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## THE IMPORTANCE OF COMMUNICATION TO POSSESSION IN IP

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A key aspect of intellectual property is time. Patent law is rife with issues of timing. At the most basic level, patent rights are time-limited, leaving the rights holder a finite period to extract value from the patent. Moreover, as to validity, time impacts when to assess whether an invention is new, nonobvious, useful, and adequately supported by the patent disclosure. In terms of infringement, time impacts the interpretation of the patent, as well as what should be considered equivalent to the invention claimed in the patent. Many of these temporal considerations inject hosts of uncertainty into patent doctrine. For example, making present-day assessments of issues, like utility, enablement, and meaning, is subject to hindsight bias and evidentiary issues.

The slice of time that Professors Oliar and Stern take in their Article, *Right on Time: First Possession in Property and Intellectual Property*,<sup>1</sup> is directed more towards the allocation of intellectual property rights. To inform their temporal analysis, the authors draw on an ancient concept in property law: possession. In making this move, they join a burgeoning literature both in property and intellectual property discussing the applicability of possession in allocating property rights. Possession is a contested conception in the property context, and it is far more complicated—and controversial—in the intellectual property context given the intangible nature of these rights. The exclusive rights in intellectual property generally are not tied to something tangible; instead, they relate to ideas or expressions. In the patent context, the “invention” is not a particular working item. Instead, it is the mental idea as memorialized in the patent document. A physical instantiation of the invention is helpful, and at times can be sufficient in allocating patent rights, but having such embodiment is not necessary.

Oliar and Stern’s intervention is to draw on the concept of possession to address a number of “first in time” aspects of intellectual property, and, in particular, the need to optimize the allocation of property rights. From the possession-related cases, the authors identify two rules: the first-committed-searcher rule and the rule of capture.<sup>2</sup>

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<sup>1</sup> Dotan Oliar & James Y. Stern, *Right on Time: First Possession in Property and Intellectual Property*, 99 B.U. L. REV. 395 (2019).

<sup>2</sup> *Id.* at 400.

In the patent context, the authors explore priority contests—the way, under the former Patent Act, that patent rights were allocated among competing claimants to the first to invent. The first to invent is the party who is the first to have the complete mental idea of the invention—the conception. But conception alone is not sufficient. The first to conceive must also be either the first to build a working embodiment—an actual reduction to practice<sup>3</sup>—or be diligent in reducing the invention to practice, even if ultimately she is the second to do so. Given this framework, the authors characterize the “first committed searcher” regime as rewarding with the patent the diligence of the first to conceive.<sup>4</sup> The regime under the newer patent act, the America Invents Act, shifted U.S. patent law to one where the first inventor to file the application gets the patent.<sup>5</sup> In the authors’ view, this system reflects a capture rule. The authors also note the lever of utility, which permits an inventor to obtain patent protection only once they have demonstrated that the invention actually works for its intended purpose. Utility, thus, polices efforts by patent applicants from obtaining patent protection prematurely. In contrast, although not addressed in Oliar and Stern’s Article, patent law has a number of doctrines that also prevent inventors from abusing the temporal aspect in a different direction, by commercializing or using the complete invention for too long before filing for patent protection. Patent law thus tries to optimize the filing of the patent application.

Nevertheless, using possession in the intellectual property context has some complications. As the authors note, unlike personal and real property, the “thing” over which claims have been made is intangible.<sup>6</sup> In the patent context, the invention is the idea and not a particular physical embodiment. The patent applicant can generalize her claims beyond any particular variant she has actually made, so long as such extrapolations are adequately supported in the patent document. Addressing the intangibility issue, the authors deconstruct possession into two components: the allocation of property rights among claimants and the timing of the award of such rights. These related functions in essence address the rules of the race. The winner of a race could be who runs the same distance the fastest; but it could also be who runs the farthest in a set period of time.

But there is a third component to possession that the relevant doctrines in both property and patent law require: the communicative act to the interested public. As Professor Carol Rose’s seminal work has shown, possession requires communication to third parties regarding the assertion of dominion over the

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<sup>3</sup> Filing a patent application can also satisfy the reduction to practice requirement and is referred to as a constructive reduction to practice.

<sup>4</sup> *Id.* at 422.

<sup>5</sup> Pub. L. No. 112-29, 125 Stat. 284 (2011) (codified as amended in scattered sections of 35 U.S.C.).

<sup>6</sup> Oliar & Stern, *supra* note 1, at 399.

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contested resource.<sup>7</sup> Possession thus acts as a form of language, and the audience must be able to interpret the communicative act. Such communication—in essence notice to the public—makes sense given the in rem nature of property: there must be a communication to “strangers” in order for property rights to be understood and respected. Such communication is even more vital in intellectual property. Because the rights relate to intangibles, public notice is more important for intellectual property regimes to operate efficiently, but is also more difficult.

The importance of this communicative aspect of possession readily can be seen in both the first-to-invent system and in utility doctrine. In the first-to-invent regime, being the first is not always sufficient to be awarded the patent. It is possible for the first to invent to forfeit that status and thus lose the patent. If the first to invent abandoned, suppressed, or concealed the invention, then she is no longer deemed the first to invent and is precluded from obtaining the patent. In other words, the first to invent must bring the invention to the public or risk losing the right to the patent. There is an essential communicative act in order for a party to qualify as the first to invent. A subsequent inventor who has not withheld the invention from the public will get the patent. Thus the second to invent can win the “race” even if technically she was not the first to possess the invention. Thus, the acts of possession are not sufficient unless the invention is brought to the public through some sort of communicative act.

Similarly, patent law privileges disclosures in the patent document. In order to satisfy the utility doctrine, the applicant must memorialize the usefulness of the invention in the patent document itself. Generally the applicant can use evidence extrinsic to the patent to confirm an asserted utility, but the assertion of utility must be in the patent document or it must be recognized by patent law’s relevant audience, the person having ordinary skill in the art. By including the utility in the patent’s disclosure, the applicant necessarily is making a statement to the public that the invention works for its intended purpose. Other patent disclosure obligations, such as the written description and enablement requirements, help to delineate the scope of the invention to third parties, enhancing the public notice of the patent document. These disclosures are thus communicative acts, consistent with Rose’s take on possession. In this way, the public-notice functions of patent and possession align even more directly. Indeed, much of my work has been to build on Rose’s important insights and elaborate on this communicative act and the need for the relevant audience to be identified and able to understand these acts.

In sum, Professors Oliar and Stern are right to focus on the allocation and timing dynamics of first possession in intellectual property. But, for these regimes to operate efficiently, these acts of possession also need to be sufficiently public to relevant audiences to enable understanding of that allocation.

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<sup>7</sup> See generally Carol M. Rose, *Possession as the Origin of Property*, 52 U. CHI. L. REV. 73 (1985).