

QUESTION 119

Restitution of patent and patent application rights which have lapsed because of post filing defaults in meeting time limits

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Q119

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Resolution

AIPPI,

noting that an inventor undergoes considerable effort and expense in making his invention and seeking a patent for it;

noting that he can irreversibly lose his rights by a simple failure to meet an administrative requirement;

noting that there is an increasing risk of such a failure due to the increasingly complex and international nature of portfolios, and that this risk remains despite the use of computerized systems;

noting that the loss of rights in patents or applications due to such failures has disproportionate consequences;

noting that however the proper rights of third parties who believe the right to have lapsed must be secured;

agreeing that by a Resolution of the Council of Presidents in 1991, declares itself "in favour of the principle of restoration of patent rights in the event of omission of a formality or payment of a fee within the legal term, under conditions to be laid down";

noting that lapse means that the right has ceased, causing a discontinuity, and that the situation in that respect is to be contrasted with that arising when a grace period is used, when rights are continuous;

noting that some countries do not admit restoration in any circumstances and that even in countries which admit restoration the requirements, time limits and other conditions vary widely;

considering that where third parties may be affected, the applicant or patentee could be required to fulfil some condition before restoration of a right, but that words and phrases such as "unavoidable" and "all due care", which are at present in use involve too difficult a test, unfair to the applicant/patentee;

considering that due to the recurrent nature of maintenance fees (renewal fees), their lapse may be treated differently from lapses due to failures to comply with other time limits;

and finally noting that a failure to pay a renewal or maintenance fee is often not apparent until the next fee would become due;

Recommends

that a system of formal notification of lapse by Patent Offices should be established to assist applicants/patentees and to minimize periods of uncertainty resulting from the possibility of restoration;

Resolves

that restoration must be available and that no more severe conditions should be imposed on the applicant or patentee than the following in order to restore a lapsed application/patent:

1. Substantive conditions

No other condition than the demonstration that the lapse occurred through inadvertence or fortuitous circumstances may be required.

2. Time limits

2.1. For the restoration of applications or patents lapsed for non-payment of maintenance or renewal fees a request for restoration is filed within the earlier of the following time limits:

3 months after the date when the next maintenance or renewal fee would normally have been due but for the lapse, or the date of final expiry of the term of the patent;
or

3 months after express knowledge upon formal individual notification of the lapse by the Patent Office.

2.2 For the restoration of patent applications lapsed for failure to comply with a time limit requiring payment of a fee other than a maintenance fee or requiring some action by the applicant, a request for restoration is filed within the shorter of

- a term of two months after express knowledge of the lapse, and
- a term of one year after the lapse.

3. Procedural

3.1 The forum for application for restoration shall be the Patent Office, with a right of appeal.

3.2 Submitting a maintenance or renewal fee relating to a right subsequent to lapse of that right may be treated by the Patent Office as initiating an application for restoration of that right, **provided that** the submittal of the fee was within the above time limits.

3.3 Official fees may be imposed.

4. Third party rights

When the text of the application/patent and the fact of its lapse has been made public, third parties who have in good faith started to work the invention commercially or made serious preparations therefore acquire personal rights in the invention. Such personal rights arise between the date of lapse and the earliest of a) the date of publication of the fact of application for restoration, b) notification to the party by the applicant/patentee of that fact, or c) actual restoration. Such personal rights shall provide at least a defence against any infringement action brought by the applicant/patentee for acts done during the time that such personal rights are existing. Such personal rights continue after restoration. The scope and conditions of such personal rights after restoration shall be a matter of national law.

5. Utility models

All the above apply **mutatis mutandis** to utility models and applications therefore.

(Earlier Resolutions concerning the same question respectively the same subject matter: R 100/6 / 1900, 485 F; R 28/3 / 1928, 101/102 F; R 30/8 / 1930, 184 F; R 32/38 / 1932, 186 F; R 38/11 / 1938, 429 F; R 50/13 / 1950, 158 F.)
