Topic 1: Challenges and Options in Substantive Patent Examination

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Agenda

- Challenges of small and medium IPOs
- Legislative foundations
- Elements of patent prosecution
- Options for **substantive** examination and implementation of patent prosecution
Different categories of IPOs

Expertise

- IPOs just embarking on patent prosecution (e.g. Bahrain, Oman, Bhutan, Cambodia, Kuwait, Ghana ...)
- IPOs having established patent prosecution ("emerging Offices"; e.g. GCC, Jordan, Malaysia, Saudi Arabia, Thailand, Viet Nam,...)
- IPOs with long work experience (DPMA, EPO, JPO, USPTO, …)

Size

- Small IPOs with very few examiners (e.g. Bahrain, Oman, Bhutan, Jordan, Syria, Kuwait, Ghana) and the capacity to cover very few areas of technology
- Medium size IPOs with the capacity to cover some but (may be) not all areas of technology (GCC, Saudia Arabia, Thailand, Viet Nam)
- Large IPOs with sufficient number of staff to cover all areas of technology (IP India, USPTO, EPO, JPO)
IPO’s challenges in many IP-DCs

- IP-DC: Country developing its IP infrastructure
- Almost all IPOs adopted a system of substantive examination
- Establish efficient patent prosecution procedures (national phases) for
  - foreign (including PCT; amount often to 90% of applications), and
  - truly domestic patent applications
- with limited resources (e.g. number of staff, legal and technical expertise of staff, access to databases..) in comparison to major IPOs
- Building up of backlogs
- despite similar requirements for patentability and quality of examination
- facing a lack of awareness/support by higher government authorities
- limitations of domestic IP culture (e.g. experienced patent lawyers, drafting skills of local applicants, …)
Substantive examination in small IPOs?

- Can small IPOs deliver quality substantive examination?
- What is a sufficient size, i.e. number of examiners?
  - To cover all areas of technology? Manage workload?
    - DE: 700
    - EP: 3000
    - AT: 50
- What access to database resources is needed?
- What training is needed?
- My view: Yes, even small IPOs with limited resources can deliver quality patents if they have a proper strategy for the exploitation of external examination results for members of the patent family (passive worksharing)
- Yes, if examiners are trained as "state patent attorney"
Required examiner capacities

Patent examiner in major IPO

Scientist / Engineer

Legal Specialist
"State Patent Attorney"

Technical Generalist & Legal Specialist Patent Attorney

Dependent on application

Specific technical expertise in area of inventive subject matter

Knowledge in patent law, regulations:
Novelty, Inventive Step, Claim Wording,...

Independent of application
"National phases" in general

Categories of patent applications to be examined

- **PCT national phase entries**
  - application is member of *patent family*

- **non-PCT foreign filings (second filings)**
  - priority claimed: is member of (Paris Convention) *patent family*
  - priority *not* claimed: is member of "technical" family because same invention

- **Truly national/domestic first filing**
  - second filing abroad is possible, i.e. application may become member of *patent family*

Patent family > application is processed at several IPOs

"State patent attorney" can utilize results from other IPOs

> Topic 10: patent families
Legal basis of patent examination

- **Patent law/act** (issued by parliament, i.e. legislative body)
- Patent rules/**regulations**/ordinances (issued by minister, commissioner/…, i.e. administrative body)

- International treaties (Paris Convention, PCT, TRIPS...)
  - require interpretation

- Case law (interpretation by court rulings)
- Examination guidelines (referring to essential CL)

South Africa is member
Examination Guidelines/Manuals

► EPO Guidelines

► PCT Examination Guidelines

► German Guidelines (in English)
http://www.dpma.de/docs/service/formulare_eng/patent_eng/4/p2796_1.pdf

► Indian Manual (draft)

► USPTO Guidelines
Requirements of patentability

- Substantive patent examination has to check:
  - Novelty
  - Inventive step
  - Industrial applicability
  - Unity
  - Technical nature
  - No case of exclusion
  - Sufficient disclosure
  - Legal certainty of claims (clarity)
  - Additions to initial disclosure
  - Deposit of novel micro-organisms
  - (Disclosure of origin of genetic resources)
Differences of national patent legislations

- Basic categories of requirements are the same in most jurisdictions (unity, novelty, inventive step, technical nature, sufficient disclosure)
- Some differences exist in how the term "invention" or "patentable invention" is defined (positively, negatively)
- Differences, however exist mostly in terms of exclusions, e.g.
  - US do grant business methods, software patents,..
  - DE/EP grants new use of known compound, PK does not,..
  - Islamic countries exclude, e.g., inventions related to pork
  - Temporary exclusions in Myanmar: section 8 (b)
- For analysis, see e.g. SCP studies on WIPO website:
Differences of national patent legislations

- Paris Convention and PCT treaty do not address exclusions from patentability
  - PCT permits ISA to exclude certain subject matter from search
- TRIPS permits exclusions of certain subject matter
- Further important differences exist in case law, e.g.
  - Technical nature of software related patents
  - Inventive step
- Further important differences exist with respect to limitations of the rights of the owner of a granted patent, e.g. the research privilege
Overview of pre-grant prosecution

1. Filing
2. Check basic requirements
3. Obvious Defects?
4. Formal Examination
5. Publication of Application
6. Request for Examination?
7. Substantive Examination
8. Decision to grant/refuse
9. Publication of Grant
Elements of pre-grant prosecution

Filing
- Check basic requirements
- Invite corrections
- Valid application
- Classification

Date of receipt
- Applicant’s + inventor(s)’s identity?
- Description + claims?
- Inventor’s statement?

Initial disclosure is fixed
- **Filing date** = Date of receipt

Determines prior art!
- Different if priorities are claimed

18 months
- Publication if no prior rejection

PCT national phase entries:
- **Filing date** = PCT filing date
Elements of pre-grant prosecution

- Filing
- Check basic requirements
- Valid application
- Obvious Defects?
- Formal Examination
- Invite corrections

**Technical Examiner**
- Technical nature?
- Unity?
- Excluded from Patentability?
- Industrial Applicability?

**Formality Examiner**
- Priority ok?
- Title clear?
- Abstract submitted?
- Claims?
- Proper Drawings?
- Designation of Inventor?

18 months publication
- DE, EP: even with defects, unless rejected, abandoned

Rejection of application
Elements of pre-grant prosecution

- Filing
- Formal Examination
- Request for Examination?
- Substantive Examination
- Decision to grant/refuse

Some legislations only have registration after formality examination

Basic requirements:
- Novelty
- Inventive Step

Comparison with prior art

Search by technical expert

Use of external results
Elements of pre-grant prosecution

Filing
Check basic requirements
Valid application
Formal Examination
Examination request
Substantive Examination
Third party observations
Amendments/Divisions
Decision to grant/refuse

Further requirements:
• Unity
• Technical nature
• Exemptions
• Sufficient disclosure
• Clear claims > legal certainty
• No additions to initial disclosure, e.g. through amendments
Actions and communications

**Search and examination report** by examiner with or without proposal for patentable claims

**Applicant's reply or withdrawal** with or without proposal for amended claims

**Examiner to check:**
- whether amended claims are within initial disclosure
- whether claims are properly worded

**Top-up search** if amended claims include features disclosed only in initial description and not in searched claims

If no withdrawal

**Examiner to reject** with detailed reasoning

**Examiner to grant** and check publication (nothing added to initial disclosure)
Elements of patent prosecution

- Filing
  - Obvious Defects?
    - Rejection
      - Appeal
      - Subject to higher instances
    - Formal Examination
      - Rejection
      - Appeal
    - Substantive Examination
      - Rejection
      - Appeal
    - Granting
      - Appeal
    - Oppostion
      - Rejection
      - Appeal
    - Revocation
      - Rejection
      - Appeal
      - Subject to higher instances
Sequence of examination

- Substantive patent examination has to check
  - Technical nature
  - Unity
  - No case of exclusion
  - Industrial applicability
  - Novelty
  - Inventive step
  - Sufficient disclosure
  - Legal certainty of claims (clarity)
  - Additions to initial disclosure

- Should be checked before prior art search
- Requires prior art search
Grant phase

- In many jurisdictions, third parties are given the opportunity to file an opposition.
- E.g. for EPO up to 9 months after publication of grant.
- Examination may have overlooked certain relevant prior art, e.g., examiners focus on publications included in PCT minimum documentation.
- Opposition body decides whether grant is maintained, modified, or revoked.
Post grant phase

- Parties facing infringement litigation can request revocation of patents
- Court may revoke patent on his own finding or on request by any party
- Almost the same patentability requirements apply
  - Except lack of unity
- If patent was obtained by fraud or misrepresentation or concealment of any prescribed significant information
How to organize efficient quality patent prosecution with limited resources?
A patent and its global family

- All starts with an invention
- Application for patent at OFF (Office of First Filing)
- Subsequent applications at OSFs (Office of Second Filing)

  - **With** claiming OFF priority (Paris Convention, TRIPS)
    > OSF recognizes filing date of OFF (priority date)
  
  - **without** claiming priority
    > actual (later) filing date
Opportunities through patent families

- Utilisation of external examination results is possible if same or similar invention was filed in several IPOs
  - OFF: Office of First Filing
  - OSFs: Office(s) of Second Filing
  - Simple family (usually same invention, ie most likely similar claims)
  - Extended family (at least similar invention, claims may differ)
  - Technical family

- **Active worksharing**: avoid duplication of work by active organisation of the work distribution; e.g. OFF treats applications with priority and OSFs wait for results
  - Some collaborations started, e.g. Vancouver Group (AU, CA, UK)
  - ASPAC?

- „**Passive worksharing“**: Use results that were obtained for family members at other IPOs
Passive worksharing (PW)

- PW is a very effective strategy for small IPOs to cover all technical areas
- PW is an efficient strategy to cope with backlogs
- PW can also enhance efficiency and quality at any IPO
- Currently many IPOs examine in parallel, i.e. little active worksharing
- Utilization of examination results obtained by other IPOs provides general **benefits** and may improve patent quality at any IPO, because:
  - Other IPOs may have access to other information resources
  - Individual examiners at other IPO may have particular expertise in a certain field
  - Learning from/improving other search strategies
  - Examination reports may include valuable arguments/particular views
- However, there are also benefits derived from duplicated work
**Example: PCT NPEs in Sri Lanka**

<table>
<thead>
<tr>
<th>National Application Number</th>
<th>PCT Member of Family</th>
<th>Size of Inpadoc Family</th>
<th>Number of Simple Families in Inpadoc Family</th>
<th>Withdrew or Lapsed or Dead or Abandoned</th>
<th>Refused or Rejected</th>
<th>Pending EP, AU, CA, CN, KR</th>
<th>Grants but in Extended Family</th>
<th>Observations</th>
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<td>0 0 0 0 0 0 0 0 0 0</td>
<td>0 0 0 0 0 0 0 0 0 0</td>
<td>0 0 0 0 0 0 0 0 0 0</td>
</tr>
</tbody>
</table>
Patent prosecution – summary of options

Option 1
► Doing full substantive examination in all or some areas of technology

Option 2
► Utilize grants/rejections of other IPOs
  ■ requires identical claims & cooperative applicants
  ■ requires claims compatible with national law
  ■ implies considerable delay because final results have to become available

Option 3
► Utilize pre-grant results, e.g. search reports, of other IPOs, e.g. via ICE, ASPEC, AIPN, KPION..
  ■ implies some but smaller delay than option 3
Article 31.-

The applicant shall, at the request of the Registrar, furnish him with the following documents relating to one or more of the foreign applications referred to in Article 30 of this Law:

(i) a copy of any communication received by the applicant concerning the results of any search or examination carried out in respect of the foreign application;

(ii) a copy of the patent granted on the basis of the foreign application;

(iii) a copy of any final decision rejecting the foreign application or refusing the grant requested in the foreign application.

The applicant shall, at the request of the Registrar, furnish him with a copy of any final decision invalidating the patent granted on the basis of the foreign application referred to in the 1st paragraph of this Article.
Article 37.-

The Registrar shall take into account, for the purposes of Article 36 of this Law, as following:

(i) the results of any international search report and any international preliminary examination report established under the PCT in relation to the application; and/or

(ii) a search and examination report submitted under item (i) of the 1st paragraph of Article 31 of this Law relating to, or a final decision submitted under item (iii) of the 1st paragraph of Article 31 of this Law on the refusal to grant a patent on, a corresponding foreign application; and/or

(iii) a search and examination report which was carried out upon his request by an external search and examination authority.
Sovereign national prosecution

Paris Convention 1883:

- **No** obligation to follow/adopt conclusions of other IPOs or to use their results (Article 4bis)

- Each IPO has obligation to observe national legislation

- Each IPO has responsibility/liability for quality patents

- Lawyers often refer to grants at other IPOs: just ignore that!

Procedural principles

- **Principle of party disposition**
  - Applicant determines beginning, end and extent of proceedings through requests

- **Applicant’s requests determine the extent of each proceeding**
  - Binding effect for examiner as to content and sequence of requests, e.g. examiner can grant only claims with wording that the applicant requests
  - Examiner to decide either “Yes” or “No”
  - Examiner cannot amend and grant the application without the consent of the applicant
Fundamental procedural principle

- Right to be heard, fair trial
  - Guaranteed by constitution, international treaties, European Human Rights Charta,..

- Adverse decisions like a rejection can only be based on reasons that
  - were previously communicated to applicant, and
  - if he has had an opportunity to respond to it (it is not necessary that he did respond)

- Appeal to court against adverse decisions of the registrar (e.g. to reject)
Thank you

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