

# “The Interaction between Priority and Novelty as Fundamentals for Patent Protection”

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## Abstract

The priority and novelty are one of the most important centers of the patent law systems worldwide. In light of these two key points, the methodology of this article envisages the comparison between these two points globally and regionally, focusing on the Republic of Macedonia and Kosovo. This article concentrates firstly in structuring the patent law in the context of the first-to-file system. By doing so the article presents the overall structure of the novelty provisions in the international legal framework as well as in the Republic of Macedonia and Kosovo, by linking its similarities and variances. The accent on the novelty is then brought into correlation with the priority. Furthermore, the difference between the concepts of novelty and priority is explained by illuminating the detailed aspect of certain international and domestic rules. The discussion that follows elaborates on the basic principles and general terms of priority and novelty. In such way the article distinguishes several fundamental issues connected with the present setting of the priority right, among which the most important issue of applying the priority rule also to the states that are not members of the Paris Union. The authors conclude with some observations on continuity and change in the patent system.

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## 1. Introduction

The intellectual property represents the creations that arise from the intellectual activities in the industry, the science, the literature and the art. In general, the intellectual property natural law objects towards safeguarding creators and other manufacturer of intellectual goods and services by granting them certain time-limited rightfulness to control the use made of those productions (Anastasovska and Pepeljuginoski, 2012, p. 19). Those rights don't apply to the physical object in which the creation is embodied, but instead to the intellectual creation as such (Anastasovska and Pepeljuginoski, 2012, p. 19). The intellectual property rights are subject of protection of various international conventions and agreements and although are very heterogenic, have two common constants: the subject matter and the function (Anastasovska and Pepeljuginoski, 2012, p. 19).

The key point in protection of the intellectual property rights is the possibility to regulate in a balanced way the rights of the intellectual property right holders and the interest of the society (Anastasovska and Pepeljuginoski, 2012, p. 20). The success of the efforts to establish the norms for protection of the intellectual property depends largely on the perceived impact which the adoption of such norms may have upon a country's economic and political development. There are two contrasted positions: the one of the industrialized countries and the one of the less developed nations. Namely, the industrialized countries are generally perceived as exporters of intellectual property and therefore rely upon the economic rights which inhere in "property" to defend the strong protection standards. Contrary, the less developed countries, often fail to provide solid protection of the intellectual property rights on the general reason that they tackle the "common heritage of mankind" (D'Amato, 1996, p. 25).

The intellectual property rights are divided in two major groups: copyright and related rights and industrial property (Anastasovska and Pepeljuginoski, 2012, p. 10).

When defining the industrial property rights, the modern doctrine and practice, include the set of rights which are stipulated in the Article 1 of the Paris Convention for the protection of Industrial property (Paris Convention) (Bently and Sherman, 2014, p. 15). Namely, under this Article,

the subjects of protection of the industrial property rights are: patents, utility models, industrial designs, trademarks, trade name, geographical indications and unfair competition (Paris Convention Article 1; Intellectual Property Rights in Biotechnology Worldwide, 1987 - cross. Ref.). This division of the industrial property rights is adopted in most of the countries in the world. The main characteristic of these rights is the possibility to group them in two major groups, depending whether they are registered in order to enjoy protection or not. In the group of registered industrial property rights are: patents, utility models, industrial designs, trademarks, trade name, geographical indications, domain name and topography of integrated circuits (World Intellectual Property Organization [WIPO], last access 30/04/2017). On the other hand, in the second group are: know-how, trade secrets, trade dress. These rights are only protected through the mechanisms for protection against unfair competition (World Intellectual Property Organization [WIPO], last access 30/04/2017).

### **1.1. Brief Introduction into Patent Law**

In the canonical 19<sup>th</sup> century, in the case *Pierson v. Post* (*Pierson v. Post*, 3 Cai. 175 (N.Y. Sup. Ct. 1805)) it is considered that elements of possession are necessary to allow the hunter to claim property rights in a wild fox, respectively the property right only comes into force once the fox is in the hands of the hunter (Berger, 2006, p. 1089). Like the property administrations representing the catch of the wild animal, the patent law also awards first-in-time rights (Michigan Telecommunications and Technology Law Review, [MTTLR], last access 30/04/2017). Rather than requiring confirmation of physical ownership, the patent law concedes the rights to the main qualified inventor (Holbrook, 2006, p. 123).

A patent is an archive, issued, upon application, by a government office (or a regional office representing a few nations), which depicts an invention and makes a legal circumstance in which the patented invention can typically just be misused (made, utilized, sold, imported) with the approval of the proprietor of the patent (Pepeljugoski, 2011, p. 81). Patents are every now and again alluded to as "monopolies", however a patent does not give the privilege to the inventor or the proprietor of a patented invention to make, utilize or sell anything (Pepeljugoski, 2011, p. 43). The impacts of the grant of a patent are that the patented invention may not be misused in the country by people other than the proprietor of the patent unless the

proprietor consents to such abuse (World Intellectual Property Organization [WIPO], last access 30/04/2017). Subsequently, while the proprietor is not given a statutory right to practice his invention, he is given a statutory right to keep others from commercially misusing his invention, which is much of the time alluded to as a right to bar others from making, utilizing or offering the invention (Pepeljuginoski, 2011, p. 44). The right to make a move against any individual misusing the patented invention in the country without his agreement constitutes the patent proprietor's most imperative right, since it licenses him to infer the material advantages to which he is entitled as a reward for his intellectual exertion and work, and pay for the costs which his exploration and experimentation prompting the invention have involved (World Intellectual Property Organization [WIPO], last access 30/04/2017).

There are two main patent protection systems that are in force nowadays worldwide. The vast majority of countries have adopted the "first-to-file" system which grants priority based exclusively on the planning of an applicant's patent application filing (Crouch, 2010, p. 4). In such case when two or more entities are pursuing patent protection separately on the same invention, only the first entity to file for patent protection will be granted patent rights (Michigan Telecommunications and Technology Law Review, [MTTLR], last access 30/04/2017). The other known system is the "first-to-invent", which has its focus on the invention date extending the priority as far back as the date of conception of the invention (Crouch, 2010, p. 5).

The patent protection is usually granted because like the other industrial property rights it encourages new ideas. Taking this into consideration, the fundamental requirement of the patent system is that the applicant must have invented something new. Additionally a successful search for novelty leads to successful priority claim. The priority however, is a complex concept that requires detailed analysis. In light of the above mentioned, the authors provide comprehensive overview of the subject matter while using the comparative approach. Moreover the aim of this article is to assert the question of rethinking the priority in the context of the first-to-file system.

## **2. Defining the Invention**

The most efficient form of protection of the invention is the patent. The patent is the emanation of the economic value of the invention, respectively its valorization. The invention that enjoys patent protection is socially justified in the way that after the publication and expiration of a certain period of time, all members of the society can use the invention freely and without payment of any remuneration (Pepeljugoski, 2011, p. 35).

As previously emphasized the object of the patent protection is the invention. From a theoretical perspective the “invention” implies an answer for a particular issue in the field of innovation (Sona College of Technology, last access 30/04/2017). An invention may identify with a product or a process (Bently and Sherman, 2014, p. 379). However, most of the international conventions, agreements and domestic laws in the field of industrial property do not define the notion of invention. The fundamental purpose behind this can be found in the fact that the notion of the invention is closely connected with the treatment of the invention in a certain country (Bently and Sherman, 2014, p. 379).

Exception of this rule is the Law on industrial property of the Republic of Macedonia of 2002 (*Official Gazette of the Republic of Macedonia no. 47/2002, 42/2003, 9/2004, 39/2006, 79/2007*) and of 2009 (*Official Gazette of the Republic of Macedonia no. 21/2009, 24/2011, 12/2014, 41/2014, 152/2015, 53/2016*). Both of these legal acts define the invention as “solution to a technical problem which refers to a product, procedure or substance that is a result of a certain procedure” (Article 3 paragraph 1 point 7 of the Law on industrial property of the Republic of Macedonia). The fact that this definition is placed among the definitions and expressions contained in the text of the law, at the very beginning indicates that it should be observed and interpreted only in accordance with the provision of the Article 25 paragraph 1 of the Law that defines the conditions of patentability. Additionally, the Law on Patents of Kosovo (04/L-029), the Patent Law of Serbia (*Official Gazette of the Republic of Serbia, no. 99/11, dated December 27, 2011*), the Patent Act and Acts on amending and supplementing the Patent Act of Croatia (OG Nos. 173/2003, 87/2005, 76/2007, 30/2009, 128/2010, 49/2011 & 76/2013), Law on Patents and Utility Models of Bulgaria (DV no. 18 May 2012), Law on industrial property of Slovenia (ZIL-1 dated 6.12.2013) also do not include definition of the notion of “invention”.

In the countries that do not contain the definition of the invention, it is defined by the legal scholars and the courts. In accordance with the court practice of Germany, "the invention is a manual for planned usage of the conquerable natural forces, except those that regulate the human mind, due to direct causation of foreseeable consequences" (Article 3 of the Law on industrial property of the Republic of Macedonia). This standpoint is adopted in two judgements of the German Federal Supreme Court in the cases: "*Rote Taube*" dated 27.03.1969, "*Dispositionsprogramm*" dated 22.06.1976 and "*Antiblockiesystem*" dated 13.05.1980. This leads us to the conclusion that the invention is a manual for solving certain technical problem (Markovic, 1997, p. 63).

In accordance with the American court practice, transposed through the decisions of the Supreme Court of the United States, the patent law can be applied on "anything that is under the sun and is made by the mankind" (*Diamond vs. Chakrabarty*). The Supreme Court reaffirms the premise that the natural law, physical phenomenon and the abstract ideas are not patentable. This especially if we take into account the fact that the natural forces can only be perceived and used by the people in order to acquire certain benefit (McJohn, 2003, p. 113).

Despite the lack of concise definition of the invention in the legal act, it is widely accepted that an invention must meet a few criteria in the event that it is to be qualified for patent protection (Pepeljugoski, 2011, p. 99). These incorporate, most fundamentally, that the invention must comprise of patentable topic, the invention must be industrially appropriate (useful), it must be new (novel), it must display an adequate "innovative stride" (be non-obvious), and the divulgence of the invention in the patent application must meet certain standards (World Intellectual Property Organization [WIPO], last access 30/04/2017). Needless to say, in any examination as to substance the most vital element is the novelty. In sense of the latter the patent claims should be assessed as a whole, including their technical and non-technical elements, respectively should not be disregarded *a priori*, if they involve certain non-technical elements. This especially if we take into account the fact that novelty is not something which can be proved or established; only its absence can be proved (Appellate Council of the European Patent Organization T.209/91 24).

### **3. The Notion of Novelty**

Novelty is a basic prerequisite in any examination as to substance and is an undisputed state of patentability (Bently and Sherman, 2014, p. 91). The Paris Convention in the Article 1 (4) provides that patents shall include the various kinds of industrial patents recognized by the laws of the countries of the Union, such as patents of importation, patents of improvement, patents and certificates of addition, etc. (Trajuris, last access 30/04/2017), thus leaving very broad authorization on the scope of novelty (Paris Convention Article 1 (4)). The Article 52 paragraph 1 of the European Patent Convention (EPC) defines the conditions of patentability by stating that European patents shall be granted for any inventions, in all fields of technology, provided that they are new, involve an inventive step and are susceptible of industrial application (EPC Article 52 (1)). Almost identical provision is contained in the Article 25 paragraph 1 of the Macedonian Law on industrial property. Just like the latter, the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) in the Article 27 paragraph 1 provides that patents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application (World Trade Organization [WTO], last access 30/04/2017). However, the footnote towards this Article of the TRIPS Agreements explains that for the purpose of this Article, the terms "inventive step" and "capable of industrial application" may be deemed by a Member to be synonymous with the terms "non-obvious" and "useful" respectively (World Trade Organization [WTO], last access 30/04/2017). The reasoning behind this explanation is to harmonize the European and the American patent law system.

All existing definitions of the novelty are consistent to each other and provide that "invention is new if it is not anticipated by the prior art" (World Intellectual Property Organization [WIPO], last access 30/04/2017). This definition is contained in the EPC Articles 54 and 55, the Macedonian Law on industrial property Article 27 and the Law on patents of Kosovo in the Article 11. "Prior art" is, by and large, all the information that existed prior to the important documenting or priority date of a patent application, regardless of whether it existed by method for composed or oral revelation (World Intellectual Property Organization [WIPO], last access 30/04/2017). The topic of what ought to constitute "prior art" at a given time is one

which has been the subject of some open deliberation. One perspective is that the assurance of prior art ought to be made against a foundation of what is known just in the ensuring country (World Intellectual Property Organization [WIPO], last access 30/04/2017). This would avoid knowledge from different countries, on the off chance that it was not foreign into the country before the making of the invention, regardless of the possibility that that information was accessible abroad before the date of the making of the invention (World Intellectual Property Organization [WIPO], last access 30/04/2017). Another perspective is based on the separation between printed publications and different disclosures, for example, oral disclosures and prior use, and where such publications or disclosures happened (Bently and Sherman, 2014, p. 416-434; World Intellectual Property Organization [WIPO], last access 30/04/2017).

The disclosure of an invention so it turns out to be part of the prior art may happen in three ways, which are depicted unequivocally in the EPC and the national laws, to be specific: by a description of the invention in a distributed written work or publication in other shape; by a description of the invention in talked words articulated in public, such a disclosure being called an oral disclosure; by the use of the invention in public, or by setting the public in a place that empowers any individual from the public to use it, such a disclosure being a "disclosure by use" (World Intellectual Property Organization [WIPO], last access 30/04/2017). The status of the unpublished information is governed by the territorial rule, due to the fact that their availability is limited within the border of a certain territory.

The view of the United States towards the novelty requirement is somehow different that the previously described. Respectively, in the 35 US Code § 102 it is provided that the invention should provide 3 conditions in order to be considered as new: anticipation – it was not made available to the public in the United States by means of written or oral disclosure; priority – the invention was not invented by a third diligent person; derivation – the applicant must be the inventor and not a third person that was made aware of the existence of the invention (Polenak, Anastasovska, Buchkovski and Pepeljugoski, 2005, p. 69). In the past years the United States patent system undergoes series of reforms which are aimed at losing the patentability requirements. This was deemed necessary after a series of landmark decision (*Bilski v. Kappos*, 130 S. Ct. 3218, 3231 (2010)) which have depended on narrowing the extent of patent-eligible topic and to make patents harder to acquire, based on obviousness (Bessen and Meurer, 2009,

p. 109). The Federal Circuit adopted this burden-shifting framework and tweaked it for use in patent litigation. In *Amgen Inc. v. Hoechst Marion Roussel, Inc.*, the court held that the underlying presumption of enablement encompasses both claimed and unclaimed subject matter in the third-party patent (*Amgen Inc. v. Hoechst Marion Roussel, Inc.*, 314 F.3d 1313 (Fed. Cir. 2003)). As support for its holding, the court explained that the examiner should not bear the burden of analyzing enablement each time an allegedly anticipating third-party patent is challenged (Seymore 939). Consequently, the US courts now use the enablement-possession test to handle the novelty problem (Seymore, 2011, p. 940).

The absence of novelty can be established by explicit and implicit breach of the novelty requirement. A document will just devastate the novelty of any invention asserted if the topic is expressly contained in the document (World Intellectual Property Organization [WIPO], last access 30/04/2017). By contrasting element by element and the substance of every individual publication, absence of novelty can only be found if the publication by itself contains every one of the attributes of that claim, on the off chance that it suspects the topic of the claim (World Intellectual Property Organization [WIPO], last access 30/04/2017). In any case, the absence of novelty might be understood in the publication as in a man having standard aptitude in the art would unavoidably land at an outcome falling inside the terms of the claim. As a rule, absence of novelty of this kind might be raised by the Patent Office. It ought to be noticed that in considering novelty, it is not reasonable to join isolate things of prior art together (Bently and Sherman, 2013, p 425; Japan Patent Office [JPO], last access 30/04/2017). It is important to point out that the prior art is assessed on the basis of objective and absolute criteria based on written documents and fact, rather than assessing it on the basis of subjective criteria (Bently and Sherman, 2014, p. 428). Another important point is the fact that the EPC and the national laws eliminate all geographical distinctions for all categories of prior art (Takenaka, 2003, p. 661). Therefore, if an event or activity occurs that meets the definition of prior art, it is within the prior art regardless of where it occurs (Takenaka, 2003, p. 662).

The EPC and the national laws provide exceptions for disclosure of the inventions without any consequences as to the novelty. Thus in accordance with the Article 55 of the EPC, a disclosure of the invention shall not be taken into consideration if it occurred no earlier than six months preceding the filing of the European patent application and if it was due to, or in

consequence of: an evident abuse in relation to the applicant or his legal predecessor, or the fact that the applicant or his legal predecessor has displayed the invention at an official, or officially recognized, international exhibition falling within the terms of the Convention on international exhibitions signed in Paris on 22 November 1928 and last revised on 30 November 1972 (Lexology, last access 30/04/2017). In order for the latter to be applicable, the applicant when filing the European patent application should state that the invention has been so displayed and files a supporting certificate within 6 months of the application date. The same provision is contained in the Article 28 of the Macedonian Law on industrial property and the Article 12 of the Law on patents of Kosovo.

Taking into consideration the above mentioned it can be established that the exploration of the novelty of the invention can be divided in three phases: determining the application date, determining the subject matter of the invention and the scope of protection and finally determining the prior art and comparing it with the subject matter of the invention.

#### **4. Priority vs. Novelty**

Unlike the novelty, the priority is not defined in the legal texts regulating the industrial property rights, due to the fact that all international legal documents and national laws only contain reference to the priority as a right connected with the first-to-file patent law system. Applying this analogy in defining the priority, one can easily conclude that the priority is a question of who between the rival inventors will obtain patent for identical invention, respectively the case of “inventor vs. inventor”, unlike the novelty which is a matter of “inventor vs. prior art” (Merges 9). In such way, the priority eliminates the problem of which of the two inventors actually invented first, rather which one of them filed first.

The system of international priority fills in as an accommodation for an applicant from an offered country to file for applications of a similar invention in different locales on various documenting dates but wish to appreciate the advantages which might be gotten while considering the examination of applications, which will normally be based on the recording date of the first-filed application (Lexology, last access 30/04/2017). Some of the most important international treaties are in force to harmonize priority rights across national borders, including the Paris Convention, the EPC, the PCT, and the TRIPS Agreement.

As can be seen from the Paris Tradition, where the priority rule is firstly established in 1886 in the Article 4, any person who has duly filed an application for a patent, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed (Lexology, last access 30/04/2017). Any filing that is identical to a regular national filing under the national legislation of any country of the Union or under bilateral or multilateral treaties concluded between countries of the Union shall be recognized as offering ascend to the right of priority (Lexology, last access 30/04/2017). Moreover, the Paris Convention builds up that the times of priority alluded to above shall be twelve months for patents and these periods shall start from the date of filing of the first application; the day of filing shall not be incorporated into the period (Paris Convention Article 4 (A)(3)). No country of the Union may refuse a priority or a patent application on the ground that the applicant claims numerous priorities, regardless of the possibility that they begin in various countries, or on the ground that an application asserting at least one priorities contains at least one elements that were excluded in the application or applications whose priority is claimed, given that, in both cases, there is unity of invention within the importance of the law of the country (World Intellectual Property Organization [WIPO], last access 30/04/2017). Priority may not be refused on the ground that specific elements of the invention for which priority is claimed don't show up among the claims defined in the application in the country of origin, given that the application documents in general particularly uncover such elements (World Intellectual Property Organization [WIPO], last access 30/04/2017). This kind of priority in the theory and praxis is known as “union priority right”.

The TRIPS Agreement in the Article 29 (1) gives that individuals shall require that an applicant for a patent shall disclose the invention in a way adequately clear and finish for the invention to be done by a skilled person in the art and may require the applicant to demonstrate the best mode for completing the invention known to the inventor at the filing date or, where priority is claimed, at the priority date of the application (World Trade Organization [WTO], last access 30/04/2017).

The Law on industrial property in Macedonia, additionally does not contain meaning of the priority right, rather it portrays that since the date of the receipt of a properly patent application form in the Office, the patent applicant shall have a right of priority against whatever other person that

will later file an application for a same invention (Intellectus, last access 30/04/2017). Be that as it may, there will be an exception if the prerequisites for acknowledgment of display and union priority right, provided for in Articles 37 and 38 of the Law are fulfilled, respectively under the Article 37 of the Macedonian Law on industrial property, the person who had exhibited an invention at an officially recognized exhibition or fair of international character in the Republic of Macedonia or in whatever other part condition of the Paris Union, or the WTO, within a period of 90 days after the date of closing the exhibition (fair) may ask for, with an application, a right of priority, from the first day of exhibition i.e. from the date when starting to use it and The legal or characteristic person that has appropriately filed a patent application in one of the part conditions of the Paris Union or the WTO shall be recognized a priority right in the Republic of Macedonia from the date of filing the first application, if asked for so within 12 months from the date of filing the first application. The claim to recognize the priority right, whether exhibition or union priority right shall cover only those elements of the application contained in the first application or applications, on the basis of which the applicant invokes to the priority right.

In accordance with the Article 62 of the Law on patents of Kosovo, on the off chance that at least two persons have made an invention autonomously of each other, the priority in regard of right to the patent grant shall have a place with the applicant whose patent application has the earlier date of filing. Likewise, any legal or natural person or her/his successor in title who has appropriately filed an application for a patent, in any Member State party to the Paris Convention for the Protection of Industrial Property or the World Trade Organization, shall appreciate, with the end goal of filing the application in the Republic of Kosovo in regard of a similar invention, a right of priority amid a time of twelve (12) months from the date of filing of the first application, given that the right of priority is claimed (Law on patents of Kosovo Article 63(1); Assembly of Kosovo, last access 30/04/2017).

The comparison of the quoted legal requirements of priority points us to the direction where no room for debate is left, especially if we take into account that it contributes to international harmonization. However, the concept of priority set forth raises several issues.

First, most countries have already chosen to base patent priority rights exclusively on the filing date. Potential value exists in a unifying rule that

creates efficiencies in processing international patent applications. In this regards, even though the priority right is in fact emanating the principle "first to file", it actually sets a standard for granting the patent right to the proven first inventors (Patentlyo, last access 30/04/2017).

Second, the joint existence of the priority and novelty does not necessarily indicate to the applicants filing date as a standard for priority. Respectively in significant number of cases an inventor who files after a piece of prior art appears in the field may still be entitled to patent (Merges, 2012, p. 8). The crucial question in these cases is if the inventor filed within the statutory grace period provided in the international conventions and treaties and the national law (European Patent Office [EPO], last access 30/04/2017). On the other hand, under the US patent law system, there is a possibility of claiming priority to a pre-filing invention date, which requires that an applicant prove prior conception and due diligence or reduction-to-practice (Crouch, 2010, p. 7). Indeed, over 99.9% of patent applications present no dispute as to the identity of the first inventor, nevertheless it cannot be considered as a general rule *per se* (Federal Trade Commission [FTC], last access 30/04/2017). The solution under one approach is that patent races would concentrate exclusively on the filing date while applicants would hold the capacity to predate non-contending prior art based on invention date. A more limited approach would restrict the use of pre-filing invention date confirmation to overcoming prior art originating from pre-filing disclosures by the inventors themselves. Under an option approach, priority challenges between contending inventors would concentrate on the individual invention dates while other priority issues would depend only on the filing date. The practical weight given to the invention date could likewise be balanced by shifting the evidentiary prerequisites for demonstrating pre-filing priority (Crouch 2010, p. 7,8; Michigan Telecommunications and Technology Law Review, [MTTLR], last access 30/04/2017).

The third, and in our view most important issue, is the applicability of the priority in states which *areper tem* are not member states of the Paris Union such are Taiwan and Kosovo.

Due to Taiwan's accession to the WTO in 2002, Taiwan is bound by the TRIPS Agreement, which obligates all members to comply with the existing conventions regarding the protection for intellectual property rights, including the Paris Convention (TRIPS Agreement Article 2.1). Even though the right to claim priority has been mutually recognized between

Taiwan and its peers in the WTO, China refused to recognize Taiwan's right (Intellectual Property Office [TIPO], last access 30/04/2017). In 2010, the Cross-Strait Agreement on Intellectual Property Right Protection and Cooperation was introduced between China and Taiwan under the Economic Cooperation Framework Agreement which enables applicants from either side who wished to claim priority to a first-filed (Deepnfar, last access 30/04/2017). In any case, when the applicant is a subject or a substance from a third part country, a few details and particulars shall be taken care of with alert (Intellectual Property Office [TIPO], last access 30/04/2017). Likewise, if the foreign applicant is a citizen/entity of a non-WTO part country yet which proportionally perceives priority of a first-filed Taiwanese application, the foreign applicant can still enjoy the qualification of priority claim. Such cases were commonly seen before Taiwan's induction to the WTO ((Intellectual Property Office [TIPO], last access 30/04/2017). Referring to the EPC or PCT, a foreign applicant may yet claim priority to a first-filed application under the EPC or PCT in a later-filed Taiwanese application. Article 87(1) of EPC and Rule 4.10(a) of the Regulations under the PCT prescribe that, an applicant who files for a first application in a WTO member shall enjoy priority right in a later-filed PCT or EPC application. Based on the reciprocity principle of Article 28 of the Taiwan Patent Act, a later-filed Taiwanese application may also enjoy priority claim for the same invention to the first application filed under the EPC and PCT (Lexology, last access 30/04/2017).

The position of Kosovo differs of the one of Taiwan, primarily due to the fact that Kosovo is not a WTO Member State. In this context, there are three possible options that Kosovo may consider in relation to WTO accession, such as: joining as a custom territory, joining as an observer and joining as a member (World Trade Organization [WTO], last access 30/04/2017). The membership status will enable it to benefit from the implied acceptance of the Paris Convention in the TRIPS Agreement and thus adopting the full concept of the priority right. The problem of priority is not important for the foreign natural and legal persons due to the fact that they are fully protected with the Article 62 and 63(1) of the Law on patents of Kosovo. However, the Kosovo's legal and natural persons wouldn't be able to enjoy the priority rights (especially Union priority right) in a member countries of Paris Union, due to the fact the Republic of Kosovo is not member of UN, respectively is not member of World Intellectual Property Organization, as one of the specialized UN agencies. This fact causes problems for Kosovo,

to become member of Paris Union. In the meantime, this problem may be solved with signing of bilateral agreements with the countries who recognized Republic of Kosovo as independent state, following the Taiwanese example.

## **5. Conclusion**

Although the novelty and priority requirements are restated in the first-to-file principle, clearly there is a room for revision of the concept. The revision reaffirms the current priority rule by a person who first reduces the invention to practice. In such way the inventors will be able to easily comprehend the principle without the fear of inserting significant uncertainty as to the prior art. Thus, all complexity in applying the priority rule and the current procedure in administering the priority remains with the proposed revision.

Furthermore the review of the current first-to-file principle reveals certain specific problems, resulting from the complex structure of the system. It was demonstrated in this article that this situation causes some discrepancies between the language of the current novelty and priority principle under the regime established by the Paris Convention. The most recent example is the evolution of the US first-to-invent into first-inventor-to-file, which enables changes into the well-established use of the patent law. The enforcement of this change reveals the tendency of uniformity in the application of the priority and novelty worldwide.

On the other hand, the current international setting demands for amendments in the current context of the priority right as defined in the Paris Convention and applied among the member states of the Paris Union.

The first exception in the international community was made for Taiwan. Beginning with the TRIPS Agreement the inventors are allowed to enjoy full benefit of the priority rule. In today's point of view there is almost no difference between the priority of the Paris Convention and the one granted in Taiwan.

The enforcement of the second exception is yet to be seen. This would mean that the priority rule should also be modified in a certain way in regards to Kosovo. This undoubtedly does not mean that the exception would amount to rewriting the priority rule. However, the slight adjustment that will enable its applicability for the inventors of Kosovo would also amount to its harmonization. In addition it will create benefit

for the inventors to be able to enjoy the priority rule for patent applications obtained domestically.

At the same time the constant need for changes of the priority rule poses another challenge to the World Intellectual Property Organization in adopting standpoint that will cover vast majority of situations and promoting innovation.

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