

The importance of establishing true ownership when claiming priority

---

Two recent UK court decisions have clarified how to determine the proper applicants for a patent application for the UK, which claims priority from an earlier application.

In *Edwards Vs Cook*, the initial US priority-establishing application named the three inventors as applicants. A subsequent PCT application claimed priority from the US application, but named Cook Biotech Inc as the applicant. Only one of the inventors was an employee of Cook, and his rights in the invention passed automatically to Cook. The other inventors were not employees. They signed an assignment of their rights to Cook only AFTER the PCT filing date.

The court decided that Cook did not have the sole right to claim priority at the PCT filing date. The priority claim was therefore INVALID, because, at that date, the other two inventors had not assigned their rights in the invention.

The problem cannot be rectified by retroactive assignment.

In *KCI Licensing*, the initial US priority-establishing application named the inventor as applicant. The priority-claiming PCT application named, as an applicant, KCI, the inventor's employer, but not the inventor.

Reassuringly, the court confirmed that a prospective assignment of an employee's rights in all future inventions is legally effective. Prospective assignment wording ("I hereby agree to assign all future inventions") is commonly included in employment contracts in several countries, such as the US. In those countries, unlike the UK, the transfer of the rights from an employee to employer is not automatic in law.

In this case the PCT application named a further applicant, which was a subsidiary of the employer, but had no direct connection to the inventor. The court did not need to decide whether the naming of this applicant affected the claim to priority. However, the decision did comment that both applicants being willingly named implied assignment of a share in the priority right, by virtue of their conduct. It remains to be seen whether this will be followed in future decisions.

The decisions confirm the vital importance of establishing true ownership of the priority right before to ensure that a priority-claiming application names the correct applicant. This is particularly important because naming an incorrect applicant can lead to loss of the priority claim in the UK, which cannot be rectified retrospectively.

If you have any questions on how these cases may affect you, please do not hesitate to contact your Forresters representative.