

The Constitutionality of Awarding Patents to Inventors Who Are the First to Seek Them
The First-Inventor-to-File Principle Best Implements the Constitutional Provision on Patents

Congress Has the Power to Enact a Patent Law Granting Exclusive Rights to Inventors

Under the U.S. Constitution, Congress is not obligated to create a patent system. Congress is empowered, but not directed, to create a patent system by the Patent Clause in Article I, Section 8:

“The Congress shall have Power ... To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries”

A patent law, to pass constitutional muster, must limit the availability of patent to inventors. The phrase “by securing ... to ... Inventors the exclusive Right” means Congress may provide for the grant patent rights, if at all, only to *bona fide* inventors.

Existing 35 U.S.C. §101 Implements the Constitutional Limitation on Granting Patents

The current U.S. patent law implements this limitation in the Constitution through section 101 of title 35, United States Code:

“Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, *may obtain a patent* therefor, subject to the conditions and requirements of this title.”

The section 101 provision of the patent statute is both necessary and sufficient to assure the constitutionality of the patent laws: the exclusive rights that Congress may grant for limited times may only be secured for inventors and title 35 only permits patenting of inventions by their inventors. H.R. 1249 leaves section 101 untouched, thereby avoiding any Constitutional issue.

So what’s the beef with H.R. 1249, since it leaves the key provision impacting constitutionality unaffected?

Congress Has Long Exercised Its Constitutional Authority by Authorizing the Grant of Patents to the First Inventor to File

Rival, Contemporaneous Inventors of the Same Invention Force Congress to Make a Legislative Choice as to the Inventor to be Granted a Patent for the Invention

In rare circumstances different individuals may independently and nearly contemporaneously make the same invention – and both of the rival inventors may then apply for a patent on that invention. In this rare circumstance, Congress must make a legislative choice as to whether and to whom patents may be lawfully issued.

The Constitution provides no explicit direction to assist Congress in making the legislative choice in these rare situations. It could provide: that neither inventor could obtain a patent (concluding that near simultaneous invention by rival inventors means the invention is necessarily obvious, not meriting a patent); that both inventors could obtain a patent for their respective contribution (concluding that there simply is no fair way to give one *bona fide* inventor a patent and force the other out of the field altogether); or that only one of the inventors could obtain a valid patent (concluding that, however, unfair it might be to the inventor not obtaining a patent, it could legislate criteria that would best vindicate the public interest).

The Constitutional Purpose of the Patent Clause and the Public Interest Make Granting Patents to the First Inventor to File for a Patent the Preferred Policy Outcome

Self-evidently, the first individual to make an invention has the ability to be the first individual to file for a patent on the invention. However, if the first individual to make an invention does not promptly seek a patent for the invention, but instead elects to wait until another individual has both independently made the invention *and then undertaken the effort and expense to seek a patent on the invention*, nothing whatsoever in the Constitution even remotely suggests that Congress must reward a first inventor's belated efforts in seeking a patent on an invention, particularly if done at the expense of a diligent second inventor who promptly filed for a patent.

Under the Patent Clause, Congress is instructed to create a system that in its operation will "... promote the Progress of Science and useful Arts." Historically, the patent system performs this function when the patent document becomes public – either as a published application for patent or because the patent examination process has concluded with the issuance of a patent. The word "patent" itself means open to the public for all to inspect.

This, of course, suggests that the Congress cannot simply ignore a true inventor who was first to offer to the public the opportunity to have access to a full disclosure of the invention in the patent document. Indeed, Congress could properly conclude that such an inventor, acting promptly to provide a public disclosure of the invention, had a superior constitutional claim to the right to a patent over an inventor who, by definition, elected to delay the patenting process that would lead to such a public disclosure.

One could readily argue that the best reading of the Constitutional authorization to Congress “To promote the Progress of Science and useful Arts” would favor a system that grants a patent to an inventor who acts first to bring the invention into public view by being the first inventor to seek a patent, rather than a system that would award a patent to an inventor who might have some claim to have made the invention earlier, but elected to delay moving forward to initiate the patenting process.

Given the Patent Clause in the Constitution is not purposeless, but explicit as to its purpose, it is almost unassailable that Congress has the power to make the legislative choice to direct that patents be awarded to the first inventor to file for a patent, in preference to the inventor who may have invented earlier, but then delayed the initiation of the patenting process.

The U.S. Patent Laws Have Historically Favored the First Inventor to File for a Patent and, in Some Situations, Routinely Mandated that the First Inventor to File be Awarded the Patent

Historically, Congress has elected to *strongly favor* granting patents only the inventor who has elected to promptly seek a patent once having made an invention and to *strongly disfavor* patenting by an inventor who was not the first inventor to file for a patent. Today, as a result of this favoritism, far more than 99% of all U.S. patents are issued to the first inventor to file for a patent.

Moreover, for over a century, statutory rules had the effect of routinely barring the first individual to make an invention from gaining a U.S. patent – even in situations where the first person to make the invention was also the first inventor to file for a patent. Indeed, until January 1, 1996, the United States essentially operated a bifurcated patent system that placed U.S.-based inventors under one set of criteria for securing patent and foreign-based inventors under different criteria.

How did this system work?

When two foreign-based inventors sought a patent for the same invention under the pre-1996 patent law, Congress dictated that the patent for the invention should be awarded to the first inventor to file for a patent. It did not matter which of the foreign-based inventors was the earlier to invent. The result was, that in some situations, the first individual to make the invention was simply denied a patent and barred from practicing the invention by virtue of the exclusive rights granted to the first inventor to file.

When two U.S.-based inventors sought a patent for the same invention, Congress dictated that the first inventor to file for a patent would be presumptively entitled to the patent for the invention. Only in the rarest of situations was that presumption overturned. The later-filing patent applicant was given the right to attempt to prove a “date of invention” that preceded the date of invention of the inventor who first filed for a patent. In real life, only in the rarest of situations has the later-filing patent applicant been awarded a patent.

Congress Enacted Patent Laws That Awarded Patents to Inventors Who Were Neither the First to File for a Patent nor the First Individual to Make the Invention

For much of the history of the U.S. patent system, Congress provided under the patent laws that a valid patent could issue to an inventor who was neither the first inventor to file for a patent nor the first

individual to have made the invention. This outcome is strong evidence that Congress has the authority under the Constitution – never challenged – to make a wide array of policy choices in deciding the right to patent where rival inventors are seeking patents.

What was the genesis of the patent law provision in which Congress dictated that a valid U.S. patent could issue to a second-to-file, second-to-invent individual?

Before 1996, Congress largely barred any evidence of activities that could evidence that an invention was made outside the United States. Under that law, when the rival inventors vying for a patent were a U.S.-based inventor who was pitted against a foreign-based inventor, a foreign-based inventor who was the first person to make the invention and the first inventor to file for a patent could nonetheless be denied a U.S. patent. Indeed, such first-to-file and first to invent inventors were routinely denied U.S. patents.

This meant that the inventor who was the second individual to make the invention and the second inventor to file for a patent would nonetheless have the right to obtain a U.S. patent for the invention. Congress allowed valid U.S. patents to issue to second-to-invent and second-to-file inventors because of a longstanding policy choice about the economic implications of permitting a foreign-based inventor who was the first to invent to have equal access to the U.S. patent system:

“The foundation for this rule [barring foreign-origin invention date proofs] ... appears to be the impracticability if not the impossibility on the part of inventors in this country to attend upon and prosecute the investigation of the alleged fact of invention in a foreign country. Great room also for fraud and imposition upon native inventors would be given if the rule were otherwise, and persons were permitted to establish the date of an invention in a foreign country inaccessible to the native inventor for the purposes of collecting testimony, etc., without an outlay perhaps of a fortune.” *Chambers v. Ducan*, 9 O.G. 741, 1876 C.D. 82 (Comm’r Pat. 1876).

Under the pre-1996 U.S. patent law, there was no constitutional challenge to the tripartite system: foreign inventors being granted patents under a first-inventor-to-file principle, U.S.-based inventors being granted patents under a first-individual-to-invent principle, and – in contests between domestic and foreign inventors – a principle that permitted a patent to be awarded to an inventor who was neither the first to invent nor the first to file for a patent.

By way of further comparison, under the pre-1836 patent law, patents were not examined in the modern sense of the word and there was no examination to assess, among rival inventors, if one invention date preceded another. It was only in the 1870 Patent Act that created so-called “interference proceedings” to address the question of relative dates of invention among patent applicants, and a mere six years later that the patent office made clear that issuing patents to the second-to-invent was justified on the basis of the policy implications of allowing foreign-based inventors, who were the first to invent, to offer the necessary proofs of their earlier inventions dates.

Conclusions

Any contention, therefore, that Congress cannot be faithful to the Constitution, absent maintaining a first-individual-to-invent principle, is belied by the fact that for most of the 221-year history of the United States, Congress established a patent system that systematically denied patents to the first individual to invent in favor of a later-inventing individual. Similarly, from at least 1876 to 1996 (for at least 120 years of our 221-year old patent system), when the right to a U.S. patent was contested among foreign-based inventors, the U.S. patent statute provided that the right to a patent would belong to the *first inventor to file* for a patent, irrespective of which of the rival inventors was the first individual to make the invention.

As Congress reassesses the structure of the U.S. patent law, it must implement the Constitutional purpose “To promote the Progress of Science and useful Arts” and must decide whether to award patents to inventors who delay in seeking patents or to inventors who are diligent after inventing in entering the patent system. Since the patent system promotes progress when new inventions become “patent” or open to the public, the greatest fidelity to the Constitutional purpose for patenting can certainly be implemented by awarding a patent to the inventor who is most diligent in entering the patent system. This is precisely what H.R. 1249 will accomplish. The first individual who invents, but elects to delay patenting, should have an inferior claim to a patent as against the inventor who comes promptly into the patent system and hastens to provide the public benefits that come from the disclosure in the patent.