

July 24, 2015

Mr. John Alty
Chief Executive and Comptroller General
Intellectual Property Office, United Kingdom
Chair, Group B+ Sub-Group on Patent Harmonisation

Email: saito-kenji2@jpo.go.jp

RE: AIPLA Response to Group B+ Sub-Group Questions and Paper
B+/SG/2/10, Dated May 27, 2015

Dear Chairman Alty:

The American Intellectual Property Law Association (AIPLA) is pleased to have the opportunity to comment on the Group B+ Sub-Group's "Patent Harmonisation: Objectives and Principles Paper" and, in particular, to respond to the Issues for Comment as presented in item 9 in the Note by the Chair.

AIPLA is a national bar association of approximately 14,000 members who are primarily lawyers in private and corporate practice, government service, and the academic community. AIPLA's members represent a wide and diverse spectrum of individuals, companies, and institutions and are involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property rights. Our members represent both owners and users of intellectual property in the United States and throughout the world.

General Comments

The B+ Paper represents a very positive step towards achieving Harmonization. It generally seems balanced and fairly sets forth the considerations underlying the various options on the issues addressed. The Paper also provides a helpful snapshot of the governments' current positions on harmonization issues. By confirming areas of consensus and disagreement, it provides an initial step towards an eventual package.

Further, the B+ Paper appears to reflect a cautious approach by the Sub-Group members. Hopefully, more discussions within the Sub-Group and sharing of the information with the Industry Groups will help to reach further consensus.

In moving forward, we recommend that the B+ Sub-Group consider approaching the various issues based on "best practices." Along those lines, the Sub-Group should seek positions that provide maximum incentives for investment in innovation, including an express recognition of the needs of SMEs, as engines of the economy.

Furthermore, as the principles which are developed must be valid for the long term, the Sub-Group should recognize advances in technology, including enhanced IT capability to disclose, distribute, search, and identify the origins of prior art information. In all likelihood, a generation from now, the problems currently requiring a “safety net” will be increased, as will be the ability to identify sources of authorship and funding for published documents. Accordingly, we believe that the need for protecting inventors will increase, while the risk to third parties will decrease.

AIPLA appreciates that the Sub-Group’s work to date is high level and does not include specific details. Thus, a goal of the Sub-Group should be to articulate the benefits and detriments of each option, with a clear and unambiguous statement of the policy to be served. For example, for Grace Period, articulating the benefits and detriments of six- and twelve-month grace period options would be helpful. This type of detailed explanation is absent and should be the next major project for the B+ Sub-Group.

On a specific level, the section on Conflicting Applications is not clear. The notion of protecting incremental inventions while ensuring that patent rights are not “unjustifiably extended” needs clarification. It appears inconsistent with the principle that “multiple patents for the same invention” should be prevented. The subsequent attempt to “balance” the interest of inventors with the interests of third parties to “promote innovation and competition” do not appear to clarify what is meant.

Overall, AIPLA believes that all of the issues in the B+ Paper should be addressed as a package, and that it would not be beneficial to try to adopt consensus on some of the issues to the exclusion of others.

As work within the Sub-Group proceeds, we suggest that the B+ Paper should continue to evolve based on the progress of the B+ Sub-Group and used as a tool to find solutions as areas of disagreement are further defined.

Responses To Specific Questions

In the Note by the Chair of the Group B+ Sub-Group, comments were requested on various questions. We provide the following responses.

Question 1

Where consensus has been reached within the sub-group, are there any further considerations which need to be taken into account when developing proposals?

In addition to the areas of consensus that have been reached, AIPLA suggests that the B+ Sub-Group also consider addressing those areas of the Industry Trilateral Paper where industry has reached a consensus.

In going forward, as details are worked out, the practical consideration of the state of the economy and technology when these principles will actually be implemented should be taken into account.

In addition, consideration should be given to the different impact it will have on large corporations, SMEs, universities, and individual inventors. It will be helpful to have a more granular discussion of how the overarching principles will provide “best practices.” In addition, this should include an analysis of how the details will serve the best interests of patentees and third parties in a balanced way.

Each of the governments should also evaluate whether consensus on the principles will be able to be approved within their respective countries.

Question 2

Where members of the sub-group currently hold differing views, how should competing considerations be balanced, and what new approaches might reconcile these differences?

Countries need to be willing to compromise when the reasoning for alternative approaches is well-founded. They should not just rigidly hold onto their own approach, as the ultimate goal is one of global harmonization.

Governments need to consider the range of views of their stakeholders. They should consult with universities, small businesses, inventors and other innovation-minded interests, and include them as part of discussions on relevant issues. Ideally, it is necessary to balance the needs of all parties and address their concerns, if possible.

Looking for evidence and empirical data to support proposed changes might be helpful. For example, the data from Japan on increased filings following the adoption of a Grace Period are very useful in addressing the issue of Grace Period. Statistics about various industries and linkage to economic strength or growth would be very useful. The presence of data and statistics may help to better inform proposed changes and alleviate concerns about changing existing systems.

Going forward, it will also be helpful to provide examples of application of the broad principles to specific scenarios. For each principle, this should include identifying benefits supported or lost as a result of a specific application of the principles. Developing such details may be undertaken as part of a study or a roundtable discussion.

Question 3

When developing proposals, how important is it that the various aspects under consideration are progressed together, and which aspect, if any, can be progressed separately?

Certain aspects of proposals are intrinsically woven together and must be kept that way. For example, Grace Period and Prior User Rights have always been integrally bound and are interdependent. Similarly, in providing for a Grace Period, there will inherently be more resulting cases involving Conflicting Applications and more complexities in addressing their resolution. Thus, we believe these three issues should be kept together.

Also, while the issues of 18-month publication and prior art definition may not be intrinsically linked to the other issues, they should be kept together as part of a package. Picking the “low hanging fruit” and leaving “later harvest” issues may result in those issues remaining on a track that never concludes. Furthermore, the B+ Sub-Group should recognize that changes in laws will be required to achieve Harmonization on any issue. To the extent a package can be concluded covering all issues, it would facilitate the acceptance process on a national basis.

Question 4

How should these and other discussions, for instance amongst industry stakeholders, move forward, so that areas of consensus can be formally agreed and implemented?

Getting stakeholders involved is critical to the process. However, such stakeholders are not just “industry” stakeholders. To achieve consensus and address the concerns of key stakeholders, it is necessary to engage independent inventor groups, universities, non-profits, SMEs, other IP associations, etc., as part of the process. Involving such stakeholders on a broad spectrum will be crucial in reaching an agreement that has a chance of being widely accepted.

However, we believe that stakeholders will not be willing to provide significant resources and expend political capital in this discussion unless there is more of a perceived urgency among the governments to actually get this done, or there is a greater perceived need to accomplish the goals of harmonization. We suggest that a greater campaign be undertaken to underscore the importance of achieving a consensus, especially greater education and understanding concerning the excessive costs caused by the current divergences between the different systems.

In moving the process along, beginning with small groups may be preferable, and then engaging with larger groups after making some progress in building consensus.

AIPLA appreciates the opportunity to provide these comments to the B+ Group and appreciates the efforts of the B+ Sub-Group to date. We look forward to continued dialogue with you and others on these very important issues of interest to all.

Sincerely,



Sharon A. Israel

President

American Intellectual Property Law Association