

The legal and technical framework for patents

How do you tell who owns a patent?

Hello everyone and welcome to our course covering the basics in terms of the technical and legal framework for patents. My name is Duncan Clark and welcome to our sixth and final module, in which we'll be investigating the thorny issue of patent ownership.¹

Patents can have complex patterns of ownership, including both individual and joint ownership as well as having the ability to be sold, or 'assigned' to other parties.² There can be many different names that appear on a patent, including inventor names and names of organizations. In this module, we'll discover what information can be found relating to patent documents and how we can evaluate patent ownership.

Let's take a look first of all at the patent document. We can see here, we've got a distinction between the inventor and the assignee (or applicant). An inventor – or indeed a group of inventors – are the ones who design or conceive the invention and will be named as such on the patent.

However, as the WIPO explains: "In most countries, if an employee has developed an invention in execution of his/her employment contract – i.e. usually during his/her working time within the enterprise – the invention (and the related patent rights) will belong to the enterprise. To avoid confusion and possible disputes, employers often specify issues of intellectual property ownership in employment contracts."

This means that the inventor – or inventors – are often contractually obliged to 'assign' ownership of the technology to the organization. It is here, then, that ownership of the protected technology actually lies.

The WIPO continues: "In any case, the employee will always retain the right to be mentioned as the inventor, unless he/she expressly renounces this right."³

Having said this, sometimes companies can decide to take advantage of their employee patent-rights contracts and the local law, to ensure that any inventors under their payroll put their names down as assignees for applications or new patents into a whitespace area first.

This is done to throw any intrigue off from other companies or entities into whatever projects the company are working on.

¹ <https://www.neustel.com/patent-ownership-basics/>

² <https://www.uspto.gov/web/offices/pac/mpep/s301.html>

³ http://www.wipo.int/patents/en/faq_patents.html

At a later stage, that same company may agree to have the assignee name change from the inventor's name to the company's name. This is done via a simple process called patent ownership change.

In the case of some Patent and Trademark Offices like the USPTO in the United States, this could be done via an online form on their website. Once a company does this, they would have a strong enough portfolio to enforce their patents.

Knowing this, the patent landscape is filled with patents that belong to inventors, but not companies, only to have the assignee changed to a company name later.

The owner of a patent can do the following with their patent rights:

- License the patent rights to one or more third-parties to collect royalties;
- Sell the patent rights;
- Sue a patent infringer; or
- Manufacture, offer for sale, sell or use a product covered by the patent without infringing the patent.⁴

When using PatSnap, it is possible to search for patents by the assignee or inventor. This is seen in the Field search section.

There is the Assignee Name and the Inventor name, which could either be entered to reflect:

- Original Assignee: the assignee who originally owned the patent.
- Standardized Assignee: as assignee names can differ depending on the jurisdiction the patent was filed in, PatSnap has an algorithm that confirms what these variations indicate and standardizes them.
- Current Assignee: The assignee who currently owns the patent. This mostly happens via a process of applying to change the patent ownership.
- Inventor Name: the name of the inventor
- Standardized Inventor: the standardized algorithm that will group variations

In the case of joint ownership, things become more complicated. As Benedikt Sas, Stanislas De Vocht and Philippe Jacobs point out in their book 'Intellectual Property and Assessing its Financial Value': "If a patent is granted to more than one proprietor, the laws of the country in question and any agreement between the proprietors may affect the extent to which each proprietor can exploit the patent. For example, in some countries, each proprietor may freely license or assign their rights in the patent to another person while the law in other countries prohibits such actions without the permission of the other proprietor(s)."⁵

⁴ <https://www.neustel.com/patent-ownership-basics/>

⁵ Intellectual Property and Assessing its Financial Value, By Benedikt Sas, Stanislas De Vocht, Philippe Jacobs, page 34

This brings us on to licensing itself. As the UK Intellectual Property Office explains: “A licence is an agreement between you as the IP right owner and another party. It grants them permission to do something that would be an infringement of the rights without the licence.”⁶

Where licensing information is available, this can be found under the legal information sections of patent search tools, for example as we can see here in PatSnap. It is worth noting that a patent owner is not obliged to reveal details of licensing arrangements, so information cannot be treated as complete in the case of licensing.

Ok, so that concludes our course on ‘The technical and legal framework for patents.’ Hopefully by now you are able to answer questions about the different types of patent, the numbering systems that are used, legal statuses of patents, patent families, classification systems and patent ownership – and crucially how this can be applied to your patent searching.

We hope you enjoyed this course. Do check out the rest of the Academy by PatSnap for other courses and do let us know your feedback.

Until next time, thanks for watching and good luck.

⁶ <https://www.gov.uk/guidance/licensing-intellectual-property>