

Meeting of International Authorities Under the Patent Cooperation Treaty (PCT)

Twenty-First Session
Tel Aviv, February 11 to 13, 2014

INTRODUCTION OF A MANDATORY RESPONSE TO A NEGATIVE WRITTEN OPINION OF THE INTERNATIONAL SEARCHING AUTHORITY OR INTERNATIONAL PRELIMINARY EXAMINATION REPORT

Document submitted by the United States Patent and Trademark Office

SUMMARY

1. The present document relates to the proposal by the United Kingdom and the United States of America to amend the PCT Regulations to specifically provide that applicants must respond to any outstanding negative comments issued by the International Searching Authority (ISA) in the Chapter I written opinion or by the International Preliminary Examining Authority (IPEA) in the international preliminary examination report upon entering the national/regional phase.

BACKGROUND

2. At the fifth session of the PCT Working Group, held in Geneva from May 29 to June 1, 2012, the United Kingdom and the United States of America presented a joint proposal entitled "PCT 20/20", containing 12 proposals for further improvement of the PCT system (document PCT/WG/5/18). The proposals received varying levels of support by the Working Group (see the Summary by the Chair of the fifth session, document PCT/WG/5/21, paragraphs 27 to 29). Following the discussions, the Delegations of the United Kingdom and of the United States of America agreed to further elaborate on the proposals and to provide more details on how to take the proposals forward, for discussion at the next session of the Working Group.

3. The joint PCT 20/20 proposal included a general proposal to “Integrate National/International Phases, Use a National First Action on the Merits for PCT Search Report, Require Response to Negative Comments at the National Phase.”
4. As originally set forth, this proposal envisioned three types of integration of the national and international phases:
 - a) selection of an ISA would also be deemed a national phase entry in that Office, whereby the international search report (ISR) and written opinion (WO) would constitute both the international work product and a national Office action for that Office;
 - b) requiring, at the time of national phase entry, a complete response to any outstanding negative indications made by the ISA/IPEA;
 - c) where a national first action on the merits has been issued by the ISA in its capacity as a national Office in a parent application or family member, that the ISA adopt that as the ISR/WO where the claims are the same, thus reducing the burden on the ISAs and encouraging applicants to file international applications in the best form possible.
5. Similarly, the European Patent Office (EPO), in its document titled “Proposals for Further Improvement of PCT Services and Products”, which was also submitted to the fifth session of the PCT Working Group (PCT/WG/5/20), indicated that it already required such a response in its regional phase applications where it was the ISA or IPEA. The paper indicated that the EPO was of the view that this procedure could be implemented by other designated Offices in order to enhance efficiency in the processing of PCT applications in the national phase.
6. In this regard, the EPO has indicated that the implementation of this requirement has had a significant and positive impact on European regional phase filings. Specifically, since implementation, the percentage of applications affected by the requirement (i.e., where the EPO was the ISA) in which applicants file amended claims when entering the European phase has increased from 18.3 per cent in 2009 to 87.6 per cent in 2012. Further, the fact that these amendments are generally aimed at overcoming the objections raised (and are not purely formal in nature) is evidenced by the fact that, over the same period, the percentage of European regional phase applications where the EPO was the ISA which could be granted on the first action when entering the European phase has increased from 15 per cent to 33 per cent.
7. Taking into account the discussions and the comments received during the fifth session of the Working Group, the United Kingdom and the United States of America prepared revised versions of the original proposals for further improvement of the PCT system. Those revised and expanded proposals were communicated by the International Bureau, by way of a Circular (Circular C. PCT 1364, dated December 20, 2012, Annex I), to Offices of all PCT Contracting States as well as to other interested parties. The Circular invited recipients to review and further comment on those revised proposals. The expanded proposals were also discussed at the twentieth session of the Meeting of International Authorities under the Patent Cooperation Treaty (PCT/MIA), held in Munich from February 6 to 8, 2013.
8. With regard to the specific discussions at the twentieth session of the MIA on the topic of integrating the national and international phases, paragraph 68 of the Summary by the Chair (document PCT/MIA/20/14) (“the MIA Report”) states:
 - “68. Many of the Authorities supported the principles of this proposal. It was desirable to reduce duplication in the system and to strengthen the link between the international and national phases, especially in the Office which acted as International Searching or Preliminary Examining Authority. This would improve quality and reduce costs. However, it was emphasized that the national phase outcomes must always be determined by the

relevant designated Office. Some aspects were, however, easier than others. Parts of the proposal had already been implemented unilaterally by some Offices. Other parts might require changes to national laws. Careful consideration was necessary to the appropriate implementation of the proposals.”

9. In particular, it is noted in paragraph 101 of the MIA Report that “there was particular interest and hope for fast progress in the PCT Working Group” on several items, including Item F, Integrate National and International Phases.

DEVELOPMENT OF THE PROPOSAL

10. In deciding how to move forward in light of the responses to the Circular and in view of the specific discussions on the matter held at the MIA, and specifically the indication by the Authorities for fast progress on national and international phase integration, the United States and United Kingdom came to the conclusion that, in view of the extensive revisions to national laws and practices that would be involved in the implementation of items (a) and (c) discussed in paragraph 4 above, the only type of integration that was ripe for consideration by the Working Group was the requirement for a complete response to any outstanding negative indications made by the ISA/IPEA.

11. Adoption of such a proposal would help to reduce the amount of duplicative work being performed by the national/regional Offices and would promote the advancement of the prosecution of international applications in the national/regional phase.

12. Absent such a requirement, applicants can, and many times do, enter the national/regional phase with either the same claims that were originally filed in the international application or those amended claims filed in Chapter II. Further, applicants often file such claims without any remarks directed to overcoming the objections set forth in the international phase work product. Such behavior by applicants:

- trivializes the work performed by the International Authority in the application;
- forces the national/regional Office to unnecessarily perform a substantially identical search and examination as that already performed by, and issue a substantially identical work product as that previously issued by, the International Authority;
- stagnates the prosecution of the application, thus further delaying the issuance of a valid national/regional patent.

13. Finally, the United States and United Kingdom decided, of the three proposals set forth in paragraph 4, to pursue the present proposal because it is the position of our Offices that each stage of an international application should build upon, and further the progress made in, the previous stage. Chapter I should build on any prior national application work, and Chapter II is designed to build on the work performed in Chapter I. In the same manner, national stage prosecution should logically continue the forward momentum gained in the international stage. However, failure to provide a mechanism requiring the applicant, upon entering the national phase, to respond to any outstanding objections made in the international phase only serves to allow the international phase progress to stall, and even regress, at a crucial point in the application’s prosecution.

14. In drafting the proposal, our Offices were especially cognizant of the fact that the PCT is an agreement directed primarily to international phase processing which leaves decisions concerning national phase processing almost exclusively to the discretion of the national Offices. Likewise, we were well aware of the concerns of both national Offices and users in this regard.

15. Further, it was decided that the proposal should not be drafted to include a notice of incompatibility provision as the inclusion of such would imply that the provision must be adopted by all national Offices as part of their national practice at some future point.

16. Therefore, it was decided that the provision would be drafted in a manner such that the filing of a response to the international phase observations would be required of applicants, but that the decision of whether, to what extent, and under what conditions the requirement would actually be implemented in the national phase would ultimately be left to each national Office by leaving up to each Office what, if any, sanction would be imposed for failure to submit the required response.

17. This approach gives the maximum flexibility to Offices in implementing the provision as it allows any Office which desires to make the filing of such a response a mandatory aspect of their national practice to do so by imposing any sanction it felt was appropriate for failure to submit the required response. Likewise, any Office which did not want to make it mandatory for applicants to submit such a response could simply not impose any sanction. Alternatively, an Office would also be free to only impose a sanction under certain situations as it deemed appropriate, e.g. when that Office was the International Searching or Preliminary Examining Authority and no such response was filed.

18. The resulting proposal was presented at the sixth session of the PCT Working Group (see document PCT/WG/6/15). The proposed amendments to the PCT Regulations are attached in the Annex to this document. The proposal as presented is believed to address the concerns as expressed by the MIA as well as those expressed in the responses to Circular C. PCT 1364. Specifically, the United States and United Kingdom proposed to amend the PCT Regulations to include new Rules 51*ter* and 76*bis* which specifically provide a requirement for a complete response to any outstanding negative indications made by the ISA/IPEA.

DISCUSSION AT THE SIXTH SESSION OF THE PCT WORKING GROUP

19. The majority of the delegations which took the floor on the matter at the Working Group meeting indicated some level of support for the proposal. However, many of the delegations also indicated some concern for the fact that the provision set forth a mandatory requirement for national phase processing and as such encroached on the national sovereignty of the Offices with respect to their national practices. There were also suggestions made with regard to specific wording used in the proposal as well as with regard to whether responses should be required in all situations (e.g., when the International Authority was different from the national/regional stage Office, with regard to issues of clarity and more minor issues).

20. In response, the USPTO indicated that it felt that the majority of the concerns expressed were addressed by the fact that the provision was drafted in such a way that, while it was mandatory for applicants to submit a response, it was up to each Office to determine what, if any, sanction to apply if no such response were received, and that, as such, the national Offices had maximum flexibility with regard to whether or not the proposal would be implemented in their Office (see paragraph 100 of document PCT/WG/6/24).

21. The Chair of the meeting supported this interpretation in his comments as well.

LOOKING AHEAD

22. The United States Patent and Trademark Office and the Intellectual Property Office of the United Kingdom intend to further pursue the matter and present a revised proposal at the next session of the PCT Working Group taking into account the suggestions made at the sixth session of the Working Group as well as the discussions at this session of the MIA.

23. International Authorities are again asked to comment on the proposal. In doing so, Authorities are specifically requested to identify any aspects which do not address concerns regarding encroachment on an Office's ability to establish their own national phase practices, or that the requirement should only be applicable in certain situations.

24. The Meeting is invited to comment on the proposal and specifically the questions posited in paragraph 23.

[Annex follows]

ANNEX

PROPOSED AMENDMENTS TO THE PCT REGULATIONS¹

TABLE OF CONTENTS

Rule 51ter	Response to Outstanding Objections Before the Designated Office	2
	<i>Rule 51ter.1 Mandatory Response</i>	2
Rule 76bis	Response to Outstanding Objections Before the Elected Office	3
	<i>Rule 76bis.1 Mandatory Response</i>	3

¹ Proposed additions and deletions are indicated, respectively, by underlining and striking through the text concerned. Certain provisions that are not proposed to be amended may be included for ease of reference.

Rule 51ter

Response to Outstanding Objections Before the Designated Office

Rule 51ter.1 Mandatory Response

(a) If, at the time of submission of the requirements under Article 22 to the designated Office, the International Searching Authority has issued a written opinion under Rule 43bis which contains negative statements under any of PCT Article 33 (2), (3), or (4), the applicant shall also be required to submit a response directed to overcoming the objections set forth in the written opinion. Such a response must be in the form of:

- (i) an amendment to the claims which overcomes the objections, and/or
- (ii) a substantive argument which distinctly sets forth the errors in the objections.

(b) Failure to submit a response under paragraph (a) may result in the imposing of an appropriate sanction as determined by the designated Office.

(c) Where the applicant did not furnish a response under paragraph (a), prior to imposing any sanction provided for in paragraph (b), the designated Office shall invite the applicant to furnish such response within a time limit which shall be reasonable under the circumstances and shall be fixed in the invitation.

Rule 76bis

Response to Outstanding Objections Before the Elected Office

Rule 76bis.1 Mandatory Response

(a) If, at the time of submission of the requirements under Article 39 to the elected Office, the International Preliminary Examining Authority has issued a written opinion under Rule 66, or an international preliminary examination report under Rule 70, which contains negative statements under any of PCT Article 33 (2), (3), or (4), the applicant shall also be required to submit a response directed to overcoming the objections set forth in the opinion or report. Such a response must be in the form of:

(i) an amendment to the claims which overcomes the objections, and/or

(ii) a substantive argument which distinctly sets forth the errors in the objections.

(b) Failure to submit a response under paragraph (a) may result in the imposing of an appropriate sanction as determined by the elected Office.

(c) Where the applicant did not furnish a response under paragraph (a), prior to imposing any sanction provided for in paragraph (b), the elected Office shall invite the applicant to furnish such response within a time limit which shall be reasonable under the circumstances and shall be fixed in the invitation.

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