

Birth of a new tactic attacking a patent's priority date

Jonathan Radcliffe of Nabarro assesses the implications of the judgment

THE CASE

- *Edwards Lifesciences AG v Cook Biotech Inc*
- England & Wales Patents Court
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In the recent case of *Edwards Lifesciences AG v. Cook Biotech Inc* the English Patents Court has handed down a unique and important decision that determines the priority date that should be given to a patent.¹ This resulted in a loss of priority, and the introduction of new prior art that invalidated the patent in question. It is the first time that such an attack has been mounted in the United Kingdom.

Background

This issue arose in the context of litigation between Edwards Lifesciences and Cook Biotech on the revocation of a patent for Cook's artificial heart valve. The disputed claim to priority was a matter of importance because, if priority was lost, a particularly significant scientific paper published between the original US priority application and the later PCT international application became relevant prior art.

The original US application was filed in the names of three individuals, all as joint inventors. Only one of these was an employee of Cook at the time the invention was made. The others were not.

The later PCT application was filed in the name of Cook, but when filed the only interest Cook had in the invention was as the employer of one of the three co-inventors. Crucially, the other two inventors subsequently assigned their rights to Cook nearly two years later; this was after the application entered the European regional phase but before grant of the litigated patent.

The decision

This kind of priority dispute is unique in patent litigation in the United Kingdom. It depends upon the correct interpretation of Article 4 of the Stockholm revision of the Paris Convention (see box). This specifies that a person is to enjoy a right of priority if he has filed a relevant application for a patent or if he is the successor in title to such a person (i.e. in the context of a patent this must mean successor in title to the invention).

The relevant United Kingdom law on entitlement to priority is set out in section 5 of the Patents Act 1977 (see box). This is one of those sections expressly stated by the Act to have been framed as to have, as

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nearly as practicable, the same effect as the corresponding provisions of the European Patent Convention (Article 87) and the Patent Co-operation Treaty (Article 8). The latter refers back to Article 4 of the Paris Convention.

Cook argued that its claim to priority was a good one because (i) it had acquired all rights in the invention before the relevant patent was granted, and (ii) it had in any event always owned a third of the rights through its employee as one of the co-inventors.

Edwards argued that this was incorrect because the right of priority may only be enjoyed by the person who filed the priority application or his successor in title as at the date the right to priority is claimed. Because on the relevant date that was Cook jointly with the two individuals and not Cook alone, Cook was not entitled to the whole right to priority.

The Patents Court held that the effect of Article 4 was clear.

- A person who files a patent application for an invention can claim priority only if he himself filed the earlier application from which priority is claimed, or if he is the successor in title to the person who filed that earlier application. If he is neither of these then he cannot claim priority.
- Moreover, his position is not improved if he subsequently acquires title to the invention. It remains the case that he was not entitled to the right to priority when he filed the later application. Any other interpretation would introduce uncertainty and the risk of unfairness to third parties.⁹
- The alternative argument run by Cook was that it had always owned its employee's interest in the invention, and that was sufficient in itself to be entitled to priority. However, the court held that the US patent application

had been filed by the three individuals as joint inventors. It had not been filed by the employee alone and therefore he was not “a person” who had “duly filed an application for a patent” within the meaning of Article 4A(1).⁹

The Patents Court therefore held that the subsequent acquisition by Cook of all the rights in the invention did not allow Cook to claim the earlier priority from the US application, but instead Cook was only entitled to the later priority date. This meant that the important scientific paper became materially relevant prior art for the purposes of validity, and indeed as a direct result of the priority date being pushed back the Patents Court held all claims of Cook's patent to be obvious over this scientific paper and another piece of prior art.

Comment

This judgment is potentially highly significant where there are any doubts about the priority date that should be given to a patent. This can be of critical importance because it will determine the relevant prior art that can be deployed against the patent, with potentially dramatic results. It may well have severe consequences for a number of granted patents as it has been a common practice for the patentee to get in the relevant rights after filing, rather than beforehand.

“This case is more than just a new tactic for litigants. The implications of this judgment affect considerations of ownership, filing practice, and commercial exploitation.”

This decision gives litigants a new weapon to attack patents. In fields where there is rapid technical change and extensive filings and publications – life sciences and high-technology in particular – a shift of a year or so could prove fatal to the validity of a patent. Litigants are now likely to give great attention to patents that may be susceptible to priority attacks, as this can radically broaden the available prior art to the detriment of the patent in question. And because this priority issue is binary, the Patents Court will as a result readily strike down a claim to an earlier priority date if there is no clear entitlement to it.

But this case is more than just a new tactic for litigants. The implications of this

Section 5 of the Patents Act 1977

5(1) For the purpose of this Act the priority date of an invention to which an application for a patent relates and also of any matter (whether or not the same as the invention) contained in any such application is, except as provided by the following provisions of this Act, the date of filing the application.

(2) If in or in connection with an application for a patent (the application in suit) a declaration is made, whether by the applicant or in any predecessor in title of his, complying with the relevant requirements of rules and specifying one or more earlier relevant applications for the purposes of this section made by the applicant or a predecessor in title of his and each having a date of filing during the period of twelve months immediately preceding the date of filing the application in suit, then-

(a) if an invention to which the application in suit relates is supported by matter disclosed in the earlier relevant application or applications, the priority date of that invention shall instead of being the date of filing of the application in suit be the date of filing the relevant application in which that matter was disclosed or, if it was disclosed in more than one relevant application, the earliest of them;

(b) the priority date of any matter contained in the application in suit which was also disclosed in the earlier relevant application or applications shall be the date of filing the relevant application in which that matter was disclosed or, if it was disclosed in more than one relevant application, the earliest of them.

judgment affect considerations of ownership, filing practice, and commercial exploitation.

The lessons for applicants for patents are clear. Priority claims must be carefully considered. Having a connection with the priority application is insufficient. What is needed is a common applicant or an

explicit chain of title, which must be properly dealt with before the priority claim is made. Dealing with these matters after filing but before grant is now clearly unsafe. Ownership and all the relevant interests of any co-inventors must have been properly assigned before filing –

had Cook done so here then it would have been able to retain the earlier priority date with impunity.

Extra attention will now need also to be given to potential priority issues in corporate and licensing transactions. This may well have considerable consequences on indemnities, warranties, and on valuations. Most investors or acquirers will be reluctant to proceed where the transaction turns on a particular patent or family with suspect priority, or at least not without a substantial reduction in price. And where loans have been secured on such patents the lender may now find that the value of the security is considerably reduced. 

Article 4 of the Paris Convention (Stockholm revision)

A (1) Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in other countries, a right of priority during the periods hereinafter fixed.

(2) Any filing that is equivalent to a regular national filing under the domestic legislation of any country of the Union or under bilateral or multilateral treaties concluded between countries of the Union shall be recognized as giving rise to the right of priority.

(3) By a regular national filing is meant any filing that is adequate to establish the date on which the application was filed in the country concerned, whatever may be the subsequent fate of the application.

D (1) Any person desiring to take advantage of the priority of a previous filing shall be required to make a declaration indicating the date of such filing and country in which it was made. Each country shall determine the latest date on which such declaration must be made.

(2) These particulars shall be mentioned in the publications issued by the competent authority, and in particular in the patents and the specifications relating thereto.

Notes

1. Edwards Lifesciences AG v. Cook Biotech Inc [2009] EWHC 1304 (Pat) 12 June; the priority attack was argued by Piers Acland, the junior barrister for Edwards.
2. It should be noted that the EPO Board of Appeal has adopted the same approach to the interpretation of Article 87 EPC in two cases: J 0019/87 and T 0062/05.
3. The Patents Court's approach on Cook's alternative argument (employee-based ownership of an interest) is consistent with the EPO Board of Appeal in case T 0788/05.