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# Business & Law Newsletter

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## PROTECTING YOUR INVENTION

### Part II. Preserving Confidentiality

The need to preserve confidentiality of the invention cannot be overstated. Failure to maintain confidentiality of the invention can result in a loss of the ability to obtain a patent. Specifically, any public disclosure of the invention such as a publication describing the invention, public presentation of the invention, or making an offer to sell the invention can result in the loss of the ability to file for foreign patent rights.

U. S. Patent law is a bit more forgiving than foreign patent law. The relevant U. S. Patent law states in part that any publication, public disclosure or offer to sell an invention more than one year prior to the filing of a U. S. patent application results in a loss of the right to obtain an U. S. patent. Said in another way, if the invention is the subject of a publication, public disclosure or offer to sell, the inventor has one year from the date of publication, public disclosure or offer to sell in which to file an U.S. patent application covering the invention. However, as noted above the right to obtain a foreign patent may already be lost.

Inventors at academic institutions are at particular risk of waiving the right to patent by publication or public disclosure of the invention. Those inventors at academic institutions are, in many cases, still subject to the "publish or perish" mentality in which promotion and tenure of the academician is governed, in part, by the number of publications that the individual has obtained. Unfettered publication of scientific data without regard to the potential patents arising from such data may result in the waiver of the right to obtain a patent based on the published data. Further, patent rights may be lost by academic inventors by the common practice of presentation of data describing the invention at local and national scientific meetings. Most scientists have been indoctrinated with the idea that scientific data is to be freely shared with other scientists for the benefit and advancement of science, in general. How then can academic inventors satisfy the requirements of confidentiality required by the patent process and still share data with other scientists? Fortunately, U.S. Patent law holds that the one year time period for filing a patent



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application after publication of the invention does not start until the invention is actually published and disseminated to the public. The period of time from initial submission of the data regarding the invention to the scientific journal and actual publication of the disclosure by the journal can be several months. It is during this time period that the inventor can file the patent application and preserve the right to a United States or foreign patent.

Scientific meetings are scheduled several months in advance and inventors have notice that the data describing their invention may be presented at the scientific meeting. Like publication, this time period before the public disclosure at the scientific meeting should be used to prepare and file the patent application so that foreign patent rights are not waived. If the patent application is also filed with the U.S. Patent Office, then the clock timing the one year period described above never starts ticking. By planning ahead, the academic inventor can protect the available patent rights and still participate in scientific discussion and debate.

In some circumstances it may be helpful to disclose the invention to others. Those situations where disclosure would be helpful to the inventor include disclosures to obtain funding for additional work, potential licensure of the invention for economic exploitation of the invention, development and construction of a prototype of the invention and evaluation of the invention by others interested in further development of the invention. Without a mechanism to preserve confidentiality, these types of disclosures have the potential to waive the ability to obtain a foreign patent and start the one year time period of time to file a U.S. patent application. Privacy of these potential disclosures can be protected by the use of confidentiality agreements. These confidentiality agreements are contracts in which the parties agree to maintain the confidentiality of the invention in return for the opportunity to evaluate the invention for some later purpose such as licensure or prototype development. A confidentiality agreement can be "one way" in which only the party receiving the invention disclosure from the inventor agrees to preserve confidentiality of the invention. This type of agreement leaves the inventor free to disclose the invention to others through additional confidentiality agreements.

The other type of confidentiality agreement is a "two way" agreement in which both the inventor and the other party agree to preserve the confidentiality of the information exchanged. This type of agreement usually occurs when confidential information is transmitted both to and from the inventor. Both parties to the so called "two way" confidentiality agreement have given confidential material to the other party which needs to remain secret. By either type of confidentiality agreement, the ability to obtain a patent either in the U.S. or abroad is preserved because there has been no public disclosure of the details of the invention.

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