



Patent Novelty Requirements of the World and Strategic Foreign Patent Procurement
Practices

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Regardless in which country patent protection is sought, there are numerous criteria that must be met before a patent may be granted. Such criteria often involve the subject matter, novelty, obviousness, utility, and various other factors associated with an invention. One example of a subject matter restriction is found in European Patent Law, where patent protection cannot be awarded on business method inventions.

Unlike subject matter restrictions, the novelty, obviousness, and utility requirements are instead applied independent of the type of invention and relate to whether an invention is new, obvious in view of prior art, and has industrial usefulness,

respectively. Still yet, other restrictions vary from country-to-country (i.e. foreign filing license requirements, etc.).

The novelty requirement is the most prevalently used restriction in denying patent protection on an invention, and thus deserves the most attention when filing for a patent. The present article focuses on general issues surrounding the novelty requirement, the similarities and differences in novelty requirements among particular industrialized countries around the world, complicated situations that may arise as a result of the foregoing differences, as well as some strategic recommendations that may be implemented to best protect patent rights in such situations.

Issues Surrounding the Novelty Requirement

In general, the novelty requirement mandates that the claimed subject matter of a patent application must not be part of the prior art, or in the other words, already known. There are numerous types of activities which may constitute prior art that effect the loss of novelty. For example, prior art may refer to any activities that show that an invention has been previously invented, patented, or disclosed either by the inventor or third parties. There are, however, fundamental differing frameworks in which countries of the worlds define prior art.

While the general “the invention must be new” rule is consistently applied among the various countries of the world, many countries have implemented exceptions that may have serious implications if one is seeking patent protection. The single most prominent disparity between the industrialized countries of the world involves whether they adhere to an “absolute novelty” (a.k.a. “strict novelty”) system or whether they provide any sort of “grace period”.

Absolute novelty countries require that a patent application for invention have a filing date that precedes any prior art activities, or else the invention set forth in the patent application fails the novelty requirement. This stringent novelty requirement holds

regardless of who is responsible for the prior art activities. For example, the inventor herself could disclose the invention prior to filing for a patent and such disclosure may bar the patent from issuing and/or render it invalid based on a lack of novelty.

While the laws of most countries follow the spirit of an absolute novelty system, the United States, Japan, China, Taiwan, Republic of Korea, Russia, Australia, and various countries in Europe provide various exceptions to the standard. Hence, these countries can be viewed as having a grace period, albeit generally limited, in at least one form or another. While the exceptions may vary from one country to the next, the United States carves out the most notable exception by providing a broad 1-year grace period between most activities and the filing of the patent application on the invention, if the invention has not been abandoned, suppressed, or concealed.

Unlike the United States, the rest of the aforementioned countries provide much more limited, conditional grace periods. Specifically, such countries impose restrictions on the particular types of activities that trigger a grace period. Moreover, such conditional grace periods are often less than 1 year. To this end, each country varies in the manner in which they define the effect of activities on patentability, and the exceptions that are permitted.

Another general framework that dictates patentability revolves around whether a country is a “first-to-invent” country, or a “first-to-file” country. By specifically defining the activities that affect patentability, a country may, in effect, grant a patent to an entity who first invents an invention (regardless of who files first), or an entity that first files a patent application (regardless of who invents first). Countries that employ the former strategy are referred to as “first-to-invent” countries, while countries that follow the latter are referred to as “first-to-file” countries.

For example, a “first-to-invent” country such as the United States may incorporate novelty restrictions such as the following to ensure that a patent be granted only to the true inventor of the invention.

“A person shall be entitled to a patent unless... before such person's invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it”¹

On the other hand, a “first-to-file” country such as Japan may incorporate novelty restrictions such as the following to ensure that a patent be granted only to an entity that first files for a patent on an invention.

“Where an invention claimed in a patent application is identical with an invention or device ... disclosed in the specification or drawings originally attached to the request of another application for a patent ... which was filed prior to the filing date of the patent application..., a patent shall not be granted for the invention”²

As discussed above, the “absolute novelty” and “first-to-invent/first-to-file” frameworks play a large role in determining whether an invention is patentable. While these are the most prominent frameworks, countries further differentiate themselves by the way they define the activities that bar patentability.

For example, prior art activities may be defined to include a public use, general public knowledge, a filing of a patent application, a publication, a granting of a patent, the inventing of an invention, the abandonment of an invention, etc. Still yet, prior art activities may be conducted by the inventor of an invention, or a third party. Moreover, the prior art activities may be conducted in or out of the country in which patent protection is sought. Thus, various factors may be involved in the application of a novelty requirement such as who is responsible for the activities, what activities take place, where such activities take place, whether any grace periods apply, etc.

Whether or not a particular activity bars an invention from receiving patent protection requires the examination of the patent laws of the country at hand and answering the relevant “who,” “what,” “where,” etc. questions outlined above. Only then can it be determined whether an activity bars an invention from being patented.

Comparison of Novelty Requirements of Various Countries Around the World

The following chart illustrates the novelty requirements of various countries, in the context of the issues set forth hereinabove. As shown, the majority of the countries of the world are substantially consistent in their respective novelty requirements. For example, all countries with the exception of the United States define their novelty requirements to afford a near-absolute novelty, first-to-file system with few, if any, exceptions. However, differences do exist that result in significant ramifications on patent procurement practices. Such differences will now be described in further detail, along with various strategic practices that take such disparity into consideration.

For brevity sake, such strategic practices are primarily set forth from the perspective of a United States entity interested in foreign filing by way of any desired means (i.e. a foreign patent application claiming priority from a United States patent application under the Paris Convention or similar agreement, a patent cooperation treaty (PCT) patent application designating a foreign country, a direct foreign patent application filing, etc.).

Chart – Comparison of Novelty Requirements of Various Countries Around the World

Country	Public Use	Publicly Known	Published /Patented	Abandonment Restrictions	First-to-Invent/First-to-File	Grace Periods
United States	Only in Country	Only in Country	Anywhere	Yes	First-to-Invent	Broad 1-Year Grace Period
Majority of European Countries	Anywhere	Anywhere	Anywhere	No	First-to-File	Varies
Japan	Anywhere	Anywhere	Anywhere	No	First-to-File	Limited Conditional 6-Month Grace Period
China	Only in Country	Only in Country	Anywhere	No	First-to-File	Limited Conditional 6-Month Grace Period
Taiwan	Anywhere	Anywhere	Anywhere	No	First-to-File	Limited Conditional 6-Month Grace Period
Singapore Republic	Anywhere Only in	Anywhere Only in	Anywhere Anywhere	No No	First-to-File First-to-File	None Limited

of Korea	Country	Country				Conditional 6-Month Grace Period
Russia	Anywhere	Anywhere	Anywhere	No	First-to-File	Conditional 6-Month Grace Period
Australia	Anywhere	Anywhere	Anywhere	No	First-to-File	Conditional 6/12-Month Grace Period

Issues Arising from Different Novelty Requirements and Strategic Recommendations

United States – Grace Period

The United States is notably the only country which provides a first-to-invent patent system with a broad 1-year grace period. Use of this grace period may have serious ramifications if patent protection is desired in foreign countries with a first-to-file patent system. In particular, patent protection may be barred in foreign countries if the activities of the patent applicant during such grace period violate the novelty requirements of such foreign countries.

If foreign protection is desired in foreign countries, an applicant should file a patent application prior to a disclosure of any sort. This minimizes the possibility of a bar under the novelty requirements of foreign countries where patent protection is to be sought.

If disclosure activity has occurred, foreign filing should not be immediately forgone under the assumption that foreign protection would be barred by such disclosure. In most foregoing countries, a patent may still be granted if the activity falls within a conditional grace period exception, constitutes mere public use/knowledge outside the country, is covered under a confidentiality agreement, or fails to meet the definition of a prior art activity according to the novelty requirements of a particular country.

Japan, China, Taiwan, Korea, Russia, Australia, Various European Countries – Conditional Grace Periods

Japan, China, Taiwan, Republic of Korea, Russia, Australia, and various countries in Europe provide at least a 6-month grace period to file a patent application after certain types of activities. To qualify for such grace period, the activities must be conducted in a particular context.

The situations that most commonly trigger the 6-month grace period involve circumstances where the otherwise-barring activities are 1) conducted in an experimental context or within a scientific body, 2) performed against the will of the applicant, or 3) presented in an exhibition of certain types. In most cases, the activities may include any type of disclosure (i.e. use, knowledge, publication, etc.).

For example, a United States entity that has distributed a publication describing an invention in a scientific exhibition, accidentally distributed literature on an invention, and/or informed others of the invention during the course of experimenting, should consider filing for a patent within six months from the date of such activities.

United States, China, Republic of Korea – Limited Public Use/Knowledge Novelty Requirements

As can be seen from the above chart, the United States, China, and Republic of Korea all bar patent protection based on public use or knowledge of an invention, only if such public use or knowledge occurs in the particular country. This specific novelty requirement has significant ramifications on a decision of a United States entity to foreign file in such countries.

If the activities prior to foreign filing only include public use or knowledge of the invention outside of China and/or the Republic of Korea (i.e. in the United States), such activities would not bar patentability in such countries.

For example, a United States entity may sell or offer to sell a product in the United States, give a presentation at a trade show in the United States, and/or disclose an invention to a potential investor; while possibly being eligible for patent protection in countries that require such activities to occur inside the country in order to act as a bar to patentability.

United States vs. Other Countries – Confidentiality Agreements

In most countries, a confidential disclosure does not constitute an activity that bars patentability. Confidential disclosures refer to any disclosure made with an understanding or expectation of confidentiality, or under a written or express agreement of confidentiality and non-disclosure.³

The United States differs from other countries in that a disclosure for the purpose of selling the invention, especially for the purpose of gaining a marketing advantage, is considered a bar, even when made under an agreement of confidentiality.

Thus, for a United States entity considering foreign filing, a confidential disclosure should not be the cause for abandoning a foreign patent filing strategy.

United States, China, Republic of Korea – Patenting the Same Invention in Different Countries by Different Parties

In the previous sections, the focus has been primarily on the manner in which novelty requirements around the world affect the ability to attain patent protection in particular countries. There are, however, defensive issues that arise as a result of the various novelty requirements around the world. As mentioned earlier, China and the Republic of Korea bar patent protection only if a public use or knowledge of an invention occurs in that particular country. Further, such countries are first-to-file countries.

While these requirements certainly have ramifications on the ability to obtain patent protection in the foregoing countries, the interplay of such novelty requirements may also have an effect on the freedom of a United States entity to operate in the global marketplace. For example, it is theoretically possible for a United States entity to invent, make, and use an invention, and even file for a United States patent, after which a Chinese entity files for and is awarded a patent on the same invention, thus precluding the United States entity from practicing the invention in China. Consider the following excerpt from Chinese patent law:

”Novelty“ means that, before the date of filing, no identical invention or utility model has been publicly disclosed in publications in the country or abroad or has been publicly used or made known to the public by any other means in the country, nor has any other person filed previously with the patent office an application which described the identical invention or utility model and was published after the said date of filing.⁴

Chinese law bars patent protection based on public use or knowledge only if such public activity occurs in China. Further, only a previously filed Chinese patent application on the same invention can be used as prior art. This allows a Chinese entity to theoretically file for patent protection in China based on findings in the United States, unless precautionary measures are taken.

In view of the foregoing, a United States entity may wish to publish their technology to prevent others from receiving patents in China and other countries with similar patent laws. One strategy may include filing a United States patent application as soon as possible after technology is developed, and publishing an article immediately after filing the United States patent application. This would preclude entities in China from receiving Chinese patents after the publication date, and further allow the United States entity to pursue a foreign patent on the technology by filing a patent application in China or another relevant foreign country within one year of the filing date of the United States application under the Paris Convention.

While one option may include allowing the publication of the United States application, the publishing of an article is preferred since the United States application

would not publish until 18 months after the United States filing date, thus giving others more time to file in China. Further, a published patent application reveals the patent strategy (i.e. claims) of the United States entity, while an article does not.

One downside to religiously publishing an article in the foregoing manner is that the technology of the United States entity will be exposed without any recourse until the United States patent application publishes or issues as a patent. Despite this downside, many large United States companies employ this strategy. Further, there are many organizations such as www.IP.com⁵ and other more obscure publishers that would effect the publication with minimal press and/or exposure.

It should be noted that United States patent applications filed in China with or without the PCT would have an effect similar to the publication of an article. As such, the United States entity may wish to forego the publication of any article with technology for which the United States entity knows they are 1) eligible for Chinese patent protection and 2) plans to file in China. This would have to be decided immediately upon filing the corresponding United States application, so that the article could be published as the alternate strategy.

Conclusion

Thus, any United States entity interested in foreign patent filing should not automatically abandon a foreign patent strategy in view of disclosure activities without performing some fact finding and subsequent analysis. By simply determining the nature of the disclosure activity and identifying the foreign countries of interest and the respective patent laws, the United States entity may make an informed decision as to whether patent protection may be pursued in a foreign country. Further, active defensive measures may also be considered if the United States entity wishes to maintain its freedom of action in countries such as China and the Republic of Korea.

¹ 35 USC 102(g)

² Law No. 121 of April 13, 1959 as amended by Law No. 220 of December 22, 1999, Chapter II, 29bis

³ “Disclosure,” Bohan, Mathers & Associates, Portland & Bangor
<http://www.bohanlaw.com/patdisc.html>

⁴ Patent Law of the People’s Republic of China, Chapter 2: Requirements for Grant of Patent Right, Article 22

⁵ www.ip.com