

Patent Cooperation Treaty Task Force; Summary of Comments in Response to Public Meeting

The United States Patent and Trademark Office (USPTO) established a PCT Task Force to consider the perspectives of interested parties concerned with improving the USPTO's activities as a receiving Office (RO), an International Searching Authority (ISA), an International Preliminary Examination Authority (IPEA), and a designated/elected Office (DO/EO), as well as of the PCT System as a whole. To support the operation of the Task Force, the USPTO held a public meeting on January 13, 2010 and invited public comments. Seven presentations were given during the public meeting, including one from the USPTO on the Patent Prosecution Highway (PPH), and four written comments were submitted in response to the Notice.

The following discussion sets forth a brief summary of the public comments that were given with respect to the questions presented in the Notice. The USPTO is continuing to review its PCT procedures, and this summary will be supplemented with more details, as the USPTO improves its PCT processing. The question is included in italics below.

1. Please identify overall changes you recommend to the PCT system.

One response indicated that the Office should adhere to the PCT Roadmap. Another commended that the search logic should be included in order to enhance worksharing. Another suggested that all issues, including 35 USC 112 issues, should be

identified, and one response suggested that all sources of prior art should be evaluated. Several responses indicated that greater use of the international work products in national stage processing should be made, and the credit given to examiners should be decreased in order to emphasize that the work done in the international phase should be used in national stage examination. One response suggested that applicants be permitted to forgo a search and only having an international application publish. Another response suggested that applications be published for opposition, if examination (or a search) had not been requested. Yet another comment suggested that the processing of international applications and national phase applications should be changed by having the World Intellectual Property Organization (WIPO) provide an enhanced online database capturing all relevant prosecution events and documents of the international application and every relevant regional/national application. This database would be accessible by appropriate parties on national phase entry. Another comment suggested that the quality of the ISA/IPEA work products should be raised so that USPTO examiners would feel comfortable giving the work full faith and credit. One comment suggested that the quality of ISA/IPEA work products be monitored by an independent quality reviewer.

Response: The USPTO is committed to improving the quality of the international search, whether done by the USPTO, on behalf of the USPTO, or by other authorities. The USPTO is taking a number of steps to improve the quality of the international work. These steps include providing additional training, providing a record of the search strategy in the international application, and modifying the quality metrics used to evaluate the USPTO's international work products. In addition, the USPTO

recognizes that its processing time for new national phase applications is unacceptably long. The USPTO is committed to improving that timeliness through a number of measures, including changing the way it retrieves documents from WIPO in order to more consistently and efficiently build the national phase application file.

2. *Please explain why you use the PCT system, as opposed to direct foreign filing via the Paris Convention. What benefits are applicants seeking by the use of the PCT system, in addition to the longer time to decide where to enter the national stage?*

Many comments noted that the PCT provides a useful way to buy time and to delay costs, but that a good quality search was also useful.

3. *The USPTO has been contracting out the international search of international applications that designate the USPTO as the International Searching Authority, so as to help the USPTO improve the timeliness of the international search. From the applicant's viewpoint, please identify the advantages and disadvantages from this contracting out of the international search.*

Two comments noted that the increased timeliness was an advantage, and another observed that contracting provides for more resources to handle the volume of applications. One comment states that the perception that the quality of the international work product was not as high as that of a national search was a

disadvantage, and one comment alleged that patent examiners are best suited to handle complex applications. Yet another opined that the primary disadvantage of contracting the search is that sometimes results are less complete, especially with respect to dependent claims, and are not respected by the examiners during the national phase

4. In addition, please explain whether applicants have concerns with the USPTO's use of contractors for the international search of PCT applications.

One comment expressed a concern that the quality of PCT searches done by contractors is not as high as the quality of those done by USPTO examiners. Another comment stated that the use of contractors only for PCT searches causes PCT applications to be considered as a second class citizen.

5. Please explain whether you support including PCT search and examination results in worksharing mechanisms, such as the Patent Prosecution Highway (PPH).

Two comments expressed strong support for the PCT PPH. One questioned whether the contractor made any positive determinations, which are necessary in order to be eligible for PCT PPH. Another comment argued that examiners should use the ISA/US work, whether done by contractors or others, at least as a starting point, in order to function more efficiently. Yet another comment supported including PCT

search results in worksharing mechanisms, provided that the ISA search results are given “full faith and credit” in all Designated and Elected Offices.

6. Where the international search report and written opinion of the International Searching Authority are at least partially negative, please explain whether you would expect to request international preliminary examination under Chapter II of the PCT more often in order to get PPH benefit at the national phase?

One comment stated that they would not be using Chapter II in the USPTO, because the risk of a new search in the national stage was too great. Another noted that PPH would be only used to obtain accelerated examinations, and would consider using Chapter II now that PCT reports are allowed in the PPH.

Response: The USPTO is committed to improving the quality of the international examination work done by the USPTO as the International Preliminary Examining Authority so that applicants can rely upon the decisions reflected in the International Preliminary Examination Report, and only encounter new search results when amendments are made in the national stage that necessitate a new search.

7. Please explain whether you believe the USPTO should encourage early national stage entry when designated as an ISA or IPEA, and implement a system that combines the international and national phase.

One comment claimed that the USPTO should be able to have the same examiner “cut and paste” from the international phase in the national phase work. Another comment indicated that a single examination of both the international and national applications would address the volume of applications, as well as the issue of what credit to give examiners. The comment suggested that a cost reduction could be given to applicants. Another expressed a concern that the proposal would have an effect upon timeliness. Another commenter did not support this point, because the perceived need to combine PCT work with parallel national work was said to be based on misconception that high quality is only needed for national applications, whereas it makes sense for an ISA/IPEA to also provide high quality work.

Response: The USPTO is continuing to review these suggestions, and to discuss the appropriate timing with other international authorities, applicants and other stakeholders.

8. Please identify any changes you recommend to improve the quality of the work produced under the PCT system.

One comment claimed that the USPTO treats the PCT as a “stepchild,” and urged the Office to give PCT applications the same value as other applications. Another comment suggested that in order to improve quality of the work produced under the PCT, the fees for supplemental searches should be low, and the WIPO database should be used to exchange prosecution documents and as a hub for international collaborative examination. Yet another comment stated that PCT reports should be of the same quality and extent as

national reports, and should be relied on during national phase so that only a limited supplemental search should be needed. One comment recommended external auditing of International Search Authorities, so as to standardize their work and to have an independent evaluation. The comment argued that agreed upon auditing standards would promote trust and provide assurances to applicants, attorneys and other patent offices of quality, and that timeliness should be part of the quality audit.

Response: With regard to international searches, the USPTO is strongly committed to improving quality through training and quality evaluations and feedback, and considers the PCT a core component of the global intellectual property system.

9. Please explain whether delaying the issuance of the International Search Report until after publication of the international application has any significant impact on your use of the PCT?

One comment stated that getting the International Search Report (ISR) after 18 months would be acceptable if the international search included recent prior art, but that the due date should be at least 20 months. Another comment expressed a concern that delaying issuance of the ISR would leave less time for Chapter II examination. Similarly, another comment emphasized that the current timing facilitates the public knowing what a competitor's application is worth, the carrying out of a meaningful PCT Chapter II examination before the 28 month deadline, and gives the applicant

time to consider the PCT International Preliminary Examination Report before entering in the national phase.

10. Please explain whether you believe that the PCT would benefit from a third-party observation system and/or applicant-submitted prior art.

Many comments indicated that third party observations would be useful and improve quality. One comment stated that they did not support changing the confidentiality provisions of Art. 38, but suggested allowing third parties to submit relevant prior art for the applications undergoing national phase examination. The comment explained that in the confidentiality period of the international phase, third parties would have little information on which to base their submissions.

Comment: The USPTO is working with other members of the PCT and WIPO to develop a system to permit third party observations as soon as possible.

11. Please explain your primary reasons for choosing an ISA.

One comment indicated that timeliness, cost, efficiency and quality were factors.

12. Please explain how the USPTO could improve its processing as a receiving Office.

One comment urged the Office to devote more resources to the receiving Office so that filing receipts and other notices would be timely.

Response: The USPTO processing time as a receiving Office is greatly improved in the last several years. According to WIPO statistics, the USPTO as a receiving Office currently transmits the record copy to the International Bureau in 4 weeks or less 88% of the time.

13. *Please explain how the USPTO could improve its processing as a designated/elected Office.*

One comment repeated the need for timely filing receipts. Another comment argued that the USPTO could make better use of the PCT system by encouraging foreign applicants to file under the PCT rather than direct U.S. applications, ensuring that PCT reports are at least of the same quality and extent as national reports, and giving incentives to applicants to argue/amend in the national phase so that the application meets all U.S. requirements, notwithstanding objections in the PCT report. These steps will reduce PTO workload and improve quality. Another comment suggested that the USPTO advance applications out of turn when the requirements of 37 CFR 1.496(b) were met.

Response: The Task Force has reviewed the USPTO's processing of national phase applications, and notes that filing receipts in national phase applications are generally mailed in about 252 days, but that the Office is continuing to look for ways to improve

this number. As to advancing applications out of turn when the requirements of 37 CFR 1.496(b) were met, the USPTO is working to implement a new process to allow such applications to be identified to the patent examiner such that they can be expedited without any subsequent action by the applicant or practitioner.

In addition, several comments were received that did not directly address the questions posted in the notice.

Comments Related to Workload

One comment suggested that there should be a mechanism within the PCT to shift work from one ISA to another, so as to avoid overloads. Workshifting would discourage ISAs from becoming untimely or failing to maintain quality. To permit shifting of work among international authorities, the comment suggested that a standardized fee be set for international search work, so that work could be more easily shifted, and that the international search revenue be used to pay for the Quality Control force, discounts for small entities, and information technology upgrades.

Response: The fees are currently set by each authority as a function of their processing costs, and the International Authorities are unlikely at this time to be able to agree upon a common fee.

Format of Applications

One comment suggested that in order to reduce the use of paper, single spaced applications, a two column format, and smaller font sizes be used, and that hard copies not be mailed.

Response: The spacing and format requirements are currently a function of the PCT Regulations (see PCT Rule 11) and requirements needed for electronic processing of incoming papers, but these suggestions will be considered as the technical requirements for scanning and processing of applications are improved.

Additional Competent Authorities

One comment suggested that the USPTO designate additional International Searching Authorities as competent, and emphasized that such additional authorities should not impose competency limitations which would make additional work for the United States receiving Office.

Response: The USPTO has reached out to other ISAs, asking if they would like to act as an ISA or IPEA for applications filed by U.S. applicants, and plans to reach out again.

Dissemination of Information

One comment proposed changes in the processing of international applications and national phase extensions by having WIPO provide an enhanced online database capturing all relevant prosecution events and documents of the international application

and every relevant regional/national application. This database would be accessible by appropriate parties on national phase entry.

Response: WIPO provides access to the national stage information for 42 national or regional Offices, and the corresponding electronic files where available. See http://wipo.int/patentscope/en/news/pctdb/2009/news_0010.html. The USPTO understands that WIPO is working to enhance this database as additional documents become available.

Patent Term Adjustment

One comment questioned the correctness of the USPTO's Patent Term Adjustment calculation.

Response: The USPTO is addressing this in view of recent court decisions.

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