

Patent inventorship and ownership – what are the differences?

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Under New Zealand patent law, the concepts of an invention protected by a patent and ownership of that patent are quite distinct. It is important to understand the differences, as in some situations the inventor may not be considered the owner.

Inventorship

In general, under New Zealand patent law, a person is considered an inventor if:

- he/she conceived the original idea/s which led to the research direction which produced the patented invention (e.g. directors or contributors to a 'brainstorming session'); or
- he/she conceived part of the invention being claimed in at least one claim of a patent application; or
- he/she developed novel (i.e. non-routine) experiments, modifications, materials etc., or conducted research with initiative/ingenuity, which produced the patented invention; or
- he/she interpreted data that had unexpected results leading to the discovery/development of the patented invention.

Conversely, a person is not considered an inventor if they merely carried out defined instructions (e.g. lab assistants) or gave general assistance/advice (e.g. heads of team) to the research or developments.

Importantly, where research is collaborative (e.g. involving more than one organisation or a research group), there may be multiple inventors.

Ownership

A patent is a property right that can be transferred from one owner to another. The owner of a patent is the person or entity that currently has legal title to it.

In New Zealand, any person or company can apply for a patent but to be granted a patent the applicant must show that it has the legal right to own the invention.

Often, but not always, the legal right of ownership will be held by the inventor(s).

Alternatively, the following non-inventors are entitled under New Zealand law to be granted a patent:

- a person or company to whom the inventor has assigned rights to the invention. This transfer of ownership is usually effected by a formal (written) agreement which is officially recorded on the Patent Register at the Intellectual Property Office of New Zealand); or
- the legal representative of a deceased person who has the legal right to own the invention.

As with inventorship, there may be more than one applicant or owner of a patent. Multiple applicants or owners have equal rights to ownership unless there is an agreement to the contrary.

This can be an important consideration as assigning (or licensing) a share of a patent requires the consent of all owners of the patent.

Ownership arising out of employment and contract

Like inventorship, a claim to ownership can vary depending on the situation. For example, many businesses hire employees or contract third parties to develop new products.

Generally, an invention developed by an employee during their normal work duties will belong to the employer. However the employee will still need to be listed as the inventor on any patent application for the invention. For an employee to claim ownership of the invention, the inventing must be over and above, or outside, their normal work duties. Accordingly the wording of any employment agreement can be very important.

Conversely, where a company A commissions company B to develop an invention, company B may apply for ownership of the invention unless there is an agreement to the contrary. For example, an agreement between company A and company B which directs company B to assign the invention to company A will confer ownership of the invention on company A.

Why it is important to clarify inventorship and ownership?

When filing a patent application it is important to know which person(s) actually made an inventive contribution as falsely adding or omitting an inventor can have serious

consequences which may affect the validity of the patent.

Using the commissioning example above, if company A files a patent application without an assignment from company B, company A may not be entitled to be granted a patent, even if company A paid company B for its work. Furthermore, if company A does not name the company B inventors, then the application may be void.

However, it is important to first determine whether the company B personnel qualify as inventors, as they may simply have been employed as technicians to implement company A's invention.

It is best to sort out any ownership issues prior to filing a patent application rather than leaving it until later when matters may become more contentious.

Summary

The concepts of inventorship and ownership in New Zealand patent law are separate and distinct. In some situations an inventor may not be the owner of a patent (and vice versa).

Inventorship will depend on specific contribution to the inventive concept. Ownership will depend on the circumstances in which the work leading to the invention was carried out and may turn on the specific terms of an employment and/or development agreement.

It is important that the correct inventorship and ownership details are determined prior to filing a patent application to avoid subsequent disputes and potential patent invalidity.

Seek professional advice if you are uncertain as to who qualifies as an inventor and/or owner, or

if you require assistance preparing an agreement between parties.