



## THE NEW YORK PATENT, TRADEMARK AND COPYRIGHT LAW ASSOCIATION

# NYPTC BULLETIN

Volume 30

January/February 1990

Number 3

## PRESIDENT'S CORNER

### ON JUDGES

One side or the other is likely to lose when a judge renders a decision, a fact likely to color our opinion of the judge. Even in those circumstances, and given the limited view of a judge's work which one or several cases offer, the federal judiciary is held in high regard by our profession.

One of the most interesting aspects of being President of our Association is the opportunity to meet with Judges and magistrates outside of litigation. For example, my wife Patty and I attended the Second Circuit Judicial Conference and the SDNY Bicentennial celebrations, both of which provided numerous opportunities to talk with Judges.

In considering the work of judges, I am impressed most by the facts that patent, trademark and copyright lawyers bring the federal courts some of the most legally and factually challenging cases they hear, and that—as a whole—the judges handle these matters quite well.

Our courts are required to address many issues that were impractical for Congress to resolve. For example, in the Second Circuit, questions of fair use of copyright material are being resolved in a series of insightful decisions. The Federal Circuit is moving toward elimination of conflicting precedents in patent law.

We should recognize that our country has an unusual system for resolution of patent disputes. That system, I note, is one that many members of our Association have long favored. For the most part, we rely upon non-technically trained, generalists to decide technical, specialized issues. Al-

though the Court of Appeals for the Federal Circuit has some technically trained staff and a few technically trained judges, its powers are limited. It cannot reverse a district court decision simply because it would have decided the case differently.

Recently, a district judge asked me why the United States did not have a specialized trial court of technically qualified judges. I explained some of the fears regarding such a court, namely that it would become too narrowly focused and its practice too arcane. That it would not attract the best legal talent as judges. That it might be centrally located in some other city. That some lawyers prefer to try cases in a forum where their performance might carry some weight than in a specialized patent court. I also noted that we get pretty good results with the present system.

Many judges I have met this year expressed appreciation for the opportunity to meet with our members when they have been invited to participate in our meetings and at our Annual Dinner in Honor of the Federal Judiciary. They have also extended thanks for our support in the fight for decent judicial salaries.

Please take the opportunity to meet some of our federal judges at our dinner in their honor. Many prefer to spend their time before dinner at the Association's general reception. They all will be wearing name tags. Introduce yourself as a member of our Association. Thank them for their work and for being among our honored guests on this the bicentennial of the Bill of Rights, of the federal judiciary, and of the copyright and patent systems.

John B. Pegram, President

## CALENDAR OF EVENTS

February 15, 1990	NYPTC: Forum on the Trademark Law Revision Act, 280 Park Avenue, NYC
March 15, 1990	NYPTC: Luncheon Meeting (Tentative)
March 30, 1990	NYPTC: Annual Dinner in Honor of the Federal Judiciary; Hon. L. Oakes, Chief Judge, U.S. Court of Appeals for the Second Circuit, speaker (NYC)
April 4-5, 1990	NYPTC: Luncheon Meeting (Tentative)
April 25-28, 1990	USTA: Annual Meeting (Nashville, Tennessee)
May 1, 1990	Joint Seminar Program-Patent Practice Update (Penta Hotel, NYC)
May 6, 1990	NYPTC: Annual Meeting (Tentative)
May 8-11, 1990	Celebration of the Bicentennial of the Patent and Copyright Law (Washington, D.C.)

# INTERVIEW WITH HON. JEFFREY M. SAMUELS ASSISTANT COMMISSIONER FOR TRADEMARKS

*By James N. Palik*

On January 17, 1990 I visited Hon. Jeffrey M. Samuels, the Assistant Commissioner for Trademarks in his office. We talked about the PTO's experience in handling intent-to-use (ITU) trademark applications under the provisions of the Trademark Law Revision Act that became effective November 16, 1989. Mr. Samuels has participated in the NYPTC's CLE program on the subject at Lake Mohonk last fall and is scheduled to speak at the Association's Forum on the Trademark Law Revision Act to be held February 15, 1990 in New York City.

## SURGE OF INTENT TO USE APPLICATIONS

Mr. Samuels said that the PTO received 3,317 trademark applications on November 16, the first day the act was in effect. Approximately 2,200 of those applications were based on intent-to-use. An initial surge of filings was expected, but the volume of applications has continued far above what was expected. The PTO had anticipated that the number of applications would increase about 25% - from approximately 83,000 that were filed in the previous year to about 100,000 or so in the first year of ITU. Instead, applications since November 16 are being filed at the rate of 130,000 per year - more than a 55% increase. ITU applications account for approximately 40% of the total, so that non-ITU filings are still coming in at a rate of nearly 80,000 per year and have not yet dropped significantly in favor of ITU filings.

"Things have gone relatively smoothly, from my perspective," Samuels said. From the time the Trademark Law

Revision Act was passed to the time it went into effect was a very busy one for Trademark Operations and the PTO's support staff and programs. New Regulations had to be drafted and approved, computer programs had to be written or revised, the Examining Attorneys had to learn about the changes and how they were to be applied, and the number of Examining Attorneys had to be increased.

The data processing support programs required a major effort. About 900 programs had to be written or modified. The trademark programming alone took twelve person-years and the same amount of time was needed for automation programs. The programs have performed as required, and the operation is now working on the next stage - involving photo-composition.

## INCREASED STAFF

Mr. Samuels reported that "Before the law was changed, we had about 120 Examining Attorneys dealing with application files. Now we have 132." The number could be increased to about 155 within the framework that now exists. "We plan to staff up to continue our program of examining all new applications within three months of filing." He indicated that the non-ITU applications would continue to be targeted for disposition within thirteen months, but that the pendency of ITU applications could vary greatly due to factors that were out of the PTO's hands - extensions of time to submit declarations of use, for example.

The change in practice was received positively by the Examining Attorneys and support staff. "They were very excited by and large, and looking forward to it. The added challenge and variety" was welcomed, Samuels said.

With the increased volume of work, including the prospect of more oppositions, clerical and support staff will have to be added, and it is anticipated that an additional Trademark Trial and Appeal Board member will be appointed. Not all staff increases are due to ITU, however. Petitions to the Commissioner have been increasing over the years, but last year their number doubled over the year before.

With the practice of examining applications within three months of filing, we correctly expected that some ITU cases were already in the stream of examined

cases. Mr. Samuels said that three such cases had already been approved for publication.

## COMMON ERRORS

Mr. Samuels cautioned that, as with all new filing requirements, there is an opportunity for error or confusion. An ITU application must state that the applicant has a "bona fide intention to use" the mark "in commerce or in connection with the goods or services." Many applications contain that allegation within the four corners of the document, but not in the same place. The PTO personnel charged with assigning filing dates often need to take additional time



to determine whether an application satisfies the formal requirements for receiving a filing date. Mr. Samuels urges applicants to put the statement "the applicant has a bona fide intention to use the trademark [service mark] in commerce on or in connection with the goods [of services]" all together in one place in the application.

The failure to include the complete allegation is the most common reason for declaring that an application is informal and not entitled to receive a filing date. In one week last December, 110 applications were returned as informal and 55 of those were ITU applications without proper allegations of bona fide intention to use the mark in commerce.

Surprisingly, the next most common reason for informality was the failure to include a drawing. Such an omission

would have the same result in both ITU and non-ITU applications. Another common reason for informality was the use of an improper drawing. It should also be noted that the previously lenient practice has been on amending statements of goods and services has been discontinued. Amendments may now be used only to clarify or limit the goods actually stated in the application. A mistake such as specifying "menus" instead of "restaurant services" can no longer be corrected. [Persons filing trademark applications are urged to review the revised Trademark Rules of Practice. 37 C.F.R. Section 1.1-1.26 & 2.1 et seq.].

Mr. Samuels seems prepared to face the developments in practice brought on by ITU with great flexibility, as permitted by the act so as to benefit the trademark registration system and its users. He fully expects that new procedures, such as amendments to allege use, declarations of use, divisional applications and extensions of time, which may not start to come in until near the end of this year, will give rise to new problems. He expected that clarifications and amendments of the rules of practice and PTO procedures may be necessary and useful and he will keep them under close scrutiny.

From what was observed in the operation of his office and those with whom he works throughout the PTO, it is apparent that Mr. Samuels has guided the Trademark Operation very skillfully into the ITU era, with the help of a most able and cooperative staff.

**MARK  
YOUR CALENDAR-**

**MOHONK CLE  
WEEKEND**

**NOV. 9-11, 1990**

## **SPECIAL COMMITTEE ON HARMONIZATION**

### **REPORT ON THE SEVENTH SESSION OF COMMITTEE OF EXPERTS ON THE HARMONIZATION OF CERTAIN PROVISIONS IN LAWS FOR THE PROTECTION OF INVENTIONS**

**Geneva, November 13 to 24, 1989**

#### **INTRODUCTION**

The Committee of experts met in Geneva on November 13-24, 1989 to discuss the proposed WIPO patent harmonization treaty draft of July 31, 1989 as well as several proposals for changes to various articles of the draft that had been submitted by various delegations. The New York Patent, Trademark & Copyright Law Association (NYPTC) was represented at these discussions by William J. Brunet (Chairman, Special Committee on Harmonization), Michael N. Meller (Committee member) and Samson Helfgott (Committee member). Prior to the Session, John Pegram, President of NYPTC sent a copy of the resolutions adopted by the Association's Board of Directors to the Director-General of WIPO. In addition, during the discussions, the representatives of the NYPTC gave oral presentations of the positions expressed in these resolutions and explained the reasons behind their adoption.

#### **SUMMARY**

While many different views were expressed by the several delegations at the Session, it appears that most of them involved concerns over wording rather than basic disagreements in principle. The major concerns which remain are the following:

1. Whether the U.S. will accept first-to-file, prior art effect of applications as of their priority date and 18 month publication of applications; and

2. Whether other countries will undertake to provide patent protection in all technical fields, prompt examination and grant of patents and broad interpretation and effective enforcement of patents.

Based on the submissions and discussions at the Seventh Session, the International Bureau of WIPO will prepare a new revised Treaty draft which will be discussed at an Eighth Session in Geneva on June 12-23, 1990. If those discussions result in a resolution or at least a definition of the remaining issues, the draft Treaty will be submitted to a Diplomatic Conference in 1991.

#### **ARTICLE BY ARTICLE SUMMARY OF DISCUSSIONS**

##### **ARTICLE 101 - FILING DATE**

###### **Summary of Article**

This Article provides that an applicant will be granted a filing date upon filing a paper containing: (i) an express or implied request for a patent; (ii) the identity of the applicant; and (iii) a description of the invention, provided the paper is in a language allowed by national law. The Article also provides that countries now requiring claims, drawings or fees for a filing date may retain those requirements. In addition, an applicant may incorporate by reference the description in another application previously filed by the applicant in another Contracting State.

###### **Summary of Discussions**

Most countries supported the general principles of this Article. However, some countries were concerned that there would be a problem in allowing applications to be filed in different languages and the effect of errors in translation.

The NYPTC and other U.S. non-governmental delegations supported the U.S. position that an application should be granted a filing date if it is in the language of any Contracting State or if it merely refers to an application previously filed in another Contracting State.

WIPO will redraft Article 101 and associated Rule 101 to allow countries to require translations within two months to maintain an application and to deal with

invitations to fulfill requirements and the problem of bona fide errors in translation.

## ARTICLE 102 - NAMING OF INVENTOR

### Summary of Article

This Article requires the inventor(s) to be named in a patent application. Associated Rule 102 requires the name and address of each coinventor to be given, although inventors would have the right to have their names deleted. Also, industrial property offices could require the applicant to indicate the legal grounds of his entitlement to file the application.

### Summary of Discussions

The Article was supported by most countries; although there were some differences as to how mistakes in naming the inventors should be handled.

WIPO will redraft this Article to provide that the application must name the inventor or be rejected or withdrawn; and to provide that any errors in naming the inventor would be dealt with according to national law.

## ARTICLE 103 - DESCRIPTION

### Summary of Article

This Article requires the description of an invention in a patent application to be sufficiently clear and complete for the invention to be carried out by a person skilled in the art. Applicants would have the right to amend the description within the original disclosure. Associated Rule 103 requires the description to set forth the title, the technical field of the invention, the background art, the technical problem and its solution, the drawing figures, at least one mode (best mode requirement being left to national law), and the way in which the invention is capable of industrial application or other use.

### Summary of Discussions

Most countries agreed in principle with Article 103 and Rule 103. However, the German delegation pointed out that

there should be alternate ways to disclose such things as microorganisms and computer programs. Also, it was generally agreed that the claims and drawings could be used as a basis for the description. The U.S. and Canada proposed that the best mode requirement be mandatory, but most other countries rejected the proposal.

The NYPTC and other U.S. non-governmental delegations stated that countries should at least be allowed to retain a "best mode" requirement in their patent laws because this avoids concealment. An inventor should be able to choose between trade secret protection and patent protection but should not be able to maintain both.

In addition, the NYPTC objected to Rule 103(1)(iii), which requires disclosure of a technical problem and solution, because it may later be realized that the same invention will solve a different problem than that which the inventor originally faced.

WIPO proposed that the requirement for disclosure of best mode be left to national law; but if best mode is required, it be the best mode known to the actual inventor at the priority date. WIPO will explore the possibility of a new draft setting forth how the description would disclose the invention, in view of the problems raised by Germany and other delegations.

## ARTICLE 104 - CLAIMS

### Summary of Article

This Article requires that the application contain one or more claims that are "clear and concise", that are supported by the description and that are presented in a prescribed manner. Also, if the original claims do not meet these requirements the applicant shall have a chance to amend. Associated Rule 104 provides that the claims shall be consecutively numbered, shall define the subject matter to be protected in terms of the technical features of the invention, shall be in the one or two part format and shall not refer to or contain drawings or refer to the specification.

## Summary of Discussions

Most countries supported this Article and Rule. However, the United States delegation objected to the requirement that the claims be "concise"; and noted that many countries require U.S. applicants to severely restrict the number of claims on the ground that they are not "concise". After consultation with representatives of the ABA and NYPTC, the U.S. delegation accepted a proposal by the Director General of WIPO that the Article be amended to state only that "each claim" must be concise. The United States also proposed that the Rule be modified to permit reference to DNA sequences, etc., from the specification in the claims.

The NYPTC proposed the inclusion of a provision permitting an applicant to amend his claims voluntarily (including broadening them within the extent of the original disclosure) at least up to the time of final rejection. This was supported by several governmental delegations.

WIPO agreed that Article 104 and Rule 104 would be amended to provide that "each claim" must be concise; that the claims may refer to the specification where appropriate; and that a new article would be included to guarantee applicants the right to amend their claims prior to grant.

## ARTICLE 105 - UNITY OF INVENTION

### Summary of Article

This Article requires the claims of an application to relate to one invention or to a group of inventions so linked as to form a single general inventive concept but failure to comply with this requirement shall not be a ground for invalidation or revocation of a patent. Associated Rule 105 specifies that to have unity of invention the claims of a group of inventions must have common corresponding technical features which define the invention over the prior art. The rule also gives the applicant the right to file a divisional application at any time up to grant or publication for opposition.

## Summary of Discussions

There was general support for this Article in the Treaty. However, the U.K. delegation proposed that the claims need not express the linkage as long as it is seen in the specification.

WIPO stated that Rule 105 would be revised to make clear that a divisional application may be filed whether or not there had been a unity of invention objection; and to set forth clearly just when such divisional application had to be filed.

## ARTICLE 106 - PUBLICATION OF APPLICATION

### Summary of Article

This Article requires all countries to publish pending patent applications 18 months after the filing date or, if applicable, the priority date, unless: (a) the application is withdrawn or abandoned or technical preparations for grant are completed before expiration of 17 months; (b) there are reasons of national security; or (c) the application contains words or drawings contrary to public morality. Associated Rule 106 defines "publication" as putting paper copies of the application at the disposal of any person wishing same.

### Summary of Discussions

Most countries favored this Article in principle; however, the Swedish delegation submitted a more succinct version which was preferred. The United States said that it cannot approve pre-grant publication at this time, inasmuch as the matter is still being studied.

The NYPTC proposed that publication be deferred until the applicant had received a search report and was given a chance to ascertain whether it would be worthwhile to continue the application or to abandon it and keep the information secret. This proposition appeared to be well received and was considered as part of the discussion in Article 107.

WIPO will retain Article 106 but may consider including the proposal of NYPTC. It was indicated that the United States will have to address the matter of publication in its own country.

## ARTICLE 107 - TIME LIMITS FOR SEARCH AND SUBSTANTIVE EXAMINATION

### Summary of Article

This Article requires that countries which have substantive examination publish a search report together with the publication of the application as required in Article 106; or where this is not possible, as soon as possible but no later than 24 months after filing or priority. The Article also provides that substantive examination begin within three years after filing and, where possible, be completed within two years thereafter.

### Summary of Discussions

A number of countries pointed out the difficulties of adhering to the strict time limits of this Article. The Netherlands argued in favor of its deferred examination system. Other delegations pointed out that applicants wishing to have a prompt search should use the PCT. Nevertheless, most countries, including the United States, and several non-governmental delegations, including NYPTC, recognized the need for an article such as Article 107. It was noted that a search should be made available early enough to permit foreign filing decisions and decisions on whether to withdraw the application prior to publication.

WIPO will modify the language of Article 107 to possibly require a search report within 9 months of first filing, to set some time limit by which examination must begin and to permit deferred examination between 4 and 7 years.

## ARTICLE 108 - ADMINISTRATIVE REVOCATION OF PATENTS

### Summary of Article

This Article would require all countries having substantive examination to permit any interested party to request, within a period not less than three nor more than nine months after grant of a patent, that the industrial property office revoke the patent, in whole or in part, on the grounds: (i) the invention was not patentable; (ii) the disclosure in the patent was not sufficient to enable the invention to be carried out by a

person skilled in the art; or (iii) the disclosure in the patent goes beyond the disclosure in the application as filed. Both the patentee and the requester would be given "adequate opportunity" to present their arguments. Countries may also provide for revocation of patents during later periods on the basis of one or more prior printed publications showing that the patent does not possess the required novelty or inventive step. Pre-grant oppositions would be prohibited.

### Summary of Discussions

Most countries were generally in favor of this Article. The United States proposed that countries be given the option of providing for post grant opposition or re-examination, or simply eliminating this Article from the Treaty.

The NYPTC expressed its position that there be no requirement for administrative revocation; and the NYPTC also suggested that third parties be given an opportunity, during the examination period, to cite prior art and to present arguments.

WIPO proposed a new approach for Article 108 according to which all Contracting States must provide opportunity for any person to request revocation of a patent by the industrial property office on substantive grounds within at least six months after grant, although countries would be allowed to provide additional opportunities for administrative revocation.

## ARTICLE 109 - PRIORITY CLAIMS

### Summary of Article

This Article provides that an application filed up to two months after expiration of the priority period will nevertheless be entitled to claim priority if the applicant shows that in spite of due care, the application could not have been filed within the priority period.

## SUMMARY OF DISCUSSIONS

There were many differing views expressed on this Article and it was decided to put it in square brackets, which means that it will be left for consideration at the Diplomatic Conference.

## ARTICLE 110 - CHANGES IN PATENTS

### Summary of Article

This Article requires countries to permit corrections to issued patents to correct obvious mistakes, to limit the scope of protection and to clarify ambiguities; and it permits countries to grant broadening reissues up to one year after issue.

### Summary of Discussions

Most countries were generally in favor of this article. The ABA agreed with this Article except that it recommended that countries be permitted to grant broadening reissues up to two years after grant. (Resolutions 102-13A and 102-13B).

## ARTICLE 201 - PATENTABLE INVENTIONS

### Summary of Article

This Article provides that an invention shall be patentable if it is "novel" (i.e. does not form part of the prior art), involves an "inventive step" (i.e. is non-obvious) and is useful or industrially applicable. The "prior art" is everything which, before the filing or priority date, has been disclosed to the public in written or graphic form anywhere in the world or by oral description, use, etc., in the country of the application.

### Summary of Discussions

The U.S., Canada and New Zealand proposed to delete "industrially applicable" and Japan, Greece and Spain proposed to delete "useful"; but most countries agreed with the Article as written. The U.S. also proposed that "novel" be interpreted restrictively, i.e., that an invention is "novel" if it is not exactly shown in the prior art. However, most other delegations requested a looser definition of "novel", i.e., an invention is "novel" unless it could be derived from what is disclosed in the prior art by using common knowledge.

The NYPTC stated that "novel" should be interpreted restrictively in situations where obviousness may be considered; but in cases where obviousness may not be considered (i.e., in regard to a cited

prior filed but unpublished application), novelty should be interpreted more broadly to include that which is disclosed within a single reference, either exactly or in substance. The purpose for this is to minimize the granting of several patents for patentably indistinct inventions.

WIPO noted that there was no substantial support for any change in the wording of this Article and it is likely to remain unchanged.

## ARTICLE 202 - PRIOR ART EFFECT OF CERTAIN APPLICATIONS

### Summary of Article

This Article provides that the entire disclosure in earlier filed patent applications shall be prior art as of their filing date or priority date; and, if the earlier application was not yet published when the later application is filed, the earlier application shall be prior art for novelty but not for obviousness, provided that it becomes published. The Article also proposes that national law may exempt prior applications of the same applicant or PCT applications that have not been supplied pursuant to PCT Article 22.

### Summary of Discussions

The U.S. proposed that prior filed but unpublished applications be available for obviousness as well as novelty so that patents would not be granted on patentably indistinct inventions. The U.S. also proposed that the prohibition against using a non-published prior application of the same applicant as prior art (i.e. prohibition against "self collision") be made mandatory. Several non-governmental organizations supported the U.S. position but only a few governmental delegations supported it.

The NYPTC and other U.S. non-governmental delegations supported both the U.S. positions. In regard to "self collision", the NYPTC pointed out that in the United States the disclosure needed to support a claim is greater than the disclosure needed to reject a claim; and therefore if an inventor makes an improvement which is not supported in his original application, that same application should not be

used against his later application.

WIPO has decided to leave to the diplomatic conference the question of whether the prohibition against "self collision" should be optional or mandatory.

## ARTICLE 203 - GRACE PERIOD

### Summary of Article

This Article provides that a disclosure by the inventor, his successor in title, or one who has derived from him less than 12 months before his filing date, or his priority date if earlier, will not affect the patentability of his invention.

### Summary of Discussions

Most delegations favored this world wide grace period, although some suggested a shorter grace period, e.g. six months; and some suggested that the applicant should have the burden of proof to establish that there was derivation.

The NYPTC and other U.S. non-governmental organizations supported Article 203. They also pointed out that the U.S. agreement to Article 203 represents compromise by the U.S. in that the current U.S. grace period applies not only to inventors and derivers but to independent disclosures of third parties as well and the U.S. would have to eliminate the independent disclosures of third parties from its grace period.

It appears that the one year world wide grace period will remain in the Treaty.

## ARTICLE 204 - EXCLUSIONS FROM PATENT PROTECTION

### Summary of Article

Alternative A of this Article would provide that patents shall be available in all fields of technology, except that to the extent a Contracting State provides adequate protection for plants and animals under other laws it may exclude them from the patent law. Also, temporary exceptions would be provided for 10 years for countries which now exclude certain fields of technology and up to 20 years for "developing" countries. Alternative B would provide no exceptions. Alternative C would eliminate this Article.



## Summary of Discussions

This Article is considered very controversial by many countries, especially the developing countries.

The representatives of U.S. non-governmental organizations pointed out that this Article is very important to the development of all technologies; and the availability of patent protection in a particular technology should not be conditioned on whether a country has other laws relating to that technology.

WIPO has decided to postpone further debate on this Article until the next Session of the Committee of Experts, which will follow a study session by the developing countries.

## ARTICLE 301 - RIGHT TO A PATENT

### Summary of Article

This Article is the basic first-to-file provision of the Treaty and it states that where two or more applications have been filed by different persons in respect of the same invention which they independently made, the right to a patent shall belong to the applicant who has the earliest filing date, or where priority is claimed, the earliest priority date. The Article also provides that the right to the patent shall belong to the inventor or his successor in title.

### Summary of Discussions

Discussion on this Article was limited to proposals by the French delegation concerning the term "successor in title" and concerning other language which conforms Article 301 more closely to Article 202. Specifically, various delegations questioned whether the Article covered the situation where two applications were filed on the same day and the situation where only one of several inventors files an application.

The NYPTC stated that it is still studying the first-to-file principle; and while there is still not a majority in favor of a first-to-file system, the number of members in favor of first-to-file seems to be increasing.

WIPO will redraft Article 301 to provide expressly that where two applications are filed the earlier will prevail, where only

one application is filed that application will prevail and in either case the date of invention is immaterial.

## ARTICLE 302 - RIGHTS CONFERRED BY A PATENT

### Summary of Article

In Alternative A, Paragraph (1) of this Article gives patent owners the right to prevent third parties from "making", "using", "selling", "offering", "putting on the market", "stocking" or "importing" a patented product. Paragraph (2) gives patent owners the right to prevent third parties from practicing a patented process, and from "making", "using", "selling", etc., any product directly resulting from the use of the patented process. Paragraphs (1) and (2) also give patent owners the right to prevent the "assisting" or "inducing" of third parties to perform any of these acts. Paragraph (3) of the Article provides for exceptions in cases where products are put on the market by or with consent of the patent owner, where acts are done privately and on a non-commercial scale, or for experimental or scientific research or where the acts involve extemporaneous preparation of medicines in individual cases. Paragraph (4) of the Article gives patent owners the right to prevent third parties from acts constituting contributory infringement.

In Alternative B there would be no Article 302.

### Summary of Discussions

There was no substantial opposition to the principle of this Article although several delegations had objections to various phrases and proposed alternative wording. The United States suggested that provision be made regarding infringements committed in outer space and expressed reservations about including the mere act of importation as an infringing act. A number of countries expressed reservations about making process patents enforceable against products; and several questioned how closely related the product must be to the infringing process.

The NYPTC proposed to delete the terms "offering", "putting on the market", "stocking", and "assisting"; and it stated that patents should be enforceable against

private acts, experimental acts and preparation of medicines. In response to arguments from certain delegations that private non-commercial acts do not cause harm, NYPTC pointed out that while an individual act may not be significant, many such acts could cause great financial harm to a patentee. Further, merely because there might be difficulty in enforcing a patent does not justify taking away a patent owner's right to enforce his patent.

It was agreed that the Treaty should include an Article regarding rights conferred by a patent and it should set forth the minimum rights. A revised wording of this Article will be provided to accommodate the points raised; however it is expected that the substance of the Article will remain the same.

## ARTICLE 303 - REVERSAL OF BURDEN OF PROOF

### Summary of Article

In Alternative A, this Article provides that in proceedings in respect of infringement of a patented process for obtaining a product, any identical product, in the absence of proof to the contrary, shall be deemed to have been obtained by the patented process; but not if at the time of the alleged infringement, an identical product had emanated from another source. The court or other agency in which the proceedings take place would take into account the legitimate interests of the defendant in not disclosing his manufacturing and business secrets.

According to Alternative B there would be no Article 303.

### Summary of Discussions

Although a number of delegations expressed concern that the reversal of the burden of proof would cause problems to users and sellers of products and jeopardize their trade secrets, it nevertheless appears that Alternative A would remain in the Treaty. The German delegation proposed that the reversal of the burden of proof be mandatory where the product obtained by the patented process was a "new" product ("new" to be left to national law); and that contracting states should be free to broaden this to reverse the burden of proof even where the product is not new. The U.S.

proposed that the reversal of burden of proof should arise only where (i) the product is new, or (ii) there exists a substantial likelihood that the product was made by the patented process and a reasonable effort had been made to determine the process actually used to make the product. The German delegation submitted a proposal stating that if the product is not novel, any presumption that it was made by the patented process should be left to national law. The U.S. also proposed that the presumption should not be prevented by the existence of another identical product unless that product was made by a non-infringing process.

The NYPTC agreed with the U.S. position and pointed out that the presumption of infringement should not be overcome by the existence of another infringement.

The Director General of WIPO suggested to follow the proposal by Germany but to state that the reversal of the burden of proof would occur "at least" when the product is new. Most delegations agreed with this proposal.

#### **ARTICLE 304 - EXTENT OF PROTECTION AND INTERPRETATION OF CLAIMS**

##### **Summary of Article**

This Article provides that the invention for which protection is conferred by the patent shall be determined by the claims, with due regard to the description and drawings. Also, the claim will cover those equivalents of recited elements which function in substantially the same manner and produce substantially the same result unless they have been disclaimed during prosecution.

Article 304 also provides that the claims shall not be limited to the embodiments and examples described in the patent, that claims for combinations of inventions shall not protect the individual inventions separately, that references in the claims to the drawings shall not limit the claim to the drawings, that the abstract shall not be used to interpret the claims and that a patent owner may not assert in any proceedings that the extent of protection is any different than that asserted by him in any previous proceeding.

#### **Summary of Discussions**

Most delegations, including the U.S., supported this Article, although the U.S., France and the Netherlands submitted modifications to the WIPO wording. The French proposal sets forth "Rules of Interpretation" which state that the extent of protection shall be determined to combine fair protection for the patent owner with a reasonable degree of certainty for third parties.

The U.S. and the Netherlands proposed that "equivalent" be defined as that which "performs substantially the same function in substantially the same manner to achieve substantially the same result" as the recited element; and the Netherlands proposed that an alternative definition be available, namely, that it is clear to a person skilled in the art at the time of the alleged infringement that the desired result can be achieved using the other element.

The NYPTC supported the U.S. definition.

WIPO has decided to incorporate the French version in its next draft. Also, the next draft will omit reference to whether the patent owner had taken a different position in prior proceedings.

#### **ARTICLE 305 - TERM OF PATENTS**

##### **Summary of Article**

Alternative A of this Article provides that patents will have a term of 20 years measured from their domestic filing date; or, in the case of patents based on continuation-in-part applications, 20 years from the filing date of the principal application. Countries with a present term less than 20 years would have 5 years to adopt the 20 year term and developing countries would have 10 years to adopt a 20 year term.

Alternative B would be to eliminate Article 305.

##### **Summary of Discussions**

Most delegations approved, in principle, Alternative A of Article 305. However the U.S. opposed any transition period. Also, most of the developing countries requested a term shorter than 20 years; and some delegations suggested that patent terms be related to the technology involved in the patent.

The NYPTC submitted a resolution opposing measurement of patent term from the filing date unless the patent is promptly granted in accordance with Article 107.

WIPO has decided to retain the principle contained in Alternative A of Article 305, while recognizing that the developing countries would continue their examination of the matter in their consultative meeting in 1990. Also, new wording will be added to make clear that the Article would apply only to patents filed after the Treaty enters into force and to make clear that the Article does not stipulate the beginning of protection but only provides a basis for computing the term of the patent.

#### **ARTICLE 306 - MAINTENANCE FEES**

##### **Summary of Article**

This Article provides that patent maintenance fees be payable annually on the first day of the month following the anniversary date of grant and that industrial property offices must provide a grace period for late payment (against which they may charge a fee). Also, no fees may be charged for the maintenance of a pending application.

##### **Summary of Discussions**

There was no strong support for this Article; and in view of the large divergence of views on the subject, it was decided to delete the entire Article.

#### **ARTICLE 307 - REMEDIES**

##### **Summary of Article**

This Article requires each Contracting State to make available for infringements of both patents and published applications at least an injunction and pecuniary compensation; however, in the case of an action for infringement of a published application, a person against whom the action is brought must first have had actual knowledge or have been put on notice that the invention he is using is the subject of a published patent application. If he posts a bond, the action will be suspended during the remaining pendency of the application.

Also, if the person against whom the action is brought has made payments or



## NOMINATION FORM FOR INVENTOR OF THE YEAR - 1990

Instructions: You may nominate as many individuals as you wish. Please provide one form for each nominee (joint nominations are acceptable). Please submit three (3) copies of all papers, including this form, that you wish to be considered by the Awards Panel. A nominee, to be acceptable, must have had one or more issued patents; must be able to attend the awards presentation at the NYPTC annual meeting and dinner in May, 1990; must be favorably disposed to the patent system; and must be respected by the nominee's professional peers. The award is made in recognition of an inventor's lifetime contributions.

1. Nominee: \_\_\_\_\_
2. Address of Nominee \_\_\_\_\_  
Telephone Number \_\_\_\_\_
3. Identify the invention or inventions forming the basis of the nomination: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. List, by number and inventor, the United States Patent(s) with respect to the above inventions(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Set forth any known litigation, interference, or other proceeding that involved the foregoing inventions, and the result: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
6. Nominator(s): \_\_\_\_\_
7. Nominator's Address: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_
8. Nominator's Signature: \_\_\_\_\_ Date \_\_\_\_\_

N.B. Attach, or in the space below, please set forth a typed, single spaced statement, suitable for reproduction, covering the significance of the nominee's contributions which form the basis of this nomination.

Please add any additional information you believe the Award's Panel will find useful (three copies each). Material submitted will not be returned. Please forward Nomination by March 15, 1990, to Julius Fisher at McAulay, Fisher, Nissen & Goldberg, 261 Madison Avenue, New York, NY 10016. Telephone (212) 986-4090.

## **AN OPEN LETTER TO ASSOCIATION MEMBERS**

The presentation of the Inventor of the Year award affords the Association an excellent opportunity to extend recognition to an individual who, because of his or her creative talents, has made a worthwhile contribution to society. The person selected should have received patents for his/her invention(s), and by such invention(s), have benefited the patent system.

This year the award will be presented at the Association's annual meeting and dinner to be held in May, 1990 in New York City.

There is hardly a member of the Association who could not think of a person worthy of this award. I ask each practitioner and each firm to poll its members and present to our committee one or more candidates for consideration.

It is important for all members of the Association to support this important program. Not only does the award enable our Association to extend recognition to a deserving individual, but it also fosters good publicity for the nominating attorneys, the Association, and the patent system generally.

A nomination form for submitting recommended candidates is being mailed to you. Additional copies can be obtained by contacting the undersigned. Please submit your candidates no later than March 15, 1990.

Thank you for your cooperation.

Cordially,

Julius Fisher  
Chairman, Committee on Public  
Information and Education  
(212) 986-4090

suffered damage as a result of the action, and the application is then abandoned or rejected, that person would be entitled to restitution. According to the notes, national law may also provide for restitution where the issued patent does not contain claims as broad as those asserted in the application.

### Summary of Discussions

Most delegations supported Article 307 in principle; however they preferred a modified version introduced by Sweden which was aimed at avoiding conflict with principles of civil and procedural law. The U.S. proposed that the pecuniary compensation be no less than a reasonable royalty and that countries may optionally provide for treble damages in cases of willful infringement.

The NYPTC expressed opposition to permitting any action against an infringer until after the patent grant.

WIPO has decided to revise the wording of paragraph (1) of Article 307, taking into account the proposal of Sweden. As to paragraph (2)(provisional remedies), WIPO has decided to redraft this paragraph to eliminate reference to injunctions and to substitute for "pecuniary compensation", two alternatives, one providing for "damages" and the other limiting protection to a "reasonable compensation".

### ARTICLE 308 - PRIVILEGE OF PRIOR USER

#### Summary of Article

This Article provides that the owner of a patent shall not enjoy any protection against use by another who at the filing date or any claimed priority date of the patent, was using the invention or was engaged in serious preparations, involving significant investment, for actual use of the invention and had lawfully obtained his information about the invention. This privilege of the prior user would be limited to the particular prior use which had been made or envisaged, and it would also be limited to the State or Territory of the use and could not be transferred except to successors in title to the enterprise or business in which the use had been made.

### Summary of Discussions

The delegation of Switzerland proposed to substitute a modified version of Article 308 which was simpler in wording and which specified that the privilege would from the patentee as long as he did it in good faith. Several countries and non-governmental delegations considered the Article relating to the prior user privilege to be an important part of the Treaty; and several said that the Article should be mandatory. The U.S. delegation stated that this Article need not be part of the Treaty since any country could provide for prior user privileges on its own. A number of other countries and non-governmental delegations supported this position.

The NYPTC stated its position that in the event a first-to-file system is adopted, it would support a limited right of prior use for an independent earlier inventor who was using or preparing to use the invention in the territory covered by the patent at the time the patent was filed. The purpose would be to protect the first inventor in case he had lost the race to the patent office; however, since a prior user right constitutes an erosion of the exclusive rights provided by the patent system, it should be carefully limited.

WIPO has decided to prepare a new Article 308 based on the proposal of Switzerland but prior users rights would not be mandatory. New Article 308 would, however limit the rights that Contracting States could grant to prior users.

proposed resolutions concerning an upcoming WIPO meeting on patent harmonization. The Board suggested a number of amendments to the resolutions and unanimously adopted a resolution opposing compulsory licensing on any basis.

Joseph Brindisi reported to the Board on behalf of the Committee on License to Practice Requirements with regard to proposals pending in the New York State Legislature concerning mandatory continuing legal education. After considering the elements of the legislation, the general consensus of the Board was that the requirement for 24 hours of continuing legal education was reasonable over a two-year period. The Board directed John Pegram and Joseph Brindisi to draft a letter to the State Legislature setting forth the Association's views on the legislation.

At the November 14, 1989 meeting, Andrea Ryan reported to the Board on the alternative dispute resolution program run in conjunction with the City Bar Association.

John Pegram reported on the CLE program held at Mohonk. There were 90 attendants and the talks were excellent. Mr. Pegram noted that the attendance of younger members had increased.

The Board agreed to present an award to Judge Giles Rich in recognition of his being one of the oldest living presidents of the Association and the oldest sitting judge on the Court of Appeals for the Federal Circuit.

The Board next considered whether the trademark program from the Mohonk CLE weekend should be repeated in New York City. It agreed unanimously to support the CLE Committee in sponsoring the repeat program.

The Board established a new committee to study proposed Federal trade secret legislation which is circulating in Congress as a result of pending GATT negotiations. Martin Goldstein volunteered to serve as board liaison to the committee.

John Pegram appointed Leonard Mackey to look into the problem of use of PTO fees in general government funds.

Concerning the nomination of Douglas P. Conner as Assistant Commissioner of Patents, it was the consensus of the Board to take no position at this time.

David Kane next reported on the judicial salary increase proposals. He noted that a bill pending in Congress would increase judicial salaries by 33%. The Board adopted

## NEWS FROM THE BOARD OF DIRECTORS

*By Howard B. Barnaby*

The Board met on October 17, 1989. The Board agreed to contribute \$500 to the United States District Court for the Southern District of New York and to solicit funds from some firms to assist the Court in financing its bicentennial celebration. The Board also approved a donation of \$1,000 to the bicentennial celebration of the adoption of the patent and trademark laws.

The Board next considered a group of

a motion directing John Pegram to write appropriate letters to Congress and President Bush supporting the legislation.

The Board authorized payment of \$250 in sponsorship of a rewriting of the booklet titled "The Story of the United States Patent and Trademark Office."

The Board then considered whether the Association should sponsor some function directed to the 1990 bicentennial celebration. Andrea Ryan volunteered to consider presenting bicentennial program at the Judges Dinner. ■

## U.S.P.T.O. NEWS

By George Kaplan

### PROCESSING TIME REDUCED AT U.S.P.T.O.

The United State Patent and Trademark Office has successfully achieved one of its major initiatives, namely significantly reducing average time for processing patent applications. The average time has been reduced to 18.4 months from 24 months. The original goal was to reduce this pendency time to 18 months by 1987, however this was postponed to 1989 because of budgetary cutbacks and unexpectedly large increase in the workload of the Patent and Trademark Office. The Patent and Trademark Office has initiated a comprehensive program to achieve this goal, including almost doubling the number of patent examiners on the examining staff.

"At the time the Administration announced its goal, the PTO was facing a very frustrated public," former Patent and Trademark Commissioner Donald J. Quigg observed. "Industry saw the patent system as a roadblock rather than a bridge to the advancement of technology."

However, former Commissioner Quigg emphasized that the Patent and Trademark Office has achieved its goal, while at the same time maintaining the quality of patents ultimately issued. For example, while approximately 107,000 patent applications were filed in 1981, the latest figures establish that more than 151,000 patent applications were filed in 1989. These applications are currently being examined by more than 1,500 examiners having expertise collectively covering all fields of technology.

Another major goal for processing of trademark applications was achieved by the Patent and Trademark Office in 1985, namely "Plan 3/13" which provides for issuing first actions on trademark applications within an average of three months of filing, and taking final action within an average of 13 months.

### RECORD NUMBER OF U.S. PATENTS ISSUED

A record 102,712 U.S. patents were issued by the U.S. Patent and Trademark Office in the fiscal year ending September 30, 1989. This record was achieved while the Patent and Trademark Office, at the same time, reduced the average time for processing a patent application to 18 months, from a high of more than 25 months six years ago. The patent total includes 54,762 patents issued to U.S. residents, and 47,950 patents issued to foreigners. The percentage of patents issued to foreigners was 46.7 percent of the total number of U.S. patents issued, a decrease from the comparable figure of 47.3 percent in fiscal year 1988 and a reversal from the steady rise over the past 45 years in the percentage of patents issued to foreign residents.

Japanese inventors once again received the largest number of patents issued to residents of a foreign country, namely 20,907 patents. This is a substantial increase from the 16,704 U.S. patents issued to Japanese inventors the previous year, and is far more than the number of U.S. patents issued to residents of any other foreign country. A record number of patent applications was also filed in fiscal year 1989, totalling 163,306 and up by 15,123 filings from the record that was set in the previous fiscal year.

Domestically, California residents received the largest number of patents issued to U.S. inventors, with a total of 8,508 patents going to California residents. New Yorkers received the second largest number of patents in fiscal year 1989, namely 4,527 patents, while New Jersey residents and Texas residents received virtually the same number of patents in fiscal year 1989, New Jersey residents receiving 3,299 U.S. patents, one more than the 3,298 U.S. patents granted to Texas residents. Following close behind were Illinois inventors who received 3,112 U.S. patents in 1989, with Pennsylvania receiving 3,016 U.S. patents in this fiscal year.

Among foreign countries, the Federal Republic of Germany received the second highest number of U.S. patents granted to foreign residents, namely 8,756 U.S. patents, while the United Kingdom inventors received the third highest number, namely 3,378 U.S. patents in this fiscal year. French inventors received 3,310 U.S. patents with Canadian inventors receiving 2,077 U.S. patents, residents of Switzerland receiving 1,437 U.S. patents, inventors residing in Italy receiving 1,398 U.S. patents, and inventors from the Netherlands receiving 1,132 U.S. patents in fiscal year 1989.

### NEW TRADEMARK REGISTRATION PROCEDURE IN EFFECT

New regulations making it much easier for U.S. residents to apply for registration of a trademark or service mark were put into effect on November 16, 1989 by the U.S. Patent and Trademark Office. These changes were prompted by passage of the Trademark Law Revision Act of 1988, providing for the most significant changes in the laws governing federal registration of trademarks in over 40 years. For the very first time, applicants may file for a federal trademark or service mark registration based upon *bona fide* intent to use the mark in interstate or foreign commerce. The Trademark Law Revision Act of 1988 also shortens the term of registration from 20 to 10 years thus more quickly purging the register of defunct marks.

Under the new procedure, if a trademark meets basic criteria, then the applicant for registration of the mark will have six months to use the mark from the date that the Patent and Trademark Office grants preliminary approval. This period may be extended in six month intervals, up to a total of 30 months. Once proof has been furnished by the applicant that the trademark or service mark has been properly used in interstate or foreign commerce, then the mark may be registered.

Acting Patents and Trademarks Commissioner Jeffrey M. Samuels notes, "Because of the months of preparation by our staff we expect the transition to the new regulations to go smoothly."

New regulations and fee schedules have been published in the Federal Register on September 11, 1989. New application forms are presently available from the Public Serv-

ice Center, Patent and Trademark Office, Washington, D.C. 20231.

### COOPERATIVE AGREEMENT AMONG U.S., EUROPEAN AND JAPANESE PATENT OFFICE

The U.S. Patent and Trademark Office, the Japanese Patent Office and the European Patent Office have all agreed to develop appropriate standards for patent documentation, representation required for exchange of data and for publication in different media. This agreement was one of a number contained in a memorandum signed by the heads of these three offices on October 24, 1989 at the close of the Seventh Annual Tri-Lateral Conference, hosted this year by the U.S. Patent and Trademark Office in Arlington, Virginia.

Among other points in the memorandum, the three offices have agreed to exchange extensive new areas of data information for official and library use, including documents, in addition to data bases for access to patent information from a variety of forms. CD-ROMS of published European patent applications and U.S. patents will be provided to the public on a pilot basis. Rules for standardizing patent applications in the field of biotechnology will be published in the near future by the three offices, who have also agreed to study the feasibility of using video-conferencing to improve communications.

Former Patents and Trademark Commissioner Donald J. Quigg observed, "This agreement is a most notable one for the significant progress and cooperation between applications and the dissemination of patent information."

Paul Brandisi, President of the European Patent Office, commented, "I am delighted we have outlined an approach to cope with the greatly increased number of applications being filed in our respective regions."

Fumitaki Yoshida, Commissioner of the Japanese Patent Office, stated, "I too am delighted with the progress that we have made in the harmonization of patent practices with benefits which will be felt worldwide."

The Eighth Annual Tri-Lateral Conference will be held in Munich, the Federal Republic of Germany, in October 1990.

### INVENTOR ENCOURAGING

A conference aimed at fostering a new generation of inventors was co-sponsored by the U.S. Patent and Trademark Office on October 26-28, 1989 in Portland, Oregon. More than 60 educators, business and industry representatives, inventors and other participants presented ideas to over 500 teachers from across the country at the Fourth National Creative and Inventive Thinking Skills Conference at the Portland Performing Arts Center and Hilton Hotel. Keynote speakers included former U.S. Patents and Trademarks Commissioner Donald J. Quigg, Dr. Elliot Eisner of Stanford University, Dr. Harvey Silver, Director of the Institute for Applied Research in the Cognitive and Behavioral Sciences, and Dr. George Betts, Director of the Center for the Education and Study of Gifted and Talented at the University of Northern Colorado. Other participants in the program included two television personalities, David Heil of *Newton's Apple* and Ken Hakuta known as "Dr. Fad". The agenda included presentations about patents, trademarks, copyrights and also special programs developed for encouraging innovative thinking and problem solving by students.

## RECENT DECISIONS OF INTEREST

By Thomas A. O'Rourke

### PATENTABILITY - ALGORITHM

A computer implemented diagnostic method was held not to be patentable subject matter under 35 U.S.C. Section 101 because there was no claimed physical step on which the algorithm operated in *In re Grams*, 39 BNAPTCJ 23 (Fed. Cir. 1989). The application in *Grams* was directed to a method of testing a complex system to determine whether the system's condition was normal or abnormal. The initial step of the claim required clinical laboratory tests on an individual to obtain data on a person's condition. The remaining steps of the claim analyze the

data through mathematical algorithms.

The Examiner rejected the claims on the ground that they were nonstatutory subject matter and *Grams* appealed. The Board of Patent Appeals and Interferences affirmed the rejection. The CAFC affirmed the Examiner's rejection. Although Section 101 appears to cover any process and the application of the claimed algorithm appears to be a type of process, the CAFC refused to find patentable subject matter. The Federal Circuit, relying on the Supreme Court's decision in *Parker v. Flook*, 437 U.S. 584 held that mathematical algorithms are unpatentable under Section 101. Although the claim in *Grams* did contain a physical step of performing clinical tests, the CAFC focused on the specification which did not describe these tests in great detail. The Court concluded from its reading of the specification that the application was actually claiming the mathematical algorithm which is not permissible under Section 101 and as interpreted by the Supreme Court in *Parker v. Flook*, *Supra*, and *Gottschalk v. Benson*, 409 U.S. 63 (1972).

### PATENTABILITY - ALGORITHMS

Less than a week after the *Grams* decision, the CAFC was confronted with a second application which had an algorithm present. In *In re Iwahashi*, 39 BNAPTCJ 45 (Fed. Cir. 1989) the patent application related to an auto correlation unit for use in pattern recognition.

The Federal Circuit analyzed the claims in *Iwahashi* under the test set out in its earlier decision *In re Freeman*, 572 F.2d 1237 (CCPA 1978) and *In re Walter*, 618 F.2d 758 (CCPA 1980). Under these decisions the inquiry is whether the claim recites an algorithm and whether the claim "in its entirety preempts that algorithm". According to the Court, an algorithm is "a step-by-step procedure for solving a problem or accomplishing some end".

While the applicant admitted that the claimed invention recited an algorithm, he contended that it did not preempt the algorithm as required by the *Freeman-Walter*'s test. The claim recited, *inter alia*, a preamble, several means plus functions and a ROM element. In reversing the Board of Appeals, the CAFC stated:



The claim as a whole certainly defines an apparatus in the form of a combination of interrelated means and we cannot discern any logical reason why it should not be deemed statutory subject matter either as a machine or a manufacture as specified in Section 101. The fact that the apparatus operates according to an algorithm does not make it nonstatutory... We therefore hold that the claim is directed to statutory subject matter.

### PATENTS - LACHES

Laches was found in a recent patent infringement action where the patent owner waited five years after notifying the accused infringer of possible patent infringement to bring the suit. The Court reached this conclusion in *Meyers v. Brooks Shoes Inc.*, 39 BNA PTCJ 33 (S.D.N.Y. 1989) even though the statute of limitations for patent infringement is six years.

The Court, in finding laches, focused on the fact that Brooks spent much money and effort in designing new shoes with the allegedly infringing design after the charge of infringement. The Court also found that Brooks actively expanded its shoe line during the five year period. Meyer notified Brooks of the alleged infringement in 1983 and Brooks at that time rejected Meyer's offer of a license. Meyer's failure to file a complaint was misleading according to the Court and conveyed the impression that Meyers had abandoned his claim. Accordingly, laches was present. ■

## COMMITTEE REPORTS

By David J. Lee and Edward P. Kelly

### COMMITTEE ON CONTINUING LEGAL EDUCATION (E. Filardi, Chairman)

The Committee will hold the Sixth Annual Joint Seminar - Patent Practice Update on May 1, 1990 at the New York Penta. The Committee has set aside November 9, 10, and 11, 1990 for the Fall CLE Weekend at Mohonk Mountain House.

### COMMITTEE ON ECONOMIC MATTERS AFFECTING THE PROFESSION (M. Gross, Chairman)

The Committee will be investigating attorneys' malpractice insurance and office sharing arrangements.

### COMMITTEE ON FOREIGN PATENT LAW AND PRACTICE (V. Richard, Chairwoman)

The Committee considered the implication of two recent decisions by the German Federal Patent Court denying patentability where the parallel applications were granted by the European Patent Office. These decisions are of concern to the Committee because both the German and European Patent Offices considered the same prior art with no new art added. The Committee recommended that the Association express its concern in a letter to the German and European patent offices. A draft letter is to be considered by the Board.

The Committee considered and commented on the report made by the Special Committee on Harmonization of Patent Laws regarding the proposed WIPO Treaty. The Committee also received a report on the November proceedings held in Geneva regarding the WIPO Treaty.

### COMMITTEE ON FOREIGN TRADE-MARK LAW AND PRACTICE (V. Richard, Chairwoman)

The Committee will be studying the Madrid Protocol and maintaining a scoreboard to show the progress of legislation in EEC member states designed to implement the EEC Harmonization directive. The Committee also will provide periodic case reports on foreign trademark cases of major significance. A committee meeting will be held February 16, 1990 at the Yale Club.

### COMMITTEE ON HARMONIZATION OF PATENT LAWS (W. Brunet, Chairman)

The Committee considered the latest draft of the proposed Patent Harmonization Treaty and made recommendations to the

Association of the Board of Directors last fall. The Committee's recommendations were accepted and submitted to the United States delegation to the Treaty negotiations and directly to the World Intellectual Property Organization. Committee members Michael Meller, Samson Helfgott and William Brunet participated in the Treaty negotiations in Geneva as representatives of the New York Patent, Trademark & Copyright Law Association. A further revised treaty draft is expected within the next few months. The Committee will consider this draft and make recommendations prior to the next negotiating session. The next negotiating session will likely be the last session before a diplomatic conference expected in 1991.

### COMMITTEE ON INCENTIVES FOR INNOVATION (S. Lieberstein, Chairman)

The Committee will be investigating proposals to encourage individuals to invest in the research and development of high risk technology. Suggestions are welcomed.

### COMMITTEE ON LITIGATION PRACTICE AND PROCEDURE (L. Aburda, Chairman)

The Committee will be making a recommendation to the Board of Directors regarding the New York States Bar Association's proposal to limit discovery under Rule 26, F.R. Civ.P. by redefining the definition of "relevant". An informal vote of the Committee indicates that the Committee is not in favor of the proposal. The Committee will also be making recommendation regarding the recent EEC decision that Section 337 of the Tariff Act violates GATT. In this respect, the Committee will be working in conjunction with the Committee on United States Patent Law Practice.

### COMMITTEE ON UNITED STATES PATENT LAW AND PRACTICE (T. Gillis, Chairwoman)

The Committee will be making recommendations to the Board of Directors on legislation pending in Congress that would create exemptions for patenting animals and on legislation introduced by Representative Boucher regarding patentability of biotechnological products.

The Committee also will be working in conjunction with the Committee on Litigation Practice and Procedure regarding the EEC decision that Section 337 of the Tariff Act violates GATT. ■

## PAST PRESIDENT JORDA HONORED

The Pacific Industrial Property Association (PIPA) bestowed its highest award on *Karl F. Jorda* of *Franklin Pierce Law Center*, Concord, New Hampshire, a past president of the NYPTC, at its Twentieth International Congress held in Tucson, October 4-6, 1989.

The *PIPA Award in International Co-operation* is awarded to "recognize outstanding contributions to international co-operation in the intellectual property field."

PIPA was founded in 1969 by leading Japanese and United States corporations to explore mutual interests in intellectual property. For Americans, PIPA constitutes a valuable, growing and unique resource on Japanese law and practice relating to the protection of inventions, licensing and dispute resolution.

Karl F. Jorda is the David Rines Professor of Intellectual Property Law and Industrial Innovation and Director of the Kenneth J. Germeshausen Center for the Law of Innovation and Entrepreneurship at Franklin Pierce Law Center. After immigrating to the United States from Germany, Professor Jorda earned a Master of Arts and Juris Doctor from the University of Notre Dame. Prior to joining Franklin Pierce Law Center, Professor Jorda served as corporate Patent Counsel at Ciba-Geigy Corporation (Ardsley, NY) for 26 years. He has been President of PIPA as well as lectured extensively on the intellectual property circuit on topics such as importation of foreign inventions, inventorship discrepancies, rights of the first inventor/trade secret owner vs. the second inventor/patentee, to name a few.

Franklin Pierce Law Center, the smallest independent law school in the country, has one of the most comprehensive intellectual property curriculums in the world. The school offers Juris Doctor (JD) and Masters of Intellectual Property (MIP) degrees, as well as one and six week summer institutes in intellectual property. ■

## MOHONK WEEKEND A SUCCESS

By Howard B. Barnaby

Through the efforts of Ed Filardi and his Continuing Legal Education Committee, NYPTC members, their families and friends enjoyed a wonderful Veterans Day weekend of education, hiking and overall camaraderie. In addition to the receptions and dinners and the beauty of Mohonk, those attending the CLE weekend were presented with an outstanding educational program.

The weekend opened with a presentation Friday afternoon by Edward Coleman titled "Is the Patent System Working? - A U.S. Corporate Perspective." The Saturday program opened with a panel discussion on "Inequitable Conduct - Proposed Patent Rule 57." The panel consisted of John O'Brien, Don Dunner and Rene Tegtmeier and was moderated by John Sweeney.

The remainder of the program was devoted to a presentation by Phillip Furgang, Stan Silverberg, Howard Barnaby, Frank Colucci and Hon. Jeffrey Samuels on "Practice Under the New Trademark Law." This program is being repeated in New York City on February 15, 1990 for the benefit of those who were unable to attend the Mohonk weekend.

Saturday afternoon was left open to explore the Mohonk terrain. A reception and dinner dance were held Saturday evening at which the Association honored Judge Howard Markey on the occasion of his 70th birthday. On Sunday morning, Judge Markey participated with Joe Fitzpatrick and Paul Heller in an appellate workshop. This program explored various aspects of appellate advocacy before the Court of Appeals for the Federal Circuit.

This was followed by a debate between Edward Filardi and David Plant which was moderated by Judge Markey. Two topics were debated: "Should a Plaintiff-Patentee Be Permitted To Offer Evidence in Its Case in Chief as to the Merits of the Invention?" and "Should Separate Trials for Infringement and Validity Be the Norm?" The program concluded with a commentary by Hon. Jeffrey Samuels providing a Patent and

Trademark Office update. Due to the ever-increasing popularity of the program, the CLE Committee has already booked the Mohonk Mountain House. ■

## INVENTOR NOMINATIONS TO CLOSE MARCH 15

The deadline to submit nominations for the 1990 Inventor of the Year Award closes March 15. This is a unique opportunity for recognition of inventors by members of the patent bar. Each nominator will be acknowledged in writing by the Association.

You may nominate as many inventors as you wish. You may nominate sole or joint inventors. The recipient will be chosen by the Board of Directors of the Association. The criteria used by the Board in making its choice is that the Inventor of the Year:

- a] must have been issued one or more U.S. patents;
- b] must be able to attend to the presentation of the Award at the NYPTC annual meeting and dinner in May 1990; and
- c] must be respected by the nominee's professional peers.

A nominating form for your use in this regard is enclosed with this issue of the Bulletin.

Should you require any additional information or assistance in making a nomination, please contact the chairman of the Committee on Public Information and Education, Julius Fisher, at McAuley, Fisher, Nissen & Goldberg, 261 Madison Avenue, New York, NY 10016. Tel (212) 986-4090. ■

**BACK BY POPULAR DEMAND!!!  
FORUM ON THE TRADEMARK LAW REVISION ACT**

FEBRUARY 15, 1990, 3:30 - 6:30 P.M.

The Board Room  
280 Park Avenue  
(between 48th & 49th Streets)  
New York City

**AGENDA**

Pre-Filing Procedure Plus

Prospective of the Act by an In-House Counsel

Stanley J. Silverberg

Prosecution of Applications

Phillip Furgang

Unresolved Issues and Pitfalls Under the Act

Frank Colucci

A View From the PTO

Hon. Jeffrey Samuels

Panel Discussion

Howard B. Barnaby, Frank Colucci, Phillip Furgang,  
Stanley J. Silverberg, Hon. Jeffrey Samuels

The Forum will run from 3:30 P.M. to 6:30 P.M. There is a charge of \$25.00 per attendee, which includes printed materials and coffee/tea.

Please complete the following, which may be duplicated for multiple attendees, and return with payment of \$25.00 per attendee to Howard Barnaby, Esq., Robin Blecker, Daley & Driscoll, 330 Madison Avenue, New York, New York 10017. Telephone (212) 682-9640.

**New York Patent Trademark and Copyright Law Association**

February 15, 1990 3:30 - 6:30 P.M.

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# ANNOUNCING

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### ANNOUNCEMENTS:

#### REMINDER

Any firm intending to reserve a suite at the Waldorf-Astoria hotel for the 1990 Judges' Dinner, should contact the hotel immediately to assure availability of the suite at a suitable time prior to the dinner.

The New York Patent, Trademark and Copyright Law Association, Inc.  
January/February 1990  
Volume 30 Number 3

The BULLETIN is published periodically for the members of the New York Patent, Trademark and Copyright Law Association. Annual Non-Member Subscription is \$15.00/yr. Single copies \$2.00. Correspondence may be directed to the Bulletin Editor, Gregory J. Battersby, P.O. Box 1311, 8 Stamford Forum, Stamford, CT 06904-1311. Telephone No. (203) 324-2828.

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