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(PARIS UNION)

ASSEMBLY

Twenty-Second Session (11th Extraordinary)
Geneva, September 26 to October 4, 1994

CONTINUATION OF THE DIPLOMATIC CONFERENCE
FOR THE CONCLUSION OF A TREATY
SUPPLEMENTING THE PARIS CONVENTION AS FAR AS PATENTS ARE CONCERNED

Memorandum of the Director General

2375k

1. In April 1991, the Assembly of the Paris Union decided that the Diplomatic Conference for the Conclusion of a Treaty Supplementing the Paris Convention as Far as Patents are Concerned (hereinafter referred to as "the Diplomatic Conference" and "the PLT," respectively) would be held in two parts (see document P/A/XVII/2, paragraph 26).

2. The first part of the Diplomatic Conference took place, as decided, at The Hague in June 1991.

3. In September 1992, the Assembly of the Paris Union decided that the second part of the Diplomatic Conference would be held in Geneva from July 12 to 30, 1993 (see document P/A/XIX/4, paragraph 5).

4. In April 1993, following the receipt of a written request from the Government of the United States of America, the Assembly of the Paris Union was convened in extraordinary session by the Director General. At that session, the Delegation of the United States of America explained that it would not be in a position to go forward with the second part of the Diplomatic Conference that had been scheduled for July 1993, as a result of a decision that had been taken by the new Administration in the United States to make a thorough review of the PLT, particularly with respect to the issue of first-to-file, and as a result of the fact that the President of the United States of America had not then named a person to serve as Commissioner of Patents and Trademarks (see document P/A/XX/1, paragraph 10).

5. At the April 1993 session, the Assembly of the Paris Union

(i) decided that the second part of the Diplomatic Conference, scheduled for July 1993, would be postponed;

(ii) decided that the agenda of the twenty-first session of the Paris Union Assembly (September 20 to 29, 1993) would contain an item concerning the continuation of the Diplomatic Conference;

(iii) expressed in particular to the United States of America its strong expectation and wish that the second part of the Diplomatic Conference should take place as early as possible in 1994 (see document P/A/XX/1, paragraph 38).

6. In September 1993, the Assembly of the Paris Union adopted the following decision:

> "The Assembly of the Paris Union decided not to fix, at its present session, a date for the continuation of the Diplomatic Conference for the Conclusion of a Treaty Supplementing the Paris Convention as far as Patents Are Concerned. At the same time, it asked the Director General to convene an extraordinary session of the Assembly of the Paris Union when he believes that the time is ripe for considering the fixing of the date of the continuation of the Diplomatic Conference." (See document P/A/XXI/2, paragraph 24.)

7. On January 24, 1994, the International Bureau was informed, through a press release (copy attached as Annex I to this document) of the Department of Commerce of the United States of America, "that the United States would not seek to resume negotiations of a treaty harmonizing the world's patent laws at this time. While other international negotiations continue, we will maintain our first-to-invent system while keeping open the option of full patent harmonization in the future."

8. The Director General has not convened an extraordinary session of the Assembly before September 1994 because it seemed to him that, in the light of the said press release, the time was not "ripe for considering the fixing of the date of the continuation of the Diplomatic Conference" (see paragraph 6, above) in such a session. He believed that it was necessary that the member States have time, until September 1994, when a number of the Governing Bodies of WIPO and of the Unions administered by WIPO, including the Assembly of the Paris Union, would meet, to reflect on the question of the continuation of the Diplomatic Conference.

9. In the Director General's opinion, sufficient time will have elapsed by September 1994 for the member States to be in a position to consider, and for the Assembly of the Paris Union to take decisions as to, the continuation of the Diplomatic Conference.

10. It is believed that the Assembly should decide, in order not to lose the momentum for patent harmonization at the world level, to reconvene the Diplomatic Conference as soon as practically possible, for example, from May 1 to 19, 1995. At the same time, and in order to enhance the prospects of agreement at the Diplomatic Conference, the Assembly should decide that, subject to a formal confirmation by the Diplomatic Conference itself, the scope of the PLT as it should be considered by the Diplomatic Conference--that is, the scope of the "Basic Proposal"--should be reduced.

11. It is recalled that, in September 1992, the Assembly of the Paris Union already agreed that, subject to a final decision by the Diplomatic Conference itself, certain provisions should be removed from the Basic Proposal. The provisions so removed were Article 10 (Fields of Technology), Article 19 (Rights Conferred by the Patent), Article 22(1) (Term of Patents: Minimum Duration of Protection), Article 24 (Reversal of Burden of Proof), Article 25 (Obligations of the Right Holder) and Article 26 (Remedial Measures Under National Legislation) (see documents P/A/XIX/3, paragraphs 7 and 8, and P/A/XIX/4, paragraph 18).

12. A similar approach could be followed in the present case. A number of other provisions, including in particular the provision mandating the elimination of the first-to-invent system (Article 9(2)), could also be removed from the Basic Proposal. In other words, patent harmonization as resulting from the adoption of the PLT would not be "full" and could thus allow the United States of America to participate in the PLT consistently with the position expressed in the above-mentioned press release.

13. As to the actual reduction of the scope of the PLT, the following three alternatives could be considered (but the Assembly may wish to consider other possibilities).

14. Under Alternative A, in addition to the provisions referred to in paragraph 11, above, what seem to be the most controversial provisions of the draft PLT, and only those provisions, would be eliminated or replaced by texts providing for another approach than that followed in the existing Basic Proposal, namely:

(i) Article 9(2) (Right to a Patent: Right Where Several Inventors Independently Made the Same Invention), which provides for the mandatory adoption of the first-to-file principle, would be replaced by a provision allowing any State which, at a certain point in time (for example, at the time of the adoption of the Treaty), follows the first-to-invent principle to

continue to do so, provided that nationals and foreigners are the subject of equal treatment in the application of that principle both de jure and de facto (that is, evidence of invention may be adduced even where the invention was made abroad), and provided that the so-called Hilmer doctrine, as existing in one of the States which follow the first-to-invent principle, is no longer applied, as required by paragraph (1)(b) of Article 13 (Prior Art Effect of Certain Applications),

(ii) Article 12 (Disclosures Not Affecting Patentability (Grace Period)) would be removed,

(iii) Article 16 (Time Limits for Search and Substantive Examination) would be removed,

(iv) Article 20 (Prior Use) would be removed; it is recalled that, in September 1992, the Assembly of the Paris Union "noted the need for delegations to be prepared to consider the possible removal of Article 20 in conjunction with the removal (already decided) of Article 19" (Rights Conferred by the Patent) (see document P/A/XIX/4, paragraph 18).

15. Alternative B would be the same as Alternative A, except that, in addition, the following provisions would be removed from the Basic Proposal:

- Article 11 (Conditions of Patentability)
- Article 13 (Prior Art Effect of Certain Applications), it being understood, however, that the Hilmer doctrine could no longer be applied, as suggested in Alternative A,
- Article 14 (Amendment or Correction of Application)
- Article 17 (Changes in Patents)
- Article 18 (Administrative Revocation)
- Article 23 (Enforcement of Rights).

In other words, the substantive provisions of the PLT would, under Alternative B and subject to what is said in connection with Alternative A with respect to Article 9(2) and to what is said above with respect to Article 13, be limited to the provisions listed in paragraph 16, below, and to Articles 15 (Publication of Application), 21 (Extent of Protection and Interpretation of Claims) and 22(2) (Term of Patents: Starting Date of Term).

16. Under Alternative C, the substantive provisions of the PLT would be limited to Articles 2 (Definitions), 3 (Disclosure and Description), 4 (Claims), 5 (Unity of Invention), 6 (Identification and Mention of Inventor; Declaration Concerning the Entitlement of the Applicant), 7 (Belated Claiming of Priority), 8 (Filing Date) and 9(1) (Right to a Patent: Right of Inventor).

17. Annex II to this document shows, in a graphic way, the contents of the Basic Proposal under each of the alternatives outlined in paragraphs 14 to 16, above: wherever the number of the article concerned appears in the column corresponding to an alternative, the article concerned would be maintained under that alternative, whereas, wherever the number of the article concerned is replaced by the sign "--" in the column corresponding to an alternative, the article concerned would be removed from the Basic Proposal under that alternative.

18. It should be kept in mind that any provision eliminated under the preceding paragraphs would not necessarily be dropped forever from the patent harmonization process since any of them could, at a later stage, become the subject of a Protocol under Article 32 of the Basic Proposal.

19. The Assembly of the Paris Union is invited to consider the alternatives outlined in paragraphs 14 to 16, above, and to take a decision on the second part of the Diplomatic Conference.

[Annex I follows]

COMMERCE NEWS

WASHINGTON, D.C. 20230

PATENT AN
TRADEMAR
OFFICE

PAT 94-3

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US SAYS "NOT NOW" TO RESUMPTION OF PATENT HARMONIZATION TALKS

US Commerce Secretary Ronald H. Brown announced today that the United States would not seek to resume negotiations of a treaty harmonizing the world's patent laws at this time. "While other international negotiations continue, we will maintain our first-to-invent system while keeping open the option of full patent harmonization in the future," said Secretary Brown.

At the heart of the patent harmonization talks was whether the United States would change its first-to-invent system to a first-to-file system, a patent system most nations use now. The first-to-invent system awards the patent to the inventor who can prove the earliest date of invention; the first-to-file system awards the patent to the inventor who files a patent applicant first.

Brown noted that "the first-to-invent system has served us well in the past, and while the United States may move to first-to-file sometime in the future, I am not convinced that enough small inventors and entrepreneurs would benefit if we made a switch at this time."

The patent harmonization talks began almost a decade ago and were near completion in 1991 when the United States indicated it had problems with switching to first-to-file. The United States Patent and Trademark Office held hearings on the matter in October of 1993 and recommended to Secretary Brown that a switch not be pursued at this time.

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[Annex II follows]

ANNEX II

SUGGESTIONS FOR A POSSIBLE REDUCTION OF THE SCOPE OF THE BASIC PROPOSAL

		Alternative A	Alternative B	Alternative C
Art. 1	Establishment of a Union	1	1	1
Art. 2	Definitions	2	2	2
Art. 3	Disclosure and Description	3	3	3
Art. 4	Claims	4	4	4
Art. 5	Unity of Invention	5	5	5
Art. 6	Identification and Mention of Inventor; Declaration Concerning the Entitlement of the Applicant	6	6	6
Art. 7	Belated Claiming of Priority	7	7	7
Art. 8	Filing Date	8	8	8
Art. 9(1)	Right to a Patent: Right of Inventor	9(1)	9(1)	9(1)
Art. 9(2)	Right to a Patent: Right Where Several Inventors Made the Same Invention	--*	--*	--*
Art. 10	Fields of Technology	--**	--**	--**
Art. 11	Conditions of Patentability	11	--	--
Art. 12	Disclosures Not Affecting Patentability (Grace Period)	--	--	--
Art. 13	Prior Art Effect of Certain Applications	13***	--***	--***
Art. 14	Amendment or Correction of Application	14	--	--
Art. 15	Publication of Application	15	15	--
Art. 16	Time Limits for Search and Substantive Examination	--	--	--
Art. 17	Changes in Patents	17	--	--
Art. 18	Administrative Revocation	18	--	--
Art. 19	Rights Conferred by the Patent	--**	--**	--**
Art. 20	Prior Use	--****	--****	--****
Art. 21	Extent of Protection and Interpretation of Claims	21	21	--
Art. 22(1)	Term of Patent: Minimum Duration of Protection	--**	--**	--**
Art. 22(2)	Term of Patent: Starting Date of Term	22(2)	22(2)	--
Art. 23	Enforcement of Rights	23	--	--
Art. 24	Reversal of Burden of Proof	--**	--**	--**
Art. 25	Obligations of the Right Holder	--**	--**	--**
Art. 26	Remedial Measures Under National Legislation	--**	--**	--**

[Continued]

* See, however, paragraph 14(i) of this document.
** See paragraph 11 of this document.
*** See, however, paragraphs 14(i) and 15 of this document.
**** See paragraph 14(iv) of this document.

		Alternative A	Alternative B	Alternative C
Art. 27	Assembly	27	27	27
Art. 28	International Bureau	28	28	28
Art. 29	Regulations	29	29	29
Art. 30	Settlement of Disputes	30	30	30
Art. 31	Revision of the Treaty	31	31	31
Art. 32	Protocols	32	32	32
Art. 33	Becoming Party to the Treaty	33	33	33
Art. 34	Effective Date of Ratifications and Accessions . .	34	34	34
Art. 35	Reservations	35	35	35
Art. 36	Special Notifications	36	36	36
Art. 37	Denunciation of the Treaty	37	37	37
Art. 38	Languages of the Treaty; Signature	38	38	38
Art. 39	Depositary	39	39	39

[End of Annex II and of document]