

Foreign Patent Filing Restrictions and Licenses in U.S. – Part 1

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This is part 1 in our series examining foreign filing restrictions and licenses in the U.S. and in a number of countries throughout the world. Some of the countries we will examine include: Argentina, Australia, Austria, Belgium, Canada, Chile, China, Columbia, Czech Republic, Denmark, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Italy, Japan, Liechtenstein, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Peru, Philippines, Portugal, Russia, Singapore, Slovak Republic, South Africa, South Korea, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, Venezuela and Vietnam.

What are foreign filing restrictions and licenses?

Many governments require approval before technology described in a patent application can be exported abroad, especially if a patent filing is not first being made in the country of invention. In many countries, this approval is given in the form of a foreign filing license, which must be granted by the appropriate government agency before a patent application can be filed abroad. The foreign filing license requirement is in place to protect national security. In fact, patent applications denied a foreign filing license are often directed to sensitive technologies that a defense agency or government deems important for military purposes and/or potentially detrimental to the safety of the country if exported. Examples of such technology include explosives, nuclear technology, atomic energy materials, and biological warfare materials.

Law governing foreign filing licenses in the U.S.

According to 35 U.S.C. Section 184 (Section 184), a foreign filing license is required for a patent application if the claimed subject matter was made in the U.S. and (1) it has been less than 6 months after an application was first filed in the U.S., or (2) no application has yet been filed in the U.S. Specifically, Section 184 reads as follows:

35 U.S.C. Section 184 – filing of applications in foreign countries

- Except when authorized by a **license** obtained from the Commissioner of Patents a person ***shall not file or cause or authorize to be filed in any foreign country prior to six months after*** filing in the United States an application* for patent or for the

registration of a utility model, industrial design, or model in respect of an invention made in this country.

*Application is defined as including not only the application itself but any modifications, amendments, or supplements thereto, or divisions thereof

Thus, in order to obtain legal permission to file a patent application claiming an invention made in the U.S., a petition for a foreign filing license must be granted or a minimum of 6 months must have passed after the application was filed in the U.S. Patent and Trademark Office (U.S. PTO), provided no secrecy order has been imposed. Without such a license, a person is not permitted to file, cannot cause to be filed, or authorize a patent application to be filed in another country unless the 6 month period from the filing has elapsed.

Obtaining a foreign filing license in the U.S.

Every U.S. origin application filed in the U.S. PTO is considered to include an implicit petition for a foreign filing license. The filing receipt of the application will indicate if the foreign filing license is granted. Generally, the filing receipt will recite: "If Required, Foreign Filing License Granted" followed by a date. The license is effective on the date shown on the receipt.

Explicit and expedited foreign filing licenses must be requested under the following circumstances:

- The filing of a corresponding foreign patent application is desired on the same day or within a few days of the filing of a first U.S. application (as either a provisional or nonprovisional), where the U.S. application has not been granted a foreign filing license.
- The patent application includes subject matter invented in the U.S. that will be filed first in a foreign patent office with no corresponding U.S. application.
- New subject matter invented in the U.S. will be added to an existing and licensed U.S. patent application that will first be filed in a foreign patent office.
- A foreign filing license for foreign patent application associated with a first-filed U.S. provisional or non-provisional patent application is desired on an expedited basis.
- A foreign filing license has not been granted on a filing receipt, and it is less than 6 months after the filing date of an application.

Petition for an expedited foreign filing license

An expedited foreign filing license can be obtained by filing a petition with the U.S. PTO. While there is no required format for the petition, the U.S. PTO prefers that the petition be provided in letter form. The petition must include: the U.S. application number (if known), filing date (if known), inventor, the required fee (the fee for an expedited foreign filing license is provided in 37 C.F.R. 1.17(g) (currently, \$200.00)), as well as the contact information for the delivery of the requested license (generally fax or mail). A copy of the material for which a license is desired (typically, a copy of the patent application to be filed abroad) should also be provided, particularly if no corresponding national/international design or international application has been filed.

Applicants are encouraged to hand deliver or fax (571-273-0185) the license request directly to the Licensing and Review department of the U.S. PTO. The license becomes valid when the petition is granted, which generally occurs within 3 business days from its receipt, provided that the subject matter contained in the application does not present any security issues. The scope of the license granted by petition is indicated on the license.

Once obtained, a foreign filing license gives the holder the right to file and prosecute a patent application in a foreign patent agency or international patent agency. It allows the holder to make changes to the foreign patent application in the form of modifications, amendments, and divisionals *as long as they do not change the general nature of the invention* (Section 184(c)). The license also authorizes the export of technical data related to prosecution of the foreign application.

Petition for a retroactive foreign filing license

If an expedited foreign filing license is not requested prior to the filing of an application abroad, an Applicant can submit a petition to the U.S. PTO requesting a retroactive foreign filing license (pursuant to 37 CFR Section 5.25) provided that the Applicant can demonstrate that the unlicensed foreign filing occurred as a result of an error. Such a petition must include a list of each of the foreign countries in which the unlicensed patent application material was filed and the corresponding filing dates. The petition must also include a verified oath or declaration describing the nature of the error that specifically includes a statement that the subject matter in question was not under a secrecy order at the time it was filed abroad nor is it currently under such an order. The oath/declaration must (1) show that the license had been diligently sought after discovery of the proscribed foreign filing and (2) include an explanation of why the material was filed abroad through error without the required license having been obtained. Additionally, the petition should also include the required fee (the fee for a petition for a retroactive foreign filing license is provided in 37 C.F.R. 1.17(g) (currently, \$200.00)). The petition should explain Applicant's standard operating procedure (SOP) for obtaining an expedited foreign filing license and explain why any such SOP was not followed for the filing in which a retroactive foreign filing license is sought. Petitions are granted or denied by the Office of Petitions; such decisions can sometimes take several months.

Penalties

If a foreign filing license is not obtained, the corresponding U.S. application will not be granted, and if the patent has been issued, will be considered to be invalid. The Applicant can also be fined up to \$10,000 and face imprisonment of up to 2 years.

Revocation of a foreign filing license

On the rare occasion, a foreign filing license can be revoked after issuance by the U.S. PTO. This occurs if the U.S. PTO has conducted additional review of the licensed subject matter and decided to refer the application to the appropriate defense agencies. Any subsequent revocation of a foreign filing license becomes effective on the date on which the notice is mailed. Any foreign filings that have occurred prior to the revocation do not need to be abandoned or otherwise specially treated. However, no additional filings without a license are permitted unless 6 months have elapsed from the filing of the corresponding U.S. application.

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