Does a Patent Reassignment Remedy for Technology Misappropriation Leave the True Inventor Holding an Empty Bag?

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DOES A PATENT REASSIGNMENT REMEDY FOR TECHNOLOGY MISAPPROPRIATION LEAVE THE TRUE INVENTOR HOLDING AN EMPTY BAG?

Icerta pro nullis habentur.¹

Deeply rooted in the patent laws² is the originality requirement,³ which precludes the issuance of a valid patent⁴ to an entity

¹ See Black's Law Dictionary 761 (6th ed. 1990) (“Uncertain things are held for nothing.”).
² See U.S. Const. art. I, § 8, cl. 8. The patent laws and the strict inventorship requirements therein are founded upon article I of the Constitution, which provides that “[t]he Congress shall have the Power... [t]o promote the Progress of... useful Arts, by securing for limited Times to... Inventors the exclusive Right to their... Discoveries.” Id. Section 101 of the patent law gives effect to this constitutional patent grant by providing that “[w]hoever 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.” 35 U.S.C. § 101 (1988) (emphasis added); see also 35 U.S.C. § 102(f) (1988) (stating that person entitled to patent unless “he did not himself invent the subject matter sought to be patented”); ROBERT L. HARMON, PATENTS AND THE FEDERAL CIRCUIT § 3.3, at 51 (2d ed. 1991) (noting “fundamental principle” of American patent law that “you cannot patent another’s invention”).
³ The constitutional grant of authority has classically been viewed as mandating that patents be granted only to inventors for their own discoveries. See 1 WILLIAM C. ROBINSON, THE LAW OF PATENTS § 363, at 522 (1890) (acknowledging that “[w]ithout a change in the language of the Constitution, no patent could be conferred except upon an inventor, and for his own invention or discovery”).
⁴ See 1 DONALD S. CHISUM, PATENTS, A TREATISE ON THE LAW OF PATENTABILITY, VALIDITY AND INFRINGEMENT § 2.01, at 2-1 to 2-2 (1992). The originality requirement serves to prevent an entity from obtaining a patent based on a conception that was derived from some other source. Id.; see also Grain Prods., Inc. v. Lincoln Grain, Inc., 191 U.S.P.Q. (BNA) 177, 193 (S.D. Ind. 1976) (emphasizing that originality requires that patents issue on application of correct entity). This requirement, limiting patent monopolies to those entities that “actually expend inventive effort in a successful fashion,” protects the true inventor as well as the public. 1 CHISUM, supra, § 2.01, at 2-2.

The originality requirement, which encourages participation by the true inventor, also serves to reinforce other substantive requirements of patentability. See id. at 2-2. Since the true inventor of a new invention is typically aware of developments relating to his invention, including public use or disclosure, he is an important source of information as to whether the invention is patentable. Id. Additionally, participation by the inventor ensures that the patent application includes the complete and accurate description of the inventor’s discovery. See Mary H. Sears, The Corporate Patent—Reform or Retracement, 61 J. PAT. OFF. Soc’y 380, 380 (1979). Accordingly, the public receives all that it is entitled to in exchange for the patent monopoly. Id. at 380-81.

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that has derived\(^6\) the invention from another.\(^6\) Accordingly, patents

An outgrowth of the originality requirement is the rule of proper joinder of inventors. 1 CHISUM, supra, § 2.03, at 2-22. The originality requirement is violated where there has been a failure to name a true co-inventor (nonjoinder), where a party was improperly named as a co-inventor (misjoinder), and where there has been a complete mistake in the naming of the inventor. \(\text{Id.}\) Fortunately, errors that occur in the naming of the inventive entity without deceptive intention may be corrected pursuant to statutory authority. See 35 U.S.C. §§ 116, 256 (1988). Furthermore, such errors shall not affect the validity of the patent. \(\text{Id.}\) at § 256. For a discussion of the inventorship correction provisions see infra part II.

The originality requirement is also applicable to copyrights as well. See 17 U.S.C. § 102 (1988) (stating that "[c]opyright protection exists ... in original works of authorship"). However, a copyright holder, unlike a patentee, does not have any rights or remedies against a person who independently creates an exact duplicate of the copyright holder's work. See 2 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 8.01[A], at 8-13 (1992).

\(\text{Id.}\) at § 256. Invalidity must be proven by clear and convincing evidence and the burden of proving validity never shifts from the challenger. \(\text{Id.}\)

The presumption of validity encompasses three aspects of patentability: novelty, utility and nonobviousness. See Structural Rubber Prods. Co. v. Park Rubber Co., 749 F.2d 707, 714 (Fed. Cir. 1984); accord J. THOMAS McCARTHY, McCARTHY'S DESK ENCYCLOPEDIA OF INTELLECTUAL PROPERTY 256 (1991)[hereinafter McCARTHY, ENCYCLOPEDIA]. This presumption of patent validity includes a presumption that the named patentees are the inventors of the patented invention. See General Motors Corp. v. Toyota Motor Co. 667 F.2d 504, 507 (6th Cir. 1981), cert. denied, 469 U.S. 821 (1984). Invalidity may be proven by clear and convincing evidence and the burden of proving validity never shifts from the challenger. \(\text{Id.}\)

Although the rule against derivation prevents a person from patenting an invention that has been derived from another, the rule does not prevent an inventor from ""using the
claiming misappropriated technology\textsuperscript{7} that have issued in the name of an improper entity\textsuperscript{8} have consistently been invalidated by the


\textsuperscript{6} See David A. Burge, Patent and Trademark Tactics and Practice § 4-3, at 37 (2d ed. 1984). An inventor that has derived his invention from another is not entitled to a patent. \textit{Id.; see also} 1 Ernest B. Lipscomb III, Lipscomb’s Walker on Patents § 3.2, at 183 (3d ed. 1984) (explaining that a person shall be entitled to a patent unless they did not invent the subject matter sought to be patented).

To be considered an “inventor” under the patent laws, a party must be responsible for a development that falls within the scope of the statutory definition of invention, i.e., the inventor must have discovered something new, useful and unobvious. See, \textit{e.g.}, Edward G. Greive, Note, \textit{The Doctrine of Inventorship: Its Ramifications in Patent Law}, \textit{17 W. Res. L. Rev.} 1342, 1344 (1966) (addressing law of inventorship).

The threshold inquiry to be addressed in naming the inventors of a patent is who “conceived” the invention. \textit{See Mueller Brass Co. v. Reading Indus., Inc., 352 F. Supp. 1357, 1372 (E.D. Pa. 1972), aff’d}, 487 F.2d 1395 (3d Cir. 1973). Without a contribution to the “conception” of the invention, a person is not an inventor. \textit{Id.} “Conception” has been defined as the ‘‘formation in the mind of the inventor, of a definite and permanent idea of the complete and operative invention, as it is hereafter to be applied in practice.’’ Hybritech Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 1376 (Fed. Cir. 1986) (quoting Coleman v. Dines, 754 F.2d 353, 359 (Fed. Cir. 1985)), cert. denied, 460 U.S. 947 (1987).

Although the 1984 amendments to the patent laws “liberalized” some procedural aspects of the law of inventorship, the substantive determinations remain the same. \textit{See 4 Irving Kayton et al., Patent Practice 16-1} (4th ed. 1989). The amendments did not alter the “inviolate rule” that only those that actually “invent” as it has been traditionally determined can “wear the mantle of ‘inventor.’” \textit{Id.}

The legislative history accompanying the 1984 amendment to \textit{35 U.S.C. § 116} confirms that the amendment was not “intended to permit anyone other than the inventor to be named in a patent application or patent. Also, the amendment is not intended to enable appropriation of the invention of another.” \textit{Section-by-Section Analysis: Patent Law Amendments of 1984} (1984), 138 Cong. Rec. 7, reprinted in 1984 U.S.C.C.A.N. 5827, 5834.

\textsuperscript{7} See generally 1 J. Thomas McCarthy, Trademarks and Unfair Competition § 10:25, at 396 (2d ed. 1984) (hereinafter \textit{McCarthy, Trademarks}). Misappropriation is a common law action providing relief where a misappropriator has copied or appropriated an item or creation of the plaintiff that is not protected intellectual property. \textit{See McCarthy, Encyclopedia, supra note 4, at 208; see also} Roy E. Hofer & John M. Wagner, \textit{Anatomy of a Misappropriation:} Edward M. Goldberg, M.D. v. Medtronic, Inc., 26 \textit{Idea} 145, 145 (1985) (acknowledging rise of misappropriation of ideas and analyzing case of misappropriation of pacemaker technology).

There are three elements that must be established to succeed under a claim of misappropriation. 1 \textit{McCarthy, Trademarks, supra,} § 10:25, at 396. First, the plaintiff must have made a substantial investment of time, effort, and money in the misappropriated property. \textit{Id.} Secondly, the defendant must have appropriated the property at little or no cost. \textit{Id.} Finally, the defendant’s acts must have injured the plaintiff. \textit{Id.}

\textsuperscript{8} See 1 Chisum, supra note 3, § 2.03[1], at 2-23. An inventive entity comprised of joint inventors is a “separate and distinct” inventive entity from the individual inventors comprising the group. \textit{Id.}

In this manner, a patent that names less than all of the joint inventors of an inventive
federal courts. Since such patents are considered "unauthorized by law, and void," courts have historically denied requests to assign them to the true inventive entity. Therefore, the true inventor is often left without a patent-related remedy. Recently, however, in Richardson v. Suzuki Motor Co., the Court of Appeals for the Federal Circuit ordered a misappropriator to assign all patents received on a misappropriated invention to the true inventors, notwithstanding the apparent invalidity of the patents for entity is subject to a declaration of invalidity. See 35 U.S.C. § 102(f) (1988).

There are generally five possible combinations or types of erroneous inventorship. See 4 Kayton et al., supra note 6, at 16-5 to 16-6. In "case I," inventor A is the named inventor, while inventor B is the true inventor. Id. In "case II," known as "nonjoinder," A is the named inventor, while both A and B are the true joint inventors. Id. In "case III," known as "misjoinder," both A and B are the named inventors, while A alone is the true inventor. Id. In "case IV," which is a combination of nonjoinder and misjoinder, both A and B are the named inventors, while A and C are the true joint inventors. Id. Finally, in "case V," both A and B are the named inventors, while C and D are the true joint inventors. Id. Cases I and V involve complete mistakes in the naming of the inventive entity, as no true inventor is originally named. Id.; see also Burge, supra note 6, at 37-38 (discussing misjoinder, nonjoinder, and misdesignation of inventorship).

Patent invalidity provides infringers with a defense for patent infringement. See 5 Chisum, supra note 3, § 19.01, at 19-4. Although a duly issued patent is presumed valid, an alleged infringer will avoid liability by establishing that the patent is invalid. Id. If the challenger succeeds in challenging patent validity, the court will declare the patent invalid. McCarthy, Encyclopedia, supra note 4, at 256. The court's invalidity determination will collaraterally estop the patentee from enforcing the same patent claims. Id.

See Kennedy v. Hazelton, 128 U.S. 667, 672 (1888). Patents that are "not supported by the oath of the inventor, but applied for by one who is not the inventor, [are] unauthorized by law, and void." Id.


See infra part III.A.; see also Kennedy, 128 U.S. at 673 (requiring plaintiff to seek "any remedy that he may have to recover damages in an action at law" since action for title could not be maintained); Friedman, 145 F.2d at 718 (noting that although patent reassignment unavailable true inventor not confined to patent laws for relief from misappropriator).


Id. at 1249-50.
failing to name the proper inventor.\textsuperscript{15}

In ordering the patent assignment, the Federal Circuit explicitly stated that it was not addressing the issue of improper inventorship.\textsuperscript{16} The court simply held that, as against the misappropriator, the true inventor was entitled to ownership of the patents.\textsuperscript{17} It is submitted that, after \textit{Suzuki}, the validity of the assigned patents, although questionable, has yet to be considered.\textsuperscript{18}

This Note will analyze the remedy of assigning a patent based on misappropriated technology to the true inventor, when the patent has issued in the name of the misappropriator or another improper entity. Part One will briefly evaluate the inventorship defects inherent in such patents and will consider how these defects affect the validity and ability to assign them. Part Two will consider whether these defects may be cured under the correction provisions of the patent statute in light of the recent trend toward more liberal allowance of inventorship correction. Finally, Part Three will assert that under the present statutory scheme the assignment of such patents to the true inventor fails to provide a reliable remedy and, alternatively, will propose various approaches that will provide the true inventor with more adequate relief.

\textsuperscript{15} Id. at 1249 (finding that it was not “significantly disputed” at trial that claims 1 through 8 of the defendant’s patent improperly claimed the invention of plaintiff).

\textsuperscript{16} Id. (emphasizing that “[t]he correction of inventorship is an administrative step, and is not before the court”); see also Donald S. Chisum, The Seventh Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit, 128 F.R.D. 409, 566 (1989) (explaining that \textit{Suzuki} “emphasized that an assignment to correct a wrongdoing is a distinct step from a determination of inventorship, that is, correction of the patent.”).

\textsuperscript{17} \textit{Suzuki}, 868 F.2d at 1249.

\textsuperscript{18} The parties in \textit{Suzuki} did not raise the issue of validity with respect to the misappropriated patents. See Corrected Appellant’s Opening Brief at 39-42, \textit{Suzuki} (Appeal Nos. 87-1497, 87-1498, 87-1502, 88-1083, 88-1084); Brief for Cross Appellant at 45-47, \textit{Suzuki} (Appeal Nos. 87-1497, 87-1498, 87-1502, 88-1083, 88-1084); Corrected Appellant’s Reply Brief at 30-31 n.58, \textit{Suzuki} (Appeal Nos. 87-1497, 87-1498, 87-1502, 88-1083, 88-1084). Moreover, federal courts are unable to rule on the validity of the claims of a patent that have not been put in issue by the parties. \textit{See} 5 Chisum, supra note 3, § 19.02[4], at 19-16; \textit{see also} Lan- nom Mfg. Co., v. Int’l Trade Comm’n, 799 F.2d 1572, 1579 (Fed. Cir. 1986) (emphasizing that a district court may not invalidate a patent on its own initiative where patent validity has not been challenged by a party); Timely Prods. Corp. v. Arron, 523 F.2d 288, 296 (2d Cir. 1975) (asserting that a court cannot address the validity of claims not put in issue); Scripps Clinic & Research Found. v. Genetech, Inc., 707 F. Supp. 1547, 1549 (N.D. Cal. 1989) (stating that court may only determine validity of claims where infringement is alleged), rev’d in part, 927 F.2d 1565 (Fed. Cir. 1991). But see Hieger v. Ford Motor Co., 516 F.2d 1324, 1327 (6th Cir. 1975) (urging expungement of invalid patents wherever possible to permit full and free competition in the use of ideas in the public domain), \textit{cert. denied}, 423 U.S. 1056 (1976).
I. Effect of Inventorship Defects on Validity and Ability to Assign a Patent Based on Misappropriated Technology

To protect the interests of true inventors, as well as the public, patents must only be granted on application, supported by oath, of the true inventor. The inventorship defects present in a patent based on misappropriated technology affect the basic integrity of the oath; accordingly, courts are more concerned with these defects than with inventorship defects that arise from mere errors in judgment as to the identity of the inventive entity. Moreover, the willful naming of an improper entity, as here, constitutes grounds for invalidation of the patent.

1. See 35 U.S.C. § 115 (1988). "The applicant shall make oath that he believes himself to be the original and first inventor of the process, machine, manufacture, or composition of matter, or improvement thereof, for which he solicits a patent . . . ." Id. This oath is an essential aspect of patent validity. See 1 Lipscomb, supra note 6, § 3.2, at 184; see also Standard Oil Dev. Co. v. James B. Berry Sons Co., 92 F.2d 386, 389 (3d Cir. 1937) (invalidating patent unsupported by oath of true inventor).

Congress has provided three exceptions to the requirement that the true inventor must execute the oath. See 35 U.S.C. § 118 (filing on behalf of inventor and in his name by one having proprietary interest); id. § 117 (permitting filing by legal representatives of inventors who are deceased or legally incapacitated); id. § 116 (allowing joint inventor to sign on behalf of himself and co-inventor where co-inventor is unwilling or unavailable); see also Donald G. Daus, A. F. Stoddard & Co., Ltd. v. Dann: A Doctrine of Innocence, 7 AM. INTELL. PROP. L. ASS'N Q.J. 130, 137 (1979). Regardless of who executes the oath, it must identify the true inventive entity.


21. See supra note 8 (discussing five types of inventorship defects).

22. See 2 MARTIN J. ADELMAN, PATENT LAW PERSPECTIVES § 2.10[2-1], at 2-1172.10 (2d ed. 1991).

23. See id. (noting that courts are more concerned with derivation errors than with misjoinder and nonjoinder errors, since derivation errors go to the "basic integrity" of the oath, while errors of misjoinder and nonjoinder are merely errors in judgment as to the identity of the inventors).

The Supreme Court, in *Kennedy v. Hazelton*, held that a patent applied for by one other than the true inventor is invalid and thus confers no rights of title as against the public. Accordingly, the Court held that such a patent could not be assigned to the rightful party "because its only possible value or use . . . would be to enable [the assignee] to impose upon the public by asserting rights under a void patent." As a result, the Court found that the only remedy available to the plaintiff was an action to recover damages.

The Court's holding in *Kennedy* has been repeatedly invoked by federal courts to preclude assignment to the true inventor of patents based on misappropriated technology that issue in the name of improper entities. State courts, however, using their authority to determine matters of ownership and title, traditionally have ordered the assignment of such patents to the true inventor.

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(Fed. Cir. 1984); Ashlow Ltd. v. Morgan Constr. Co., 213 U.S.P.Q. (BNA) 671, 697 (D.S.C. 1982) (asserting that the willful naming of an incorrect entity will invalidate patent); see also *1 Lifscorn*, supra note 6, § 3.2, at 190 (explaining that patents granted to entity that falsely swore it was true inventor are invalid).


26 *Id.* at 672. In *Kennedy*, the plaintiff sought an assignment of a patent where the defendant had agreed in writing to assign to the plaintiff any patents he receives on improvements to an invention. *Id.* at 671. After inventing an improvement within the scope of the assignment agreement, and with intent to defraud the plaintiff by avoiding the agreement, the defendant procured a patent on the improvement naming a third party as the inventor. *Id.*

27 *Id.* at 672. The Court found that according to the plaintiff's own showing, the patent was invalid and conferred no rights or title upon the defendant. *Id.*

28 *Id.* at 673; see also infra part III.B. for a discussion of the non-patent remedies that are available to a true inventor.

29 See supra note 11.


31 See *Heath*, 437 N.E.2d at 679 (permitting patent assignment by state court); *Edwards*, 588 A.2d at 802-03 (allowing assignment of patents to remedy breach of fiduciary duty); *Zemba*, 210 A.2d at 99 (same); *General Aniline & Film Corp. v. Frantz*, 272 N.Y.S.2d 600, 610 (Sup. Ct. 1966) (ordering former employee to assign to employer patent applications embodying "striking description" of employer's trade secrets).
Although state courts can order a patent assignment without addressing the issue of patent validity, any state court assignment to the true inventor of such a patent may be a valueless assignment since a federal court may subsequently declare the patent invalid. Since a true inventor must proceed to a federal court for correction of inventorship and for enforcement of the assigned patent against an infringer, it is submitted that state courts should be cautious in granting a remedy that has a value that is uncertain and beyond their control.

In light of the federal courts’ tradition of refusing to assign invalid patents, the patent reassignment remedy in *Suzuki* was “unusual, if not unprecedented.” Although the Federal Circuit

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32 See Edwards, 588 A.2d at 802 (explaining that issues of patent validity need not arise in suit of patent ownership); Zemba, 210 A.2d at 99 (noting that “[s]tate courts are free to render judgements . . . which would logically void the patent in an appropriate suit in the federal courts”).

33 See Becher v. Contoure Lab., Inc., 279 U.S. 388, 391-92 (1929); Zemba, 210 A.2d at 99.

State courts are free to render judgments on local causes of action and to find facts which would logically void the patent in an appropriate suit in the federal courts. Such findings in a state court action for fraud and disparagement do not void the patent, although a federal court may at a later time apply the doctrine of collateral estoppel and declare the patent void.

Id.


36 See infra part II (discussing sources of uncertainty in patent assignment remedy).


For example, in *Colgate-Palmolive*, where the patents were assigned to the former employer of the named inventor, the court found that the former employer was entitled to all rights in the patent applications “since the discovery or invention involved was *made by [the named inventor]* while employed [by the former employer] for the purpose of making
made an express determination of improper inventorship of the misappropriated patent, the court did not address the effects of the inventorship defects on patent validity. Additionally, the Federal Circuit did not consider whether the Supreme Court's holding in Kennedy should prohibit the assignment of the patent.

Since federal courts, under clear Supreme Court authority, are precluded from assigning invalid patents, it is submitted that the Suzuki court erred by ordering the patent assignment. While opportunities for correcting inventorship defects may be available, a patent naming an improper entity is subject to a declaration of invalidity until corrected. Accordingly, since the Federal Circuit failed to address the inventorship defects before ordering the patent assignment, the court violated clear Supreme Court authority by assigning a patent that was subject to a declaration of invalidity. While it remains unclear whether federal courts will uniformly assign patents to the true inventors as a remedy for misappropriation of technology, the true inventors should hesitate...

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39 Suzuki, 868 F.2d at 1249 (finding that it was not "significantly disputed" at trial that certain claims of defendant's patent improperly claimed invention of plaintiff).

40 Id. at 1249-50.

41 Id.

42 See supra notes 25-28 and accompanying text (discussing Supreme Court view of assigning invalid patents).

43 See 35 U.S.C. §§ 116, 256 (1988). The Federal Circuit, in Suzuki, did not address whether the inventorship defects may be corrected in the patent it was assigning. Suzuki, 868 F.2d at 1249 ("The correction of inventorship is an administrative step, and is not before the court."). For a discussion of correction of such inventorship defects, see infra part II.

44 See supra notes 7-9 and accompanying text.

45 See Kennedy, 128 U.S. at 672 (refusing to assign invalid patent). Although a court should not question the validity of patent claims that have not been put in issue by the parties, see supra note 18, it is submitted that the true inventor placed the patent validity in issue by seeking the patent assignment on the basis that it issued improperly in the name of the misappropriator, see Suzuki, 868 F.2d at 1249-50.

46 Only one court has followed the Federal Circuit's lead in assigning a patent involving misappropriated technology. See Union Carbide Corp. v. Tarancon Corp., 742 F. Supp. 1565, 1581 (N.D. Ga. 1990) (ordering patent assignment without considering implications of improper inventorship). In Union Carbide, the plaintiff alleged that the defendant, a former employee, misappropriated its trade secret in a patent filed by the defendant and others. Id. at 1579.
before requesting such relief where the patent has issued in the name of an improper entity.

II. APPLICATION OF THE STATUTORY CORRECTIVE PROVISIONS TO THE INVENTORSHIP DEFECTS FOUND IN PATENTS BASED ON MISAPPROPRIATED TECHNOLOGY

A. Development of the Statutory Inventorship Correction Provisions

A patent that names a misappropriator or another improper inventive entity is invalid unless the inventorship defect may be corrected pursuant to statutory procedures. As originally enacted, however, the patent law provisions affording opportunities for correcting inventorship defects were limited to applications filed by joint inventors. The legislature did not contemplate complete changes in inventorship, thus a court could not substitute the name of the true inventor for the improperly named entity when no joint inventorship existed. Indeed, it had been a fundamental principle of patent law that errors in inventorship could not be corrected when the patent application initially failed to name at least one true inventor.

47 See 35 U.S.C. § 116 (1988) ("Whenever through error a person is named in an application for patent as the inventor, or through error an inventor is not named in an application, and such error arose without any deceptive intention on his part, the ... application ... may be amended ... "); 35 U.S.C. § 256 (1988).
Whenever through error a person is named in an issued patent as the inventor, or through error an inventor is not named in an issued patent and such error arose without any deceptive intention on his part, the Commissioner may issue a certificate correcting such error.
The error of omitting inventors or naming persons who are not inventors shall not invalidate the patent in which such error occurred if it can be corrected as provided in this section.

Id.

48 See 35 U.S.C. § 116 (1954) (correcting inventorship errors where "a person is joined in an application for patent as joint inventor ... or [where] a joint inventor is not included in an application through error ... ") (emphasis added); 35 U.S.C. § 256 (1954) (correcting inventorship errors of issued patents "issued on the application of persons as joint inventors") (emphasis added).

49 See Rival Mfg. Co. v. Dazey Products Co., 358 F. Supp. 91, 101 (W.D. Mo. 1973) (stating that § 256 is limited to situations involving true joint inventorship and "does not contemplate or permit what would amount to substitution of one inventor entity for another under the guise of 'correction' ").

50 See 2 ADELMAN, supra note 22, § 2.10(2-4), at 2-1185 (stating "black letter law" proposition that failure to name any correct inventors in application as filed may not be
Despite the absence of express statutory authorization for achieving complete inventorship substitutions, the Court of Appeals for the District of Columbia Circuit, in the landmark decision of *A.F. Stoddard v. Dann*, held that correction of inventorship defects requiring complete substitution of the named entity could be permitted under certain circumstances. The *Stoddard* holding, however, has been limited to circumstances in which the patent application was initially filed by an assignee or other true party in interest. corrected; see also *Daus*, supra note 19, at 130 (stating “generally accepted concept” that failure to name any correct inventors in application as filed may not be corrected); John L. Welch, Stoddard v. Dann — *Fundamental Principles from A to C*, 61 J. Pat. Off. Soc’y 185, 185 (1979) (same).

*Stoddard & Co. v. Dann*, 564 F.2d 556, 564 (D.C. Cir. 1977) (recognizing that “[n]o statutory provision expressly authorizes the requested correction”) (Markey, C.J., sitting by designation); see also *4 Kayton et al.*, supra note 6, at 156-158. Cases I and V, where a true inventor is not initially named, require correction by means of a complete substitution of the named entity. *Id.*

*Stoddard*, 564 F.2d at 564-65. The court found that on the facts before it the constitutional objective of granting patents to the true inventor could only be served by permitting the requested correction. *Id.* at 562. Additionally, the court was persuaded by the absence in the patent statute of any express prohibition of substituting the inventive entity represented by one signature for another inventive entity represented by another signature. *Id.* at 565. Furthermore, the court believed that other sections of the patent statute, 35 U.S.C. §§ 116-118, contemplate situations where the signatures of the true inventive entity may be incorrect or entirely absent. *Id.* at 564-65.

Despite its “revolutionary nature,” the *Stoddard* holding has been said to be firmly grounded upon fundamental principles: the “constitutional directive to secure to inventors their patents; the basic requirement of equity and justice; and the need to promote candor and honesty in Patent Office dealings.” *Welch*, supra note 50, at 185-86.


*[T]he holding in *Stoddard* is an extremely limited one. It would apply only when (a) a sole actual inventor is to be substituted for a sole original signatory who is not an inventor of that subject matter, (b) the sole original signatory is a true party in interest in the application, (c) the inventorship error was made innocently and without deceptive intention, and (d) the error was corrected by diligent action upon its discovery. *Id.* (emphasis added) (footnotes omitted); accord *In re Shibata*, 203 U.S.P.Q. (BNA) 780, 782 (Comm’r Pat. & Trademark 1979) (adopting Meiklejohn’s reasoning); *Daus*, supra note 19, at 138 (noting *Stoddard* opinion “narrowly limited” to where application had been filed by a true party in interest); see also *Daus*, supra note 50, at 212 (noting that *Stoddard* holding provides a “narrow exception” to prior rule).

The *Stoddard* holding has been viewed to be limited in this manner because the court emphasized that the application was filed by an assignee of the true inventor who was a true party in interest. *See, e.g., Meiklejohn, supra*, at 501-02. The *Stoddard* court expressly stated that it was not dealing with a non-assigned application or with an assigned application in which the assignee has no interest received from the true inventor. *Stoddard*, 564
The inventorship correction provisions of the patent statute were subsequently amended in 1982 to "enlarge the possibilities for correcting misnamed inventive entities." These sections now permit, in addition to adding or deleting joint inventors, the substitution of a true inventor for the originally named sole inventor, thereby embracing the Stoddard holding.

Although the amended provisions arguably contemplate correction of patents improperly naming only a misappropriator as the inventor, it is submitted that the inconsistent judicial interpretations regarding the requirements for correction and the limited circumstances under which these provisions may be invoked should give a true inventor reason to be cautious in relying on them for relief. While the amended provisions no longer expressly preclude the substitution of the named inventor, significant obstacles remain that may foreclose the true inventor from correcting the inventorship of the patent and, more importantly, from receiving any value from the patent assignment.

B. Statutory Requirements—Correction of "Errors" Arising "Without Deceptive Intent"

Correction is available under the statutory provisions only...
where the inventorship defect was the result of an "error" that arose "without any deceptive intention." Although courts have differed in their interpretations of "error,"

it has consistently been held that these corrective provisions are not applicable to situations involving fraud or deliberate deceit in the naming of an inventor. Under the traditional view, in which "error" is equated with "inadvertence, accident or mistake," deliberate acts were repeatedly held to be uncorrectable errors of judgment.

All of the cases suggest, how-

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62 See 35 U.S.C. §§ 116, 256 (1988); see also infra notes 63-69 and accompanying text (discussing inconsistent judicial interpretation of "error"); infra notes 70-73 and accompanying text (discussing inconsistent judicial interpretation of phrase "without deceptive intention").

63 See 4 KAYTON ET AL., supra note 6, at 16-37 (noting that "most significant controversy" has been interpretation of term "error").


65 See John Blue Co., Inc. v. Dempster Mill Mfg. Co., 172 F. Supp. 23, 29, 31 (D. Neb. 1958) (noting that for error to be correctable, it must be unintentional or inadvertent), aff'd, 275 F.2d 668 (8th Cir. 1960); see also S. REP. No. 1979, 82d Cong., 2d Sess. 150 (1952), reprinted in 1952 U.S.C.C.A.N. 2394, 2400 (stating that correction permitted under § 116 when a joint inventor has been "inadvertently erroneously included, or . . . excluded") (emphasis added); id. at 2401 (noting that § 256 permits a "bona fide mistake . . . to be corrected").

66 See, e.g., Rival Mfg. Co. v. Dazey Products Co., 358 F. Supp. 91, 101-02 (W.D. Mo. 1973) (explaining that "error" does not include "defects resulting from deliberate decisions, intentional courses of misconduct or gross negligence in avoidance of correction on the part of responsible knowledgeable parties having full notice of the facts and their legal significance") (citing John Blue Co., 172 F. Supp. 23); Kraftco Corp. v. Beatrice Foods Co., 342 F. Supp. 1361, 1372, 1383 (D.N.J. 1971) (holding that "deliberate and calculated determination made after a complete investigation of the inventorship" is not "error"); see also Ashlow Ltd. v. Morgan Constr. Co., 213 U.S.P.Q. (BNA) 671, 696-97 (D.S.C. 1982) (following Rival). But see Manildra Milling Corp. v. Ogilvie Mills, Inc., 745 F. Supp. 653, 655-56 (D. Kan. 1990) (interpreting Rival to "exclude from the definition of 'error' only those actions which are taken (or not taken) to avoid correction after the inventors, their employers, and/or their attorneys become aware that the patent or patent application is incorrect").

67 See In re Schmidt, 293 F.2d 274, 279 (C.C.P.A. 1961) (interpreting "error" to include good faith mistakes of judgment); accord Azoplate Corp. v. Silverlith, Inc., 367 F. Supp. 711, 729 (D. Del. 1973) (asserting that "gross but innocent misunderstanding" by attorney of inventorship law was "error"), aff'd, 506 F.2d 1050 (3d Cir. 1974), cert. denied, 421 U.S. 914
ever, that the inventorship correction provisions are intended to remedy only innocent errors\textsuperscript{68} and bona fide mistakes.\textsuperscript{69} Additionally, the "deceptive intention"\textsuperscript{70} of an improperly named inventor, such as a misappropriator, may preclude correction, even where the actions of the true inventor are completely innocent.\textsuperscript{71} The statutory language of the corrective provisions indicates that the deceptive intent of the person erroneously named as the inventor, as well as the erroneously omitted inventor, should be considered.\textsuperscript{72} Accordingly, it is uncertain whether a court would overlook the deceptive intent of the misappropriator in order to allow correction of the assigned patent to an innocent true inventor.\textsuperscript{73} A misappropriator, who is solely responsible for prosecuting

(1975); see also Upjohn Co. v. Medtron Laboratories, Inc., 751 F. Supp. 416, 427 (S.D.N.Y. 1990) (indicating that deliberate act such as mistake in legal judgment as to who should be named inventor can be "error"), aff'd, 937 F.2d 622 (Fed. Cir. 1991).

\textsuperscript{68} See Eldon Indus., Inc. v. Rubbermaid, Inc., 735 F. Supp. 786, 817 n.16 (N.D. Ill. 1990) (asserting that § 256 provides a remedy only for "innocent errors where the name of an inventor was inadvertently deleted or joined"); see also Stoddard, 564 F.2d at 564 n.10 (noting that Patent Office must assure itself of presence of "innocent error" before permitting substitution); U.S. Industries, Inc. v. Norton Co., 184 U.S.P.Q. (BNA) 187, 189 (N.D.N.Y. 1974) (noting that § 256 "is meant to allow the correction of honest mistakes"); H.R. Rpt. No. 542, supra note 55, at 9, reprinted in 1982 U.S.C.C.A.N. at 773 (stating that there must be presence of "innocent error").


\textsuperscript{70} See 4 KAYTON ET AL., supra note 6, at 16-39. Deceptive intention is established where it is shown that the naming of the inventive entity was done deliberately, with an ulterior purpose or motive. Id.

\textsuperscript{71} See infra notes 72-73 and accompanying text.

\textsuperscript{72} See 35 U.S.C. §§116, 256 (1988), supra note 47; see also H. Ross Workman, Determination of Inventorship—A Clouded Crystal Ball, 20 Pat. L. Ann. 217, 237 (1982) (§§ 116 and 256 explicitly state that the "party seeking to be added or deleted as an inventor must not have had any deceptive intention") (citing 35 U.S.C. §§ 116, 256 (1988) and In re Searles, 422 F.2d 431, 437 (C.C.P.A. 1970)) (emphasis added); 4 KAYTON ET AL., supra note 6, at 16-41 (noting that antecedent basis for "his" in statutory language is person erroneously named as inventor or person erroneously omitted as inventor).

\textsuperscript{73} See General Elec. Co. v. Brandon, No. 92-CV-438, 1992 WL 394933, at *2 (N.D.N.Y.) (acknowledging that § 256 "does not provide any guidance as to whose intentions are at issue"); 1 CHISUM, supra note 3, § 2.04[4][c], at 2-45 (noting that §§ 116 and 256 fail to resolve issue of who must lack deceptive intent); see also In re Shibata, 203 U.S.P.Q. (BNA) 780, 783 (Comm'r Pat. & Trademark 1979) (looking to true inventor and improperly named person for deceptive intent in a case seeking substitution) (emphasis added); Eldon Indus., Inc. v. Rubbermaid, Inc., 735 F. Supp. 786, 817 n.16 (N.D. Ill. 1990) (stating that errors are correctable only "where 'such error arose without deceptive intention' on the part of the named inventor") (emphasis added).

In General Electric, the court noted that, at a minimum, the person originally named as the inventor must lack deceptive intent. General Electric, 1992 WL 394933, at *2. One commentator, however, has suggested that as between the true inventor and the improperly
the patent, is unlikely to have made a full disclosure. The misappropriator may not be aware of all of the facts and circumstances surrounding the invention and, moreover, has committed at least one fraud on the Patent Office. In light of the public's interest in full disclosure, it is submitted that courts should focus on the deceptive intent of the misappropriator as well as that of the true inventor.

C. Circumstances in Which True Inventors May Be Substituted for Improperly Named Entities

A significant uncertainty remains as to whether a court will ever allow correction of the inventorship of a patent that requires a complete substitution of the true inventor for a named inventor who is not a true party in interest. This uncertainty stems, in part, from a lack of guidance from Congress regarding the appropriate circumstances under which inventorship substitutions will be permitted under sections 116 and 256. Notwithstanding this confusion, the amendments have been said to "embrace" the Stoddard view, which limits inventorship substitutions to instances in which the application was filed by a true party in interest.

Indeed, every court that has permitted an inventorship substitution has first assured itself that the filing of the application was effected by a true party in interest. These courts have been satisfied that the "true party in interest" applicant, having a stake in the outcome, provides a complete and accurate disclosure of the invention, which is critical for maintaining a valid patent.

named inventor, the better practice is to focus only on the deceptive intent of the true inventor. 1 CHISUM supra note 3, § 2.04[4][c], at 2-46. Chisum believes that the "[d]eception by the misjoined person ... should not affect the rights of the true inventor." Id. However, this view has never been expressly adopted by any court.

74 See infra note 97 (discussing disclosure).
75 See infra note 101.
76 See supra note 54 (discussing true party in interest limitation).
77 See H.R. REP. No. 542, supra note 55, at 9, reprinted in 1982 U.S.C.C.A.N. at 773. The only guidance provided by the legislative history is an indication that when "the error occurred without any deceptive intention on the part of the true inventor," the Commissioner is authorized to substitute the true inventor for the erroneously named person. Id.
78 See supra notes 55-56 and accompanying text.
79 See Stoddard, 564 F.2d at 565; In re Bennet, 766 F.2d 524, 527-28 (Fed. Cir. 1985) (looking to Stoddard as primary precedent for allowing requested inventorship substitution); see also In re Shibata, 203 U.S.P.Q. (BNA) 780, 783 (Comm'r Pat. & Trademark 1979) (finding named inventor was true party in interest).
80 See Welch, supra note 50, at 206-08 (asserting that disclosure submitted by true
cordingly, it is submitted that the "true party in interest" limitation, ensuring a more complete and accurate disclosure, comports with the historical development of these provisions. It must be noted, however, that such a construction places an insurmountable obstacle before true inventors attempting to correct inventorship defects in the typical misappropriation context.

D. What Can Be Learned From Earlier Cases Requesting Correction in Presence of Misappropriation and Fraud?

The few courts that have addressed the availability of inventorship correction in cases of misappropriation and fraud have indicated that correction is not available to substitute the true inventive entity for the names of persons who misappropriated the invention. In Bemis v. Chevron Research Co., the Ninth Circuit concluded that "[s]ection 256, though remedial in character, is limited in effect and cannot properly be the vehicle for substituting inventors on a patent in a claim sounding in conspiracy and fraud." While the aspects of the court's analysis of possible substitution of inventors may be questioned in view of the 1982 amendments, the court's holding that section 256 is inapplicable to conspiracy and fraud is well reasoned and remains good law.

See supra part II.A.

See Bemis v. Chevron Research Co., 599 F.2d 910, 912 (9th Cir. 1979), cert. denied, 444 U.S. 966 (1979). In Bemis, the plaintiff alleged that he was the true sole inventor of a patent and sought a corrected patent naming him as the only true inventor. Id. at 911.

See supra notes 55-56 and accompanying text. But see Paul T. Meiklejohn, Stoddard v. Dann Revisited, 62 J. Pat. Off. Soc'y 575, 579 (1980) (suggesting that Bemis court must have either disagreed with Stoddard authority for substitution or not found it controlling since Stoddard was presented to Bemis court).

See 2 Adelman, supra note 22, § 2.10[2.-7], at 2-1205 (stating that Bemis court "no doubt correctly concluded" that § 256 does not apply to claims of conspiracy and fraud).

Indeed, courts that have addressed cases similar to Bemis, involving misappropriation and other tortious conduct, have been unable to reconcile such conduct with the requirement in section 256 that the error arose "without any deceptive intention." Moreover, the perpetration of any type of fraud on the Patent Office, be it by a misappropriator or a true inventor, can invalidate the patent. Thus, it is suggested that even where a true inventor successfully persuades a court to order a substitution of his name for the name of the misappropriator, the true inventor has merely effected the transfer of a nullity. Although the inventorship correction provisions are remedial in nature, the history of the corrective provisions and their attendant case law indicate that correction of inventorship defects arising in the misappropriation context are beyond the scope of relief contemplated by Congress in enacting the inventorship correction provisions.

III. ALTERNATIVE APPROACHES FOR REMEDYING MISAPPROPRIATION OF TECHNOLOGY WHERE THE MISAPPROPRIATED TECHNOLOGY HAS BEEN CLAIMED IN A PATENT

A. Patent Based Remedies

While the inventorship correction provisions apparently fail to provide a true inventor with a means for obtaining title to a reliably valuable patent, the true inventor is not barred from "secur-
ing” the patent rights to his invention. The central dispute to be resolved between the true inventor and a misappropriator requires a determination of “priority of invention,” or who actually conceived the invention. The patent statute provides a mechanism for resolving such inventorship contests by means of an interference proceeding in the Patent Office. A true inventor, by filing his own patent application in the Patent Office within one year of the issuance of the misappropriator’s patent, can resolve a claim of misappropriation through an interference proceeding.

Resolution of inventorship disputes by means of the interfer-

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92 See U.S. Const. art. I, § 8, cl. 8 (“To promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their respective . . . Discoveries . . .”).

93 See generally McCarthy, ENCYCLOPEDIA, supra note 4, at 262. The first inventor has “priority of invention over others who invented the same patentable concept.” Id. Accordingly, the inventor with priority will be granted the patent. Id. To establish priority, the true inventor will have to establish reduction to practice prior to the filing date of the misappropriator, or “conception before that date coupled with reasonable diligence” up to the true inventor’s filing date. See Hahn v. Wong, 892 F.2d 1028, 1032 (Fed. Cir. 1989) (quoting Oka v. Youssefyeh, 849 F.2d 581, 584 (Fed. Cir. 1988)).

It is unclear whether courts will allow the inventorship correction provisions, 35 U.S.C. §§ 116, 256 (1988), to be used to resolve inventorship contests without resort to an interference proceeding, particularly where inventorship is disputed between two sole “inventors.” Compare MCV, Inc. v. King-Seeley Thermos Co., 870 F.2d 1568, 1571 (Fed. Cir. 1989) (holding that § 256 provides jurisdiction for resolving joint inventorship dispute among contending coinventors), with Rawplug Co. v. Hilti Aktiengesellschaft, 777 F. Supp. 240, 243 (S.D.N.Y. 1991) (holding that § 256 does not allow correction by substitution of true sole inventor for named sole inventor). See generally 1 CHISUM, supra note 3, at § 2.04[7], at 2-54 (noting question of whether §§ 116 and 256 alone can resolve inventorship disputes).


While interference proceedings typically involve competing claims to priority based on independent discovery of the same invention, interferences may also involve a claim based on derivation. See 1 CHISUM, supra note 3, § 2.04[7], at 2-52. In this manner, one party in the interference may allege that the other party misappropriated the concept of the invention from him. Id.; see also In re Cooper, 230 U.S.P.Q. (BNA) 638, 639 (Comm’r Pat. & Trademark 1985) (“Where, as here, a person believes that he is the inventor of subject matter claimed in the application or patent of another, his remedy is to file an application, if he can, and provoke an interference with the other application or patent.”).

95 See 35 U.S.C. § 135(b) (1988) (“A claim which is the same as . . . a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.”).

96 See Buonaiuto, supra note 5, at 445-46 (noting that it is often the case in an interference proceeding that a party alleges that a second party derived the invention from the first); see also 1 CHISUM, supra note 3, § 2.04[7], at 2-52 (observing that interference proceeding may involve claim of derivation). But see Suzuki, 868 F.2d at 1250 (disagreeing that true inventor limited to interference remedy for resolution of misappropriation).
ence proceeding, requiring each party to file independent patent applications, encourages the complete and accurate disclosure of the invention by the true inventor, including the "best mode" contemplated by the inventor for carrying out his invention. On the other hand, resolution by means of the inventorship correction provisions, when successful, will merely place the name of the true inventive entity on a patent that has issued based on the questionable disclosure of the misappropriator. Because of this disparity in disclosure, it is submitted that the interference remedy provides a more preferable mechanism for resolving inventorship disputes involving claims of misappropriation than does the inventorship correction provisions, from the point of view of both the true inventor and the public.

See 35 U.S.C. § 112 (1988). A patent disclosure should enable others to understand the invention and enable further development of the technology. See McCarthy, Encyclopedia, supra note 4, at 102-03. Additionally, since the public is entitled to make and use the invention upon the expiration of the patent, they are "entitled to a full and complete disclosure of how to do so." Id. at 103.

There are three requirements under § 112 that the patent disclosure must satisfy to maintain patent validity. See id. at 29. The first requirement, the "description requirement," requires a description of the claimed invention. Id. The second requirement, referred to as "enablement," requires that the description must be sufficiently full, clear, and concise so as to "enable any person skilled in the art to make and use the invention." Id. Finally, to satisfy the "best mode" requirement, the "description must be of the best embodiment known to the inventor at the time of the patent application." Id.

While the enablement requirement looks to placing the invention in the possession of the public, the best mode requirement imposes an obligation that the true inventor disclose the "best mode . . . of carrying out the invention." Spectra-Physics, Inc. v. Coherent, Inc., 827 F.2d 1524, 1532 (Fed. Cir.), cert. denied, 484 U.S. 954 (1987); see also Dana Corp. v. IPC Ltd. Partnership, 860 F.2d 415, 418 (Fed. Cir. 1988) (observing that best mode requirement serves to ensure that the public obtains a "full disclosure of the preferred embodiment of the invention"), cert. denied, 490 U.S. 1067 (1989).

See supra part II.

See Meiklejohn, supra note 54, at 498 (acknowledging that applications filed by other than true inventor have "very little" reliability as to accuracy of disclosure); cf. Welch, supra note 50, at 206 (suggesting that true inventor is in best position to provide accurate disclosure).

See Meiklejohn, supra note 54, at 499 (suggesting that even when patent is corrected by inventorship provisions, it may still be invalid due to deficiencies in disclosure that violate enablement and best mode requirements). Additionally, there is no guarantee that these deficiencies would be detected by the Patent Office Examiner before issuing the patent to the misappropriator. Id. Therefore, it is suggested that when the true inventor attempts to enforce his patent against an infringer, the patent validity may be challenged on these grounds. The grounds for invalidity do not require intent to deceive the public, but rather invalidity is the result of a failure of consideration, since the public was entitled, upon expiration of the exclusive patent privilege, to practice the adequately disclosed invention. Harmon, supra note 2, § 5.2, at 116.

A further consideration that should be addressed by true inventors before seeking reso-
While it is recognized that resolution of misappropriation disputes by means of the interference procedure may deprive some true inventors of a patent remedy where the existence of the patent based on the misappropriated technology is not discovered by the true inventor for more than one year after its issuance, it is suggested that the public, including true inventors, are presumed to have notice of the issuance of the patent. Furthermore, if this one-year statutory period is viewed as providing true inventors

olution by means of the inventorship correction provisions is the potential limitations placed on the scope of the patent by the doctrine of file wrapper estoppel. See generally McCarthy, ENCYCLOPEDIA, supra note 4, at 128. The “file wrapper” of a patent consists of the contents of the application along with any amendments made by the applicant in prosecuting a patent application. RONALD B. HILDRETH, PATENT LAW—A PRACTITIONER’S GUIDE 139 (1988). Patent applicants submit amendments to their applications after the Patent Office inspects the claim and cites prior art references. See 4 Lipscomb, supra note 6, § 12:7, at 25. These references alert the applicant to the existence of prior art which affects the patentability of the invention. See 4 id. at 26; see also 2 id. § 6:29, at 130 (“[P]rior art is all of that knowledge that would have been available to any person having ordinary skill in the art.”).

If in prosecuting the patent application the Patent Office relied on statements of the misappropriator that narrowed the scope of the claim to avoid cited prior art references, the true inventor will be precluded under the doctrine of file wrapper estoppel from later obtaining a claim construction that resurrects the surrendered subject matter. McCarthy, ENCYCLOPEDIA, supra note 4, at 128; Thomas & Betts Corp. v. Litton Systems, Inc., 720 F.2d 1572, 1579 (Fed. Cir. 1983).

See Stoddard, 564 F.2d at 563. The public is entitled to a complete and accurate disclosure. Id. (noting that quid pro quo for patent is requirement of full disclosure of invention). Accordingly, it is submitted that the public interest in accurate disclosure of inventions is best served by resolving claims of misappropriation and derivation by means of the interference proceeding, which requires the true inventor to fully and accurately disclose his invention in his own independent patent application. See 35 U.S.C. § 135(a) (1988); see also supra note 97 and accompanying text. Further, by allowing resolution by means of the inventorship correction provisions, which furthers the possibility of technically incorrect or inoperative disclosures, the policy of exponential technological development underlying the disclosure requirement would be frustrated. Cf. Meiklejohn, supra note 54, at 498.

See supra note 95. An application for patent is also defeated when the invention has been “described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent.” 35 U.S.C. § 102(b) (1988).

If a misappropriator defeats the true inventor’s patent rights by a publication or public use of the invention, rather than by the filing of a patent application, the true inventor will be left without an opportunity for obtaining his own patent after the one-year statutory period has expired. Id. It is submitted that the case of the inventor’s patent rights being defeated by the issuance of a patent to the misappropriator should be treated the same as when the patent rights were violated by publication or public use of the invention by the misappropriator without the inventor’s consent.

with an insufficient amount of time for filing their own patent applications, then the solution lies with congressional extension of this period, not in judicial misuse of the correction procedures to accomplish results unintended by Congress.

B. Non-patent Based Remedies

A true inventor whose invention was confidentially disclosed to a defendant, and thereafter misappropriated by the defendant, is not confined to the procedures provided by the patent laws to obtain relief. Very often, the true inventor's development may qualify for trade secret protection. As a result, the true inventor may be entitled to recover damages for the wrongful use and acquisition of his trade secrets by the misappropriator. Similarly, damages may be available to the true inventor for the loss of the trade secret caused by the misappropriator's publication of the trade secret in the form of an issued patent. The appropriate measure of damages in such a case would be the market value of the trade secrets at the time of the publication, which takes into account the investment value of the trade secret as well. Therefore, even though the true inventor may be precluded from a remedy under the patent laws for obtaining title to the patents based on the misappropriated invention, he may still recover for the use and loss of the exclusive right to the invention.

104 Friedman v. Washburn Co., 145 F.2d 715, 718 (7th Cir. 1944).
105 See 2 LIPSOM, supra note 6, § 8:2, at 477-83 (discussing inventor's patent rights in relation to trade secrets). A trade secret consists of business information that has been kept confidential and possesses value because it is not commonly known. See generally McCARTHY, ENCYCLOPEDIA, supra note 4, at 344-48; see also UNIFORM TRADE SECRETS ACT § 1(4) (1985) (defining "trade secret"); RESTATEMENT OF TORTS § 757, comment b (1939) (same). Trade secrets are "protected against those who obtain access through improper methods or by a breach of confidence." McCARTHY, ENCYCLOPEDIA, supra note 4, at 344.
108 Id.
109 Id. The investment value is measured by what an investor judges he would pay for the trade secret, taking into account the facts, circumstances and information that is available at the time. Id. It should be noted that courts are not afraid to speculate rather large amounts in the realm of patent law. See, e.g., Polaroid Corp. v. Eastman Kodak Co., 17 U.S.P.Q.2d (BNA) 1711, 1714 (D. Mass. 1991) (awarding over $873,000,000 in damages).
110 See, e.g., Carter Prods., 214 F. Supp. at 388-89.
CONCLUSION

Until the boundaries of the inventorship correction provisions are more clearly established, the patent reassignment remedy remains intolerably uncertain. Given the deficiencies inherent in a patent procured by a misappropriator, attempted reassignment of such patents provides a less than adequate remedy to true inventors. In view of the uncertainty and inadequacy of the patent reassignment remedy, as well as the public's interest in furthering full and adequate disclosure of inventions, the use of interference proceedings should be the preferred mechanism for resolving inventorship disputes involving claims of derivation or misappropriation. It is hoped that this critique of the patent reassignment remedy will caution true inventors who might otherwise pursue such an avenue of relief, and it is further hoped that the approach suggested will assist true inventors in “securing” more reliable and definite rights to their discoveries.

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