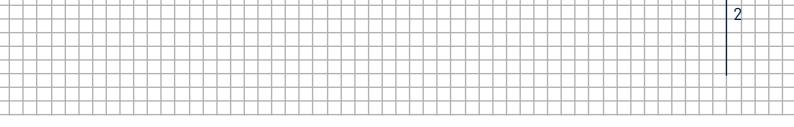


WITTEWELLER News I/2019 Client Information and News





Client Information and News

1. On-sale bar in the USA – a new trap for patent proprietors?



On 22 January 2019, in the case of Helsinn Healthcare S.A. v Teva Pharmaceuticals USA, Inc. et al., the Supreme Court of the United States issued a judgment regarding the so-called **'on-sale bar'**, which on the one hand provides a welcome clarification but on the other hand alters the legal position in particular for patent applicants and proprietors outside of the USA. The reason for this is that the 'on-sale bar' constitutes **a ground for exclusion from patentability** which, although it has been enshrined in US patent law for a long time, now also becomes relevant outside of the USA for the first time as a consequence of this judgment.

What is the issue here? The issue is the definition of the prior art, i.e. that which can be relied upon as prior art against a US patent application or a US patent. Contrary to Article 54 EPC, for example, § 102 of the US Patent Act defines the prior art as a list of grounds for exclusion which preclude the grant of a patent. Pursuant to § 102, any person is entitled to a patent unless the claimed invention was already patented, described in a printed publication, or in public use, on sale, or otherwise available to the public before the effective filing date. Accordingly, the fact of **an invention being on sale** constitutes a **'standalone' type of prior art**, which does not exist under European patent laws. It is referred to as the 'on-sale bar' for short.



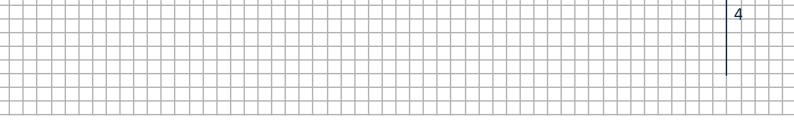
Prior to the reform of US patent law by virtue of the America Invents Act (AIA), the ability of prior public uses or the fact of an article being on sale to be obstacles to patentability was limited to acts undertaken in the USA. The consequence of this was that an applicant could still obtain a valid patent in the USA even if it had publicly used or placed on sale the claimed invention before the effective filing date but had done so only outside of the USA. At the same time, US patent law granted the applicant a one-year grace period, with the consequence that public acts of use which took place in the USA were also disregarded in the patent examination if they took place no more than one year before the filing date. European applicants rarely had to concern themselves with these requirements because the equivalent rules in Europe, in the absence of a grace period, were much stricter. European applicants are therefore used to the fact that a patent application has to be filed prior to any publication of the invention, but on the other hand anything which takes place 'in secret' is not prejudicial to any subsequent patent application.

This principle – namely that availability to the public is the all-important criterion – now no longer applies unconditionally. The differentiation between acts inside the USA and acts outside of the USA was abandoned by the reform of US patent law resulting from the America Invents Act. Since March 2013, the definition of the prior art and of **the grounds for exclusion from patentability has not been dependent on location**. At the same time, the on-sale bar has been retained in principle, meaning that this ground for non-patentability, which is unknown in European law, can now also directly affect applicants outside of the USA. Up until the issuance of this Supreme Court judgment it was a matter of dispute whether, in the wake of the America Invents Act, the on-sale bar was now applicable only to public offers for sale and offers for sale where the details of the claimed invention were able to reach the public, or whether non-public offers for sale also constitute prior art that precludes patentability, as was the case under the previous US patent law. The Supreme Court's answer to this question is unambiguous and holds that **non-public offers for sale** continue to **constitute** prior art that precludes patentability in the USA.

The consequence of this is that offers for sale made outside of the USA now for the first time also constitute prior art that precludes patentability in the USA, even if such an offer for sale was made subject to a confidentiality agreement. In contrast to all other definitions of prior art, with the on-sale bar it does not matter whether the details of the claimed invention have been made public. This is an unfamiliar approach for non-American patent applicants, and in future it should be borne in mind especially by patent applicants from Europe in the context of their practical development and sales activities.



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If you are in any doubt, we recommend that you file a corresponding patent application before making any offer to a potential customer even if a confidentiality agreement has been entered into or the details of the underlying invention are not even communicated to the customer, in order to be on the safe side for the purposes of any subsequent patent filing in the USA.

We are happy to assist you if you have any questions on this matter.



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2. IP rights after Brexit



The date of the UK's departure from the European Union is getting closer. If the British do not sign the Withdrawal Agreement with transitional provisions that has been negotiated with the EU by 12 April 2019, then a no-deal Brexit looms. We explain below in brief what impact a no-deal Brexit will have on your IP rights.





Patents

First the good news: there is no threat to existing patents or patent applications. Brexit will have no impact on them.

The European Patent Convention (EPC) is a convention that is independent of the EU and does not constitute EU law. Even after Brexit, it will remain applicable to all Contracting States, i.e. including the UK. European patents and patent applications will therefore not be affected by Brexit. The same also applies for international patent applications under the Patent Cooperation Treaty (PCT). UK national patents and national patents of other countries will also continue to be valid regardless of Brexit.

It is only the Agreement on the Unitary Patent and the Agreement on the Unified Patent Court that could – irrespective of the applicability of a Withdrawal Agreement – be affected by Brexit. This is because in this regard it is not yet clear whether the UK's participation is still possible or, respectively, possible in the first place after Brexit.

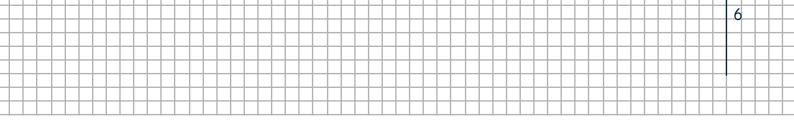
Trademarks and designs

Here too it is the case that Brexit will have no impact on international and national trademarks and designs. It is only European Union trademarks and Community designs (referred to simply as EU trademarks below for ease of reference) that will be affected by Brexit. These are based on EU law, which will cease to be applicable in the UK after its withdrawal. Thus, EU trademarks will cease to be valid in the UK when the UK leaves the EU.

By an amendment to the trademark law adopted by the UK Government which is due to enter into force on the day of Brexit, EU trademarks already registered will remain valid in the UK after Brexit. Not yet registered pending EU trademark applications (including those in opposition proceedings) must be filed within nine months of Brexit (i.e. probably after 12 April 2019) as a UK national trade mark application.

If you have any questions regarding your EU trademarks or your Community designs, our experts will be happy to assist you.





3. In brief:



a) The Scots versus the Swabians – Swabian whisky can't be called Glen Buchenbach

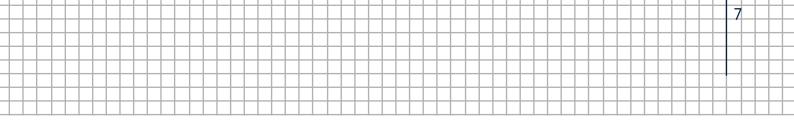
Waldhornbrennerei Klotz, a Swabian distillery based in Berglen (in the Rems-Murr district of Baden-Württemberg) had come up with the beautiful name of "Glen Buchenbach" for its whisky which it distilled in Swabia. However, the Scotch Whisky Association (SWA) wasn't happy with this as it took the view that "Glen" denoted whisky from Scotland.

In early February, the Regional Court of Hamburg decided that the name element "Glen" infringed the geographical indication "Scotch", which is protected in particular by the EU Spirit Drinks Regulation (Regulation (EU) No 10/2008). Numerous protected designations of origin – such as for example "Scotch Whisky" – are listed in the annex to this Regulation. These designations may only be used for products which actually originate from the area in question. Although "Glen" is not listed in the Annex to the EU Spirit Drinks Regulation, this Regulation also stipulates that a designation of origin must not mislead consumers. In that regard, it was the individual word that had to be considered, not the overall impression given by the product. Most whiskies in Europe having the name element "Glen" were of Scottish origin, however. Glen (which means 'valley' in Gaelic) would be associated with a Scottish origin by consumers. Clarifying statements regarding the whisky's origin on the packaging were not sufficient in this case. Accordingly, a Swabian whisky was not permitted to use the designation "Glen" in its name.

The judgment is not yet final.

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b) Blue? The AfD and Frauke Petry in a colourful dispute



The political party Alternative für Deutschland (AfD) has no exclusive right to the colour blue! The former party leader of the AfD, Frauke Petry, may therefore continue to call her party "Die Blaue Partei" ("The Blue Party"). However, the registration of the trademark "Die Blaue Partei" at the German Patent and Trademark Office (GPTO) has to be cancelled.

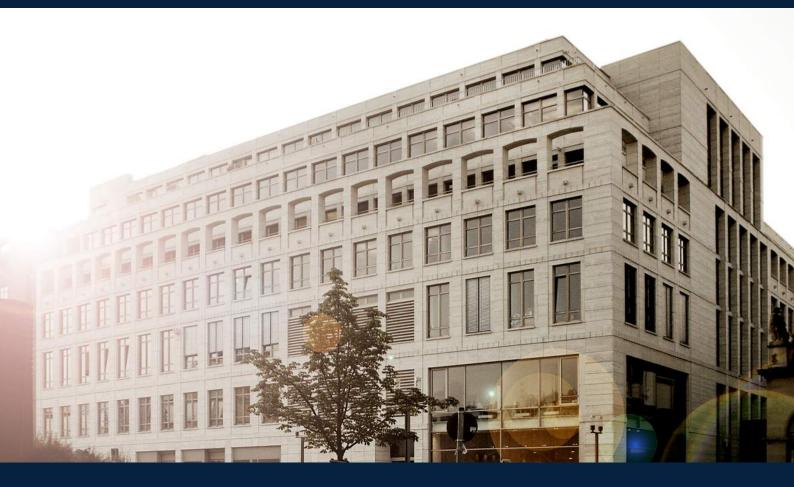
After leaving the AfD, Frauke Petry founded "Die Blaue Partei", whereupon the AfD sought to have Petry barred from using "blau" ("blue") as part of its name. This claim was dismissed by the Regional Court of Cologne on the basis that the colour blue was neither inherent to the identity of the AfD nor part of its name, unlike, for example, "green" in the case of the Greens.

On the other hand, the Regional Court of Munich I has upheld a claim brought by the AfD. In those proceedings, the AfD was seeking to overturn the registration of the name "Die blaue Partei" as a trademark at the German Patent and Trademark Office (GPTO). The AfD had filed an application for the name "Die Blauen" ("The Blues") two weeks before Petry. The Court considered that there was similarity of the signs and a likelihood of confusion, and so Petry's trademark "Die Blaue Partei" now has to be cancelled.

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