

# When is it safe to disclose your invention?

## Implications of disclosure

One requirement to secure patent and/or registered design protection for a product or process is that it is novel (i.e. new or not previously known).

Therefore, when you have developed a new product or process you need to consider intellectual property protection *before* publicly disclosing details of the product or process.

## What constitutes disclosure?

In New Zealand (and most other countries) public disclosure simply means made available to the public on a non-confidential basis.

However in some countries (including New Zealand) confidential offers for sale and secret commercial use may also invalidate a subsequent patent or design registration. For example, the New Zealand court held in one case that there had been use of an invention when it was disclosed to potential purchasers on a confidential basis before the patent application was filed. In that case, the patentee received an order but delivery was delayed to allow a patent application to be lodged. However, the Court held that by agreeing to sell the invention, the patentee had used his invention to achieve his commercial objective and it did not matter that the commercial use was undertaken in confidence.

## Some exceptions:

### *Grace periods*

Australia, New Zealand, the United States and Canada are examples of countries which offer a grace period for public disclosure and/or use.

In these countries, an invention can be made public (under certain conditions) without affecting the validity of a patent application provided that a complete patent application is filed within 12 months of disclosure. However, you should not rely on these grace period provisions as a general strategy if you need to publicly disclose your invention before filing a patent application as not every country offers them (for example there is no grace period in Europe) and the specific length of the grace period and requirements in the countries that do offer a grace period can differ.

## **Confidentiality Agreements**

Confidentiality agreements can be used in situations when it may be necessary to disclose details of your developments to a third party prior to filing a patent or design application. For example, a draughtsman, engineer or designer who assists you in developing your prototype should do so under an obligation to maintain his or her work in confidence. A disclosure in breach of an obligation of confidence will not invalidate a patent or registered design application. Also you may have a legal remedy against anyone who discloses details of your developments in breach of the confidentiality agreement.

We can prepare and review confidentiality agreements on your behalf.

## **Disclosure following the filing of a patent application?**

It is common for most people to publicise their invention after a patent application has been filed. For example they may want to market or sell their product, or attract potential licensees and commercial partners.

However, disclosing your product after filing may limit your future options as follows:

### ***Improvements/modifications***

Once a provisional patent application has been filed you might continue to make improvements / modifications to your invention. You may even discover new uses for your product or process that were unforeseen and therefore not covered in the initial patent application.

If you disclose these new developments you will not be able to file a further patent application covering them and you may not be able to protect them when you complete your existing patent specification.<sup>1</sup>

### ***Extending deadlines***

It is sometimes possible to extend the deadline by which a provisional patent application can be completed and equivalent overseas applications filed. For example, in New Zealand it is possible to post-date a patent application by up to 6 months (and forfeit your original application date). You would do this if you needed more time to develop your invention before filing a complete specification or you need more time before incurring the costs of overseas applications.

An alternative to buy more time is to withdraw your application and re-file it at a later date.

It is important to understand that these options are only available if there has been no public disclosure, use or sale of your product before the post-dated/new filing date.

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<sup>1</sup> A complete specification is usually filed within 12 months of filing the provisional specification and contains a more complete description of the invention and one or more claims which define the scope of protection. For more information read our info sheet "Parts of a complete specification: what are they and why should you use them?"

We can provide you with a full discussion of the advantages and disadvantages of these two options on request.

### **Conclusion**

The most prudent advice is not to make non-confidential disclosures of your product or process even once a patent or design application has been filed.

However, if commercial realities necessitate public disclosure, use or sale of your product, then it is essential that you obtain further legal advice to minimise your risks and maximise your opportunities.

### **Disclaimer**

The above is provided for general information purposes only and does not take the place of specific legal advice. For more specific advice on all aspects of intellectual property law please contact us.