The entitlement of the right to patent, i.e. the question as to who is entitled to obtain a patent has been called “ownership”. If it is a question of ownership of property, an owner of the property should be able to claim a transfer of the title of the property from the party who obtained the title without authorization by the owner. In fact, when an inventor assigns his/her invention and still obtains a patent behind the back of the assignee breaching such assignment agreement, the owner/assignee can claim patent transfer against the non-owner/inventor under U.S. case law.

However, when a person/entity who is not an inventor nor his/her successor obtains a patent fraudulently naming a false person as inventor (the “Derivation Case”), a patent transfer remedy for the true inventor has not always been recognized. In the Derivation Case, the pre-AIA originality or inventorship requirement made it difficult to recognize such true inventor’s property (pre-AIA 35 U.S.C §102(f), §282(b) (2)). Instead, patent transfer remedies were recognized in case law ad hoc based on breach of contract, breach of constructive trust, trade secret misappropriation and so on. Only a few cases mentioned misappropriation or theft of intellectual property. Some courts did not render patent transfer remedy, but only ordered the patentee to pay damages to the true inventor. Invalidity based on lack of inventorship under Section 102 (f) had been limited under pre-AIA inventorship correction procedure, and recently, AIA omitted Section 102(f) entirely.

This paper first explains inventorship (originality) and ownership requirements under the U.S. patent law, and limited remedies in the Derivation Case within the U.S. patent regime before and after AIA. Second, this paper introduces state law cases and their rationale on a patent transfer remedy for a true inventor in the Derivation Case. By analyzing statutes and case law, this paper further discusses the inventor’s property in his/her invention and shows reasons why an inventor deserves a patent transfer remedy in the Derivation Case. Finally, I propose how state laws and USPTO practice can support patent transfer remedy under current statutes and a possible patent law reform.