1) a public demonstration where all the limitations of the claims are not practiced

³⁸ *Id.* at 1321-22.

³⁹ *New Railhead Mfg., L.L.C. v. Vermeer Mfg. Co.*, 298 F.3d 1290 (Fed. Cir. 2002).

⁴⁰ *Id.* at 1298-99.

⁴¹ *Minton v. Nat'l Ass'n of Sec. Dealers, Inc.*, 336 F.3d 1373 (Fed. Cir. 2003).

⁴² *Id.* at 1377-78. *See also Baker Oil Tools, Inc. v. Geo Vann, Inc.*, 828 F.2d 1558 (Fed. Cir. 1987).

⁴³ *Clock Spring, L.P. v. Wrapmaster, Inc.*, 560 F.3d 1317 (Fed. Cir. 2009).

can nevertheless be a disqualifying public use because public use encompasses obvious variants⁴⁴ and 2) that the use of an invention that is ready for patenting cannot be experimental.⁴⁵

IX. The Problem of the Provisional Patent Application

As patent attorneys, we are fond of telling our clients that provisional patent applications are not published. While this is technically true, it is also true that provisional patent applications are available to the public when a utility application that claims the benefit of the provisional application is published.⁴⁶

Typically, the contents of a provisional patent application are incorporated into the later utility application, both literally and via incorporation by reference.⁴⁷ But it is possible that a provisional patent application could delve into all manner of technical material that is not later incorporated into the utility application. In that case, assuming the utility application is published, the original provisional patent application becomes a published document that may serve as prior art for unrelated applications filed down the road.

X. The Problem of Trade Secrets

Trade secrets and patents are separate types of intellectual property. In 1974, the U.S. Supreme Court expressly recognized that the states may offer protection for trade secrets so long as state law does not conflict with the federal patent laws. ⁴⁸ Many states, including Texas, have adopted the Uniform Trade Secrets Act.⁴⁹

Under the Texas Uniform Trade Secrets Act, a trade secret is defined as any “information, including any... formula, . . . method, . . . process, . . . , or list of . . . customers . . . if:

...derives independent economic value . . . from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

The owner of the trade secret has taken efforts that are reasonable under the circumstances to maintain its secrecy.⁵⁰

⁴⁴ *Id.* at 1326.

⁴⁵ *Id.* at 1327-28.

⁴⁶ 37 C.F.R. § 1.14 (iii) - (vi) (2020).

⁴⁷ 37 C.F.R. § 1.14(a)(vi).

⁴⁸ *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 479 (1974).

⁴⁹ Tex. Civ. Prac. & Rem. Code Ann. § 134A (West Supp. 2016). The Texas Uniform Trade Secrets Act (“TUTSA”) was modeled after the Uniform Trade Secrets Act (“UTSA”). Almost all 50 states have passed trade secrets legislation based on the UTSA. Of interest, TUTSA was amended in 2017 to incorporate elements of the new Defend Trade Secrets Act (DTSA), which was passed into law in 2016 by the U.S. Congress.

⁵⁰ Tex. Civ. Prac. & Rem. Code Ann. § 134A.002(6).

To summarize, a trade secret is any information that is not generally known or readily ascertainable by people who could profit from it, and that is the subject of reasonable efforts to maintain its secrecy.

Trade secrets and patents are mutually exclusive. By definition, a trade secret must be kept secret to have value and to be a true trade secret. In contrast, for a patent to issue the inventor is required to disclose the invention to the government, who ultimately publishes the patent to the public in order to “promote the progress.”⁵¹ While it is no longer required that the inventor disclose the “best mode” of practicing the invention, the inventor must still provide a technical description of the invention that enables a person of ordinary skill in the art to make and to use it.⁵² The inventor receives a patent whether it ultimately has any commercial value or not. Moreover, the patent grant conveys the right to exclude others from reverse engineering the invention or from independently developing the invention.

But what happens if the applicant takes a process that has been held by the owner as a trade secret, improves upon it, and then files a patent application?⁵³ Issues related to section 102 of the Patent Act suddenly arise. Has a product ever been sold that was made using the confidential process? If so, is the sale of the product also a commercial use of the process for purposes of 35 U.S.C. § 102? What if the secret process was the subject of any kind of technology-sharing arrangement?

Referring again to *Minton v. Nasdaq*, the Federal Circuit noted in that case that a license to certain software constituted an offer to sell the patented method.⁵⁴ The Federal Circuit distinguished Mr. Minton’s situation with the earlier decision of *In re Kollar*.⁵⁵ In *In re Kollar*, a patent applicant sought a patent on a process for the preparation of dialkyl peroxide. The examiner refused to grant the patent on the ground that an agreement between Kollar’s company and Celanese Corporation had been entered that constituted an offer for sale within the meaning of the on-sale bar.⁵⁶ The Federal Circuit reversed that decision because the Celanese agreement amounted only to a transfer of technical information about the claimed process and a license under any future patents to practice the process and sell the resulting products.⁵⁷ The appellate court held that the transfer of know-how regarding a claimed process is not a “sale” of the process within the meaning of the pre-AIA 35 U.S.C. § 102(b) because a know-how agreement “under which development of the claimed process would have to occur before the process is

⁵¹ U.S. Const. art I, § 8, Cl. 8.

⁵² 35 U.S.C. § 112.

⁵³ One might question the wisdom of filing a patent application based upon an existing trade secret, but business strategies change and a patent may be the best form of protection, particularly in view of the portability of employees who know the “secret sauce.” For start-up companies or businesses that are seeking to raise new capital, it can be reassuring to see that patent applications are being filed. In some cases, patents are necessary part of securing investments.

⁵⁴ *Minton v. Nat’l Ass’n of Sec. Dealers, Inc.*, 336 F.3d 1373, 1378 (Fed. Cir. 2003). (“Minton conveyed . . . a fully operational computer program implementing and thus embodying the claimed method.”).

⁵⁵ *In re Kollar*, 286 F.3d 1326 (Fed. Cir. 2002).

⁵⁶ *Id.* at 1328-29.

⁵⁷ *Id.* at 1330.

successfully commercialized, is not a sale.”⁵⁸ However, the court did recognize that “[a]ctually performing the process itself for consideration would trigger the application of § 102(b).”⁵⁹

Section 2152.02(c) of the MPEP provides that “once an examiner becomes aware that a claimed invention has been the subject of a potentially public use, the examiner should require the applicant to provide information showing that the use did not make the claimed process accessible to the public.” If the process itself cannot be discerned from an analysis or reverse engineering of the product, then one might argue with success that the process itself has not been commercialized.

But what about the inventor’s duty of candor and good faith with the Patent Office? 37 C.F.R. § 1.56(a) provides in part:

A patent by its very nature is affected with a public interest. The public interest is best served, and the most effective patent examination occurs when, at the time an application is being examined, the Office is aware of and evaluates the teachings of all information material to patentability. Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section.

If the inventor is filing claims directed to improvements over an existing in-house method, should the inventor be compelled to disclose the trade secret as part of the information disclosure statement? The most conservative approach is to disclose the process, but then provide a separate statement explaining that the prior process has at all times been kept confidential. MPEP § 724.02 provides a procedure by which selected items of “prior art” may be submitted under seal.⁶⁰ Thus, the applicant may tender material claimed as a trade secret to the patent examiner without making the trade secret public knowledge.

⁵⁸ *Id.* at 1333.

⁵⁹ *Id.*

⁶⁰ Section 724.02 provides in part:

Information which is considered by the party submitting the same to be either trade secret material or proprietary material, and any material subject to a protective order, must be clearly labeled as such and be filed in a sealed, clearly labeled, envelope or container. Each document or item must be clearly labeled as a “Trade Secret” document or item, a “Proprietary” document or item, or as an item or document “Subject To Protective Order.” It is essential that the terms “Confidential,” “Secret,” and “Restricted” or “Restricted Data” not be used when marking these documents or items in order to avoid confusion with national security information documents which are marked with these terms (note also MPEP § 121). If the item or document is “Subject to Protective Order” the proceeding, including the tribunal, must be set forth on each document or item. Of course, the envelope or container, as well as each of the documents or items, must be labeled with complete identifying information for the file to which it is directed, including the Office or area to which the envelope or container is directed.

XI. The Problem of Double Patenting

Double patenting comes in two main types: statutory and non-statutory. To get a rejection based on double-patenting, there must be at least some form of shared or overlapping ownership or interest between two patent applications or a patent application and an issued patent.⁶¹

Statutory double patenting is based on 35 U.S.C. § 101 which states in the singular that an inventor “may obtain a patent” for an invention. Where a patent examiner perceives that claims are submitted in one application that are directed to more than one invention, then a so-called restriction requirement may be issued.⁶²

Once an election of claims is made by the applicant, one or more divisional patent applications may be submitted. Once the claims in a divisional application are allowed, the examiner may issue a separate double-patenting rejection based on non-statutory double patenting. This is sometimes referred to as obviousness-type double patenting (“OTDP”).

OTDP is a judicially created doctrine that was originally designed to prevent patent owners from extending patent protection beyond the statutorily fixed term. Prior to the Uruguay Round Agreements Act (“URAA”) of 1994, which changed the term for a U.S. patent from seventeen years from patent issuance to twenty years from the earliest (non-provisional) filing date, patent applicants could theoretically extend their patent term without end. For example, a series of patent applications covering the same or similar subject matter, with slightly different claims could be filed, with each new application triggering a new seventeen year term.

Double patenting is explained by the U.S. Patent and Trademark Office in MPEP § 804, as follows:

The doctrine of double patenting seeks to prevent the unjustified extension of patent exclusivity beyond the term of a patent. The public policy behind this doctrine is that: “The public should . . . be able to act on the assumption that upon the expiration of the patent it will be free to use not only the invention claimed in the patent but also modifications or variants which would have been obvious to those of ordinary skill in the art at the time the invention was made, taking into account the skill in the art and prior art other than the invention claimed in the issued patent.” [quoting *In re Zickendraht*, 319 F.2d 225, 232 (CCPA 1963)]

“There are two justifications for obviousness-type double patenting. The first is to prevent unjustified timewise extension of the right to exclude granted by a patent no matter how the extension is brought about. The second rationale is to prevent multiple infringement suits by different assignees asserting essentially the same patented invention.”⁶³

⁶¹ *In re Hubbell*, 709 F.3d 1140, 1146-47 (Fed. Cir. 2013).

⁶² MPEP § 804.

⁶³ *In re Hubbell*, 709 F.3d 1140, 1145 (Fed. Cir. 2013) (Internal citations and quotations omitted).

Obviousness-type double-patenting can sometimes (though not always), be remedied by filing a terminal disclaimer to “give up” the portion of a patent’s term that extends beyond the reference patents term. This ensures that although the patents are directed to patentably indistinct inventions (essentially the same), the public will receive the right to practice the entire invention at the same time, rather than piecemeal as the different patents expire. This fulfills the spirit of 35 U.S.C. 101: the implied rule of “one invention, one patent” and helps protect alleged infringers from being sued by multiple entities separately over the same invention.

Prior to the URAA, OTDP rejections were frequently and fairly straightforwardly employed against patents in the same family by examining the dates of issuance and requiring a terminal disclaimer such that all applications sharing a common invention ended their life on the same date. This all changed with *Gilead Sciences v. Natco Pharma*, as Ms. Baur and Ms. Doherty explain:

The panel majority in *Gilead* found that the later-issued but earlier-filed '375 patent could, in fact, be an ODP reference against the earlier-issued '483 patent. This resulted in an unexpected reduction in the patent term of the '483 patent to that of the '375 patent. The panel majority pointed out that in prior cases where the expiration date was tied to the issue date, issue dates were used as stand-ins for expiration dates, but that, in this case, it did not matter which patent issued first. In the court's opinion, a focus on the issue date could lead to “gamesmanship during prosecution” (e.g., arranging for applications with later filing dates to issue first).⁶⁴

The Federal Circuit reaffirmed that a later-issued patent could be used as a double-patenting reference against an earlier-issued patent in *Abbvie v. Mathilda & Terence Kennedy Inst. of Rheumatology*.⁶⁵ However, subsequent panels have narrowed the scope of the *Gilead* doctrine, placing some limitations on when and how a later patent can be used as a double-patenting rejection reference for an earlier-filed patent.⁶⁶ The Federal Circuit might be offering some balm to those patent owners smarting from the new expansion of the OTDP rules. In a Law360 article, David Manspeizer argued that the recently decided *Sanofi-Aventis v. Dr. Reddy's Labs*⁶⁷ may offer a new path to avoid OTDP through the reissue process.⁶⁸ Based on a fairly straightforward interpretation of *Sanofi*, Manspeizer argues that OTDP rejections could be solved by seeking reissue of the reference patent and cancelling the problematic claims. This offers a new mechanism to help patent owners avoid bumping into their own prior art.

⁶⁴ Amelia Feulner Baur, Elizabeth A. Doherty, NAVIGATING THROUGH THE OBVIOUSNESS-TYPE DOUBLE PATENTING MINEFIELD, 10 LANDSLIDE 48, 50–51 (2018) (citing *Gilead Sciences, Inc. v. Natco Pharma Ltd.* 753 F.3d 1208, 1210 (Fed. Cir. 2014)).

⁶⁵ *Abbvie Inc. v. Mathilda & Terence Kennedy Inst. of Rheumatology Tr.*, 764 F.3d 1366, 1374 (Fed. Cir. 2014).

⁶⁶ See *Novartis AG v. Ezra Ventures LLC*, 909 F.3d 1367, 1375 (Fed. Cir. 2018) and *Novartis Pharm. Corp. v. Breckenridge Pharm. Inc.*, 909 F.3d 1355, 1358 (Fed. Cir. 2018).

⁶⁷ *Sanofi-Aventis U.S., LLC v. Dr. Reddy's Labs., Inc.*, 933 F.3d 1367, 1370-71 (Fed. Cir. 2019).

⁶⁸ David Manspeizer, *Fed. Circ. Offers Obviousness-Type Double Patenting Cure*, LAW360, (Nov. 5, 2019), <https://www.law360.com/articles/1215824/fed-circ-offers-obviousness-type-double-patenting-cure>.

XII. The Problem of the International Patent

After a U.S. patent application is filed, it is common for a client to request that reciprocal patent applications be filed in other countries. For those of us in Texas who provide patent services for companies in the upstream oil and gas industry, it is virtually automatic that applications be filed in Canada, the UK and Norway. For multinational companies the list will likely also include Argentina, Australia, China, one or more countries in Africa and one or more countries in the Middle East.⁶⁹

None of these countries are known for speedy patent resolution. But what happens if the U.S. filing is accompanied by a request for expedited examination, and the U.S. patent issues within one year of the effective filing date? And further, what happens if the patent issues before a foreign application is actually filed? Is the issued patent prior art to the foreign application?⁷⁰ The author does not believe so.

The United States has entered into international treaties with numerous countries that affect patents and “industrial property.” These include the Paris Convention for the Protection of Industrial Property of 1883, the WTO Agreement of Trade-Related Aspects of Intellectual Property Rights and the Patent Cooperation Treaty. Under the Paris Convention, “Any person who has duly filed an application for a patent, or for the registration of a utility model . . . in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.”⁷¹

Assuming that the foreign country selected for filing is a member of the Paris Convention, an application may be filed in that country with a priority claim being made back to the original U.S. application even though a patent application for the same invention has already issued.⁷² This would also be true for a PCT application itself. Under Article 4, the foreign application must be filed within 12 months of the “parent” application in the United States, and the priority claim must be made in the selected foreign country within four months of filing.⁷³

A note of caution is in order concerning when the 12-month filing clock commences. According to Article 4 C(2), the 12-month period “shall start from the filing of the first application; the day of filing shall not be included in the period.” Note the reference to the “first application.” This means that a “second application” may not be validly claimed as a priority right. The term “second application” refers to any application that claims a right of priority back to an earlier application, even if that earlier

⁶⁹ Applications in the oil and gas industry are also sometimes filed in Columbia, China, Nigeria and Angola.

⁷⁰ MPEP § 706.02(e) mentions that “[i]n Belgium, for instance, a patent may be granted in just a month after its filing” I suspect few oil and gas patents get filed in Belgium, but other technical areas may be more appropriate.

⁷¹ Paris Convention for the Protection of Industrial Property, art. 4 § A(1), Mar. 20, 1883, 21 U.S.T. 1583, 828 U.N.T.S. 305. (as revised at Stockholm July 14, 1967).

⁷² Currently, there are over 170 countries who have signed on to the Paris Convention.

⁷³ According to Article 4 C(1), the “periods fixed” are 12 months for patents and 6 months for utility models, industrial designs and trademarks.

application is never published.⁷⁴ This means that the practitioner should endeavor to file the PCT (or other foreign) application within 12 months of the earliest parent application or risk losing the claim to priority.

This could have an impact on the U.S. practitioner who has filed more than one provisional application.⁷⁵ If, for some reason, the applicant wishes to file a utility application without claiming priority to the first provisional application (meaning that priority will be claimed to only the second provisional application), then the applicant should either expressly abandon the first provisional application, or wait until the date for converting the first provisional application has passed.⁷⁶ The second provisional application can then appropriately serve as the “first” priority document for the utility application under PCT Article 4.

An ancillary issue arises when the U.S. application publishes before a foreign application is filed. This may arise in one of two situations:

- 1) the applicant has requested early publication of the U.S. application;⁷⁷ or
- 2) the U.S. utility application has claimed the benefit of a provisional application that was filed more than six months before the filing date of the U.S. utility application.

Will the published application be prior art with respect to a later-filed foreign patent application? Again, the author does not believe so. The same international treaties should allow the applicant to claim priority back to the original filing date, ante-dating the date of publication. Again, this assumes that the application being cited in the priority claim is the “first application.”

Finally, a common scenario in U.S. practice includes the filing of one or more CIP applications. A CIP application claims the benefit of an application having an earlier filing date based on common

⁷⁴ An exception to the “first application” rule applies where the applicant withdraws or abandons an earlier application before the earlier application is published and before the second application is filed. See also endnote 76, *supra*.

⁷⁵ With the advent of first-to-file in the United States under AIA, and with the government filing fee being so very low, it has become common to file more than one provisional application before any domestic or foreign utility applications are filed.

⁷⁶ Article 4 C(4) permits a subsequently filed application to serve as the basis of priority so long as certain conditions are met with respect to the “first application.” Those conditions include:

at the time of filing the subsequent application, the said previous application has been withdrawn, abandoned, or refused, without having been laid open to public inspection and without leaving any rights outstanding, and if it has not yet served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis for claiming a right of priority.

⁷⁷ 37 C.F.R. § 1.219 provides for the option of early publication of an application “at the request of the applicant.” Such a request must be accompanied by a publication fee. MPEP § 1129.

subject matter, but typically includes additional matter.⁷⁸ If the applicant wishes to pursue a PCT / foreign patent application based on a CIP application, best practice is to file the foreign application within 12 months of the filing date of the parent application. Indeed, it is the author's practice to endeavor to file foreign applications for the CIP before a parent application in the U.S. publishes.

XIII. Claiming Priority

An issue closely related to the problem of prior art is the mechanics of claiming priority to an earlier application. A failure to properly claim priority to an earlier application can expose the claims to prior art that actually is not, e.g., your own prior art. There are several cringe-worthy decisions that have been written over the years by United States Courts of Appeals describing failures to claim priority, or inadvertent waivers of priority claims.⁷⁹

It is beyond the scope of this article to discuss every aspect of claiming priority in the various PCT jurisdictions. However, it is critical for the U.S. patent practitioner to understand that any claim to priority must be presented to the Patent Office by means of an Application Data Sheet.⁸⁰ Merely including a priority claim in a patent specification or incorporating a parent application by reference is not adequate.⁸¹ For applications filed on or after September 16, 2012, priority information must be included in an ADS to be given effect. See 37 CFR §§ 1.55, 1.78.

Cases have held that the burden is on the patent owner to provide “a clear, unbroken chain of priority.”⁸² The practitioner is cautioned to carefully study the priority claim recited in an Official Filing

⁷⁸ In CIP applications, priority is assessed on a claim-by-claim basis. *Transco Products, Inc. v. Performance Contracting, Inc.*, 38 F.3d 551, 557 n.6 (Fed. Cir. 1994). An applicant can obtain an earlier filing date for claims in a CIP application only if those claims find support in an earlier-filed non-provisional application. *Id.* Claims reciting new matter are entitled to only the filing date of the CIP application and not to the filing date of the earlier-filed application. *Id.*

⁷⁹ One such case is *Natural Alternatives International, Inc. v. Iancu*, 904 F.3d 1375 (Fed. Cir. 2018). In that case, Natural Alternatives International (“NAI”) filed a series of eight patent applications claiming priority to an original 1997 application, in series. NAI filed the fifth application, which was a continuation-in-part, in 2003 and the sixth application in 2008 while the fifth application was still pending. Four days after filing the sixth application, NAI amended the fifth application to delete the earlier priority claim. This resulted in a longer patent term for the fifth application. At the same time, the Federal Circuit held that this cut off any claim of priority back to the first through the fourth applications that might have been enjoyed by the sixth application. NAI was deemed to have “deliberately and expressly terminated [its] claim to the priority of the first four applications.” See also *Encyclopaedia Britannica, Inc. v. Alpine Electronics of America, Inc.*, 609 F.3d 1345, 1350 (Fed. Cir. 2010) (because an intermediary application failed to specifically reference an earlier filed application, a new application was not entitled to the priority date of the prior application).

⁸⁰ In *Droplets, Inc. v. E*Trade Bank*, 887 F.3d 1309 (Fed. Cir. 2018), the Federal Circuit held that a failure to properly include a priority claim in an Application Data Sheet was fatal to the claim. In that case, the Application Data Sheet failed to make specific mention of an earlier provisional patent filing. See also *Medtronic CoreValve, LLC v. Edwards Lifesciences Corp.*, 741 F.3d 1359 (Fed. Cir. 2014) (holding that the patent at issue was invalid because of a defective priority claim to an earlier French application).

⁸¹ *Id.*

⁸² *Id.* at 1321. See also *Sticker Industrial Supply Corp. vs. Blaw-Knox Co.*, 405 F.2d 90, 93 (7th Cir. 1968) noting that it is “no hardship to require [the patent owner] to disclose this information [pertaining to priority].”

Receipt after a patent application is filed to ensure that the proper chain of title is presented. The practitioner is also cautioned that amending an earlier-filed parent application “may affect the priority of its child applications.”⁸³

Finally, a pitfall that can arise in connection with priority relates to the identity of the applicant in an international application. Under Article 4, the priority right is enjoyed by the applicant or his successor in title. This generally requires an identity of applicant as between the priority application and the subsequently filed application within the 12-month time period. The problem arises when, for example, the priority application filed in the United States names the inventor(s) as the applicant, but the later foreign application names the inventor’s employer as the applicant. To avoid a discrepancy in applicant, the practitioner should obtain an assignment of the patent rights from the inventor(s) to the employer within the 12-month time period, and more preferably before the PCT application is filed.

IX. Conclusion

There are a number of instances in which an inventor may have his or her own prior art cited against them, either during prosecution of a patent application or during enforcement of an issued patent. The inventor himself likely will not tell the patent attorney about such prior art. Therefore, the diligent attorney will want to raise the issue with the client at the time the application is being drafted or filed.

The author wishes to express gratitude to Adam J. Woodward for his assistance in the preparation of this article. Adam resides in Knoxville, Tennessee. He holds a B.S. degree in chemical engineering from Cornell University, and a law degree from Emory University School of Law in Atlanta. Adam has passed the patent bar and is awaiting his USPTO registration number. He will be taking the Tennessee bar examination in September of 2020.

⁸³ *Natural Alternatives International, Inc. v. Iancu*, 904 F.3d at 1381. See also *In re Janssen Biotech, Inc.*, 880 F.3d 1315 (Fed. Cir. 2018) (observing that a removal of subject matter, including a priority claim, in a parent application may affect the patentability of claims in child applications); and *Searle LLC v. Lupin Pharmaceuticals, Inc.* 790 F.3d 1349,1355 (Fed. Cir. 2015)(noting that if a patent owner had obtained foreign patent protection based on a Patent Cooperation Treaty (“PCT”) application, altering the scope of the PCT application could call into question the proper scope of those foreign patents).