

Priority Entitlement in Europe - Current Best Practice Following Board of Appeal Decision T844/18

The stakes in this case were high. The patent covered a game-changing development to the “CRISPR” gene editing technology, allowing gene editing to be applied more extensively, particularly to humans.

In their defence, the patentees challenged the EPO’s entire approach to priority entitlement, including whether the EPO has jurisdiction to examine the matter at all. The Board refused to accept any of the patentees’ arguments and determined that they had failed to comply with a fundamental aspect of the law. Consequently, the patent was revoked.

The case does not change the EPO’s established practice concerning priority entitlement. However, it provides a sobering reminder of the sometimes draconian consequences of the EPO’s approach and, perhaps, a timely opportunity to reassess best practice for applicants. The “Practical Advice” section at the end of this briefing provides guidance of this nature. This practical advice can be read either separately or in conjunction with the preceding sections of this briefing, summarising relevant EPO law and then providing a more detailed discussion of the T844/18 case itself.

European Law Relating to Priority Entitlement

The right of priority is owned by the applicants

The European Patent Convention (EPC)¹ and the Paris Convention (PC)² provide that the right to claim priority from an earlier patent application is a procedural right owned by the applicant(s) named on that earlier application. This procedural right is separate from the issue of who owns the *substantive* rights in the invention, e.g. who is entitled ultimately to be granted a patent.

When a priority application is filed, therefore, not one, but two issues arise: (a) who owns the (purely procedural) right to claim priority which arises under Article 4 of the Paris Convention; and (b) who is entitled to substantive rights in the invention? Questions under (b) concern who owns the invention, and will necessarily involve a consideration of who invented the relevant subject-matter. However, such issues are irrelevant when considering who owns the right to claim priority under (a). Rather, the right to claim priority vests solely with those named as applicants on the priority application, and their successors in title.

This separation between procedural and substantive rights is central to understanding the approach taken by the EPO in assessing priority entitlement, and is a very common cause of confusion amongst practitioners from other jurisdictions and where different criteria sometimes apply (as, for instance, in the US).

The right of priority is owned in a “legal unity” by joint applicants

Any right of priority which is created following the filing of a priority application by two or more joint applicants is owned by the group of applicants in a “legal unity”³: the applicants named on the priority application own the right to claim priority together. It therefore follows that all of the applicants named on the priority application must also be named as applicants on the priority-claiming European patent application⁴ (unless, as discussed in the next section, they have properly transferred their procedural right to claim priority before the later application is filed).

This principle has become well established in EPO jurisprudence: the EPO will find the priority claim invalid unless all of the applicants named on the priority application are also named on the later European application (absent any transfers of the right to claim priority). The High Court of England and Wales has applied the same principle in finding a priority claim invalid during national litigation proceedings in the UK⁵.

It is, though, permissible for extra applicants to be named on a later European patent application without prejudicing the priority right. Thus, if a European application is filed naming as applicants: (1) the applicant(s) named on an earlier priority application; and (2) one or more *additional* applicants; then the priority claim will remain valid. This has been affirmed at the EPO Board of Appeal level⁶ and is referred to in the Guidelines for Examination in the European Patent Office, the relevant passage of which is reproduced in the Annex below.

The applicant(s) must own the right of priority at the filing date

According to Article 87(1) EPC and Article 4A(1) PC the right of priority can be owned by the applicant’s successor in title. This allows an earlier priority application to be filed by one or more first applicants and a subsequent European patent application to be filed by one or more different applicants. This is common in situations where the earlier application was filed in the US, where one or more inventors are themselves applicants, and where the subsequent application was filed by different applicants, typically one or more companies and/or institutions.

When considering transfers of priority rights, the EPO Boards of Appeal have established that the transfer of the right to claim priority to the applicant(s) named on a priority-claiming European patent application *must be complete at the filing date of the European patent application*⁷. The High Court of England and Wales has affirmed the same principle⁸. Thus, the priority claim will be invalid if the legal instrument which transfers the right to claim priority takes effect only after the European filing date.

Where the European patent application is derived from an international patent application, the relevant date is the filing date of the international application.

When determining whether or not the right to claim priority has been properly transferred before the European filing date, the EPO and the English courts will both apply the national law governing the legal instrument which effects the transfer⁹. That may, for example, be the law of the country where the agreement was executed or it may be the law specified in a governing law clause in a transfer document.

Facts of the Case in T844/18

In T844/18¹⁰ the opponents argued that the patentees had failed to comply with a basic aspect of European law, the requirement to maintain legal unity between the priority application and the priority-claiming application. Accordingly, the priority claim was invalid and the claims should lack novelty over intervening publications of the invention in the scientific literature. A diagram showing the fact pattern of the case is provided in the Annex below.

The contested priority claims concerned certain provisional applications filed in the US. These applications were filed with multiple inventors all named as joint applicants. The majority of the original inventor/applicants had properly transferred their shares in the right of priority to their respective institutions before the PCT application was filed. However, one of the original inventor/applicants, Dr Luciano Marraffini (inventor/applicant D in the diagram below), was omitted as a joint applicant of the PCT application, as was the institution to which he had an employment obligation (The Rockefeller University). Dr Marraffini had not assigned his share in the right of priority to any of the institutions listed as applicants on the PCT application from which the relevant European application was derived.

During the opposition proceedings, the opponents argued that the relevant priority claims were invalid because the omission of Dr Marraffini and/or The Rockefeller University as applicants for the PCT application violated the principle of legal unity. The Opposition Division accepted the opponents' arguments and the patent was revoked. The patentees appealed.

The patentees' arguments on appeal

On appeal, the patentees argued that the EPO's entire approach to the assessment of legal entitlement to priority should be overturned. Their arguments were as follows.

1. A right of priority is an item of property. The EPO does not have jurisdiction to determine ownership of a European patent or application¹¹. By analogy, the patentees argued, the EPO should not have jurisdiction to determine ownership of a right of priority. A dispute over the ownership of a right of priority should be resolved by national tribunals in legal proceedings involving only parties having legal standing in the dispute.
2. If the EPO does have jurisdiction, then the principle of legal unity is wrong and should not be followed. According to the patentees, this principle undermines the true intention of the Paris Convention as it prevents applicants from exercising their right of priority independently of other joint applicants.
3. Even if the principle of legal unity is applicable, then the patentees contended that it is still fulfilled when considering the specific facts of the case. This contention relied on two

positions, as follows.

First, the question of who is accorded "applicant" status for a priority application should be decided under the law of the jurisdiction in which that application was filed. In this case the priority applications were filed in the US, and so US law should apply to the question of to what extent Dr Marraffini owned part of the priority rights created by the priority applications.

Second, essentially the patentees argued that the answer to this question needed to take into account the specific subject-matter that was disclosed in the priority-claiming PCT application. According to the patentees, any subject-matter in the priority applications (e.g., "invention A") to which Dr Marraffini contributed was deleted before the PCT application was filed. Dr Marraffini did not contribute to the subject-matter that was retained in the PCT application (e.g., "invention B"). Hence, neither Dr Marraffini nor his institution owned any part in the right to claim priority for the subject-matter that was actually disclosed and claimed in the priority-claiming application. Their omission from the listing of applicants in the priority-claiming application allegedly therefore did not contravene the requirement for legal unity.

The Board's Decision - No Change to The Law

The Board rejected all of the patentees' arguments and dismissed the appeal. The omission of Dr Marraffini and/or The Rockefeller University from the list of PCT applicants proved fatal for the validity of the contested priority claims. The Board consequently held that the claimed invention lacked novelty over the intervening prior art and the patent was revoked.

The decision affirms the EPO's existing case law and practice, which can be summarised as follows.

1. EPO Examining Divisions, Opposition Divisions and Boards of Appeal are legally competent to examine entitlement to priority.
2. The principle of legal unity in joint ownership of a right of priority continues to apply. Joint applicants of a priority application cannot be considered to each own a right of priority which can be exercised independently of the other joint applicants in the absence of a transfer of rights.
3. The question of who is a "person" who owns a right of priority, i.e. who is an applicant for the priority application, will not be examined in accordance with national law. The European Patent Convention and the Paris Convention are to be applied.
4. The filing of an earlier application disclosing multiple inventions does not give rise to multiple procedural rights of priority, each one directed to a separate invention and which can be owned by different applicants or groups of applicants. Rather, a single procedural right is created by the filing of the earlier application and that is held jointly by all of the applicants (this being a consequence of the separation between procedural and substantive rights that is applied under EPO practice).
5. Assessment of legal entitlement requires: (a) a determination of which persons were applicants of the priority application, irrespective of issues relating to inventorship; (b) whether the requirement of legal unity is satisfied, if joint applicants are involved; and (c) whether the applicant(s) of the subsequent European patent application owned the right of priority at the

filing date. In the analysis under (c), any transfer of ownership, e.g. via a transfer instrument such as an assignment or employment contract, will continue to be examined under the law applicable to the transfer instrument.

Practical Advice on Safeguarding Priority Claims in Europe

In view of T844/18 it is possible to re-affirm a number of best-practice principles that can be observed to mitigate against attacks on legal entitlement to priority in Europe. As already discussed, an overarching philosophy linking these principles is that the right to claim priority is a purely procedural right created by the filing of a priority application, which under EPO practice is considered separately from the question of substantive ownership of the subject-matter disclosed in the application.

1. Where a priority application is filed by joint applicants, all applicants will own the right of priority as a combined group. Implications of this include:
 - a. The same group of joint applicants should be listed as joint applicants for the subsequent European patent application in order to maintain legal unity.
 - b. Alternatively, if the configuration of joint applicants as between the earlier application and the subsequent application is to be different, transfers of the right of priority must be effected so that the legal unity is maintained amongst the group of joint applicants who file the subsequent application.
 - c. Alternatively still, if the subsequent application is to be filed by a single applicant, all separately-owned shares in the right of priority should be transferred to and consolidated with the sole applicant.
 - d. Any and all transfers of ownership in the right of priority must be effected before the filing date of the priority-claiming application. Back-dating a transfer is unlikely to be accepted, even when the relevant national law permits such transfer agreements to be back-dated¹².
 - e. If there is any doubt that a transfer of ownership from one person to another has been perfected before filing the European patent application, then both persons should be listed as applicants. Extending this principle, all joint applicants of the priority application as well as their purported successors in title could be listed as applicants for the European patent application if there is doubt in the chain of title. After an application is filed with such an extended list of applicants, appropriate transfer documents can be prepared to vest rights in the intended parties.

2. Any transfer of ownership in a right of priority should preferably be effected via a written assignment signed by all parties. The document does not need to be submitted to the EPO as a filing formality. However, evidence of a transfer will be needed if the priority claim is challenged. Case law of the EPO Boards of Appeal¹³ and the High Court of England and Wales¹⁴ has affirmed that a transfer can in certain circumstances be recognised in the absence of a formal written assignment. Nevertheless, since evidence of the transfer may be needed we recommend the following:
 - a. the execution of a written assignment before the priority-claiming application is filed;
 - b. that the assignment instrument be signed by both the

assignor(s) and the assignee(s);

- c. that the assignment instrument identify the earlier application by reference to the jurisdiction in which it was filed, the application number and the date of filing;
- d. that the assignment instrument make specific reference to the transfer of “the right to claim priority” from the earlier application; and
- e. that the assignment instrument state the applicable law by which it should be interpreted and governed, and that the instrument comply with the applicable law when executed.

If you have any questions regarding this briefing or how best to ensure that entitlement to priority is retained in a particular practical situation, then please approach your usual contact who will be able to advise.

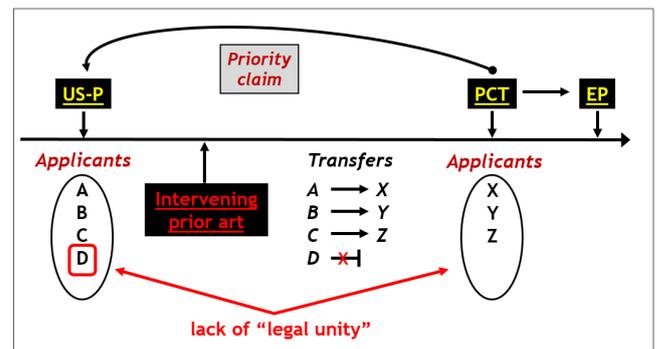
Annex

(A) The “joint applicants approach”

The “joint applicants approach” is referred to in Guidelines for Examination in the European Patent Office, which states (A-III, 6.1)¹⁵:

“[I]n the case of joint applicants filing the later European patent application, it is sufficient if one of the applicants is the applicant or successor in title to the applicant of the previous application. There is no need for a special transfer of the priority right to the other applicant(s), since the later European application has been filed jointly. The same applies to the case where the previous application itself was filed by joint applicants, provided that all these applicants, or their successor(s) in title, are amongst the joint applicants of the later European patent application.”

(B) Fact pattern in T844/18



Footnotes

1. [Article 87\(1\) EPC](#)
2. [Article 4A\(1\) PC](#)
3. [T0788/05](#)
4. References to a “European patent application” include applications filed directly at the European Patent Office and international (PCT) applications designating EP
5. [Edwards Lifesciences AG and Cook Biotech Inc. \[2009\] EWHC 1304](#)
6. [T1933/12](#)
7. E.g. [J19/87](#), [T0062/05](#) and [T1201/14](#)

8. Edwards Lifesciences AG and Cook Biotech Inc. [2009] EWHC 1304
9. E.g. J19/87, T1008/96, T0205/14, T0517/14
10. T844/18
11. Article 60(3) EPC
12. T1201/14
13. E.g. J19/87, T0205/14, T0517/14
14. KCI Licensing Inc. & Others v Smith & Nephew Plc & Others [2010] EWHC 1487
15. Guidelines for Examination in the European Patent Office; A-III, 6.1; November 2019 edition

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