

Patent Cooperation Treaty (PCT) Working Group

Seventh Session Geneva, June 10 to 13, 2014

GENERAL DISCUSSION OF PCT 20/20 PROPOSALS

Document submitted by the United Kingdom and the United States of America

SUMMARY

1. The present document relates to the various proposals set forth in the joint proposal entitled "PCT 20/20" which contained 12 proposals for further improvement of the PCT system. Specifically, the paper discusses the current status of the various 20/20 proposals, and discusses next steps for this and other PCT improvement proposals.

BACKGROUND

2. At the fifth session of the PCT Working Group, held in Geneva from May 29 to June 1, 2012, the United Kingdom (UK) and the United States of America (US) 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. 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 was distributed with the express intent of providing offices with an opportunity to consider the proposals in greater depth as well

as to contact their users in order to get their input on the proposals. The circular invited recipients to review and further comment on those revised proposals.

4. Thirty-one responses to the Circular were received, including comments from 24 national and regional Offices and seven user groups.

5. Further, the expanded proposals were discussed at the twentieth and twenty-first sessions of the Meeting of International Authorities under the Patent Cooperation Treaty (MIA), held respectively in Munich from February 6 to 8, 2013 and in Tel Aviv from February 11 to 13, 2014. A summary of those discussions is set forth respectively in paragraphs 52 to 102 of the Annex to document PCT/WG/6/3 and paragraphs 22-35 of the Annex to document PCT/WG/7/3.

6. The revised and expanded 20/20 proposals as contained in the Circular were reproduced in the Annex to document PCT/WG/6/15.

DISCUSSION OF CURRENT STATUS OF THE VARIOUS 20/20 PROPOSALS

7. A brief discussion of each of the proposals, of the comments which were received in the responses to the Circular, and of the discussions held at the twentieth session of the MIA and at the sixth session of the PCT Working Group follows.

SELF-SERVICE CHANGES (92B/S/PRIORITY CLAIMS)

8. The Expanded 20/20 proposals included specific proposals to provide WIPO's ePCT system with various features including, the elimination of much of the manual review and action required by IB personnel, the ability to automatically generate notices to applicants when certain changes are made, and the establishment of an Empowered eOwner user level who would have the ability to make any changes in the application, including withdrawals, without the need for any IB intervention.

9. The specific proposals received rather widespread support in the Circular responses as well as during discussions at past sessions of both the Working Group and the MIA.

10. Accordingly, these proposals have been referred to the International Bureau for incorporation into the ePCT system in the future, as appropriate.

LIMITED CHAPTER I AMENDMENTS

11. The Expanded 20/20 proposals included specific proposals to amend Rules 20 and 91 to provide for: (i) replacement of entire sets of description, claims, or drawings, and (ii) the renumbering of claims which were obviously misnumbered upon filing, respectively.

12. The responses to the Circular indicated fairly widespread support. Further, the Authorities were generally supportive of the principles behind the proposals. However, the MIA also agreed that the proper legal framework and procedures needed to be established prior to implementation.

13. With respect to the proposal to amend Rule 20, the proposal is directly related to the ongoing issue raised by the European Patent Office (EPO) concerning incorporation by reference of entire descriptions or sets of claims. Given the relationship between the two proposals, it is our position at this time that agreement should be reached on the interpretation of the rules regarding incorporation before this proposal is pursued further, and it is our intention that once such agreement is reached this proposal will be again presented to the Working Group for consideration.

SIMPLIFY WITHDRAWAL OF INTERNATIONAL APPLICATIONS

14. The Expanded 20/20 proposals included specific proposals to allow the international application to be withdrawn without the signature of the applicants in certain very restrictive situations.

15. The proposal, while receiving significant support from the user groups which responded to the Circular, received mixed support from the Member States and from the Authorities. Specifically, concerns were expressed about the appropriate safeguards being established.

16. It should also be noted that changes made to US law under the America Invents Act regarding who can be the applicant for the United States, and specifically the fact that the applicant for the US no longer needs to be the inventor(s), have likely simplified the situation since most applications are now being filed naming only the assignee as applicant. Therefore, only a single signature is necessary to execute a withdrawal.

17. The United Kingdom and United States will monitor the situation to see if relaxation of the requirements still seems necessary, and if such is the case, will take all the comments and concerns into account for future discussions on the matter.

STANDARDIZING FEE REDUCTIONS FOR NATIONAL STAGE APPLICATIONS

18. The Expanded 20/20 proposals included a specific proposal to amend Rule 49 to provide a 50 per cent national phase fee reduction for national phase applications which are presented with only claims which were indicated as meeting the criteria of PCT Article 33(2) to (4) by an International Searching Authority (ISA) or International Preliminary Examining Authority (IPEA).

19. The proposal, while receiving significant support from the user groups which responded to the Circular, received very limited support from the Member States which responded. Significant concerns were expressed with respect to the potential effect on revenues as well as with respect to the position that national phase fees should be left entirely to the purview of the national Offices.

20. Given the deep concerns expressed by the Member States and Authorities concerning the impact of such a proposal, it does not appear that consensus will be able to be reached on this proposal and the United Kingdom and United States do not intend to pursue it further at this time. However, it is still our position that such a fee reduction would, in the aggregate, be quite substantial and incentivize applicants to only present claims in their national stage applications that satisfy the PCT requirements of novelty, inventive step and industrial applicability. This would effectively reduce the cost of pursuing patent protection through the PCT by providing the benefits seen today in the Patent Prosecution Highway (PPH), e.g. reduced actions per disposal, higher allowance rate, and reduced rate of appeal. We therefore strongly urge all national offices to review their fees with a view to implementing this proposal unilaterally.

INTERNATIONAL SMALL/MICRO ENTITY REDUCTION

21. The Expanded 20/20 proposals included a specific proposal to provide a new Rule 16^{ter} to provide a 50 per cent and 75 per cent fee reduction in the international phase for small and micro entities, respectively.

22. Again, while receiving significant support from the user groups which responded to the Circular, the proposal received very limited support from the Member States and the Authorities. The most consistent concern expressed by the Member States and the Authorities, in addition to concerns related to the potential effect on revenues, was the fact that it would be extremely difficult to find definitions and levels of reduction which would be acceptable to all Offices concerned.

23. As with the proposal for national stage fee reductions, given the deep concerns expressed by the Member States and Authorities concerning the impact of such a proposal, it does not appear that consensus will be able to be reached on this proposal and the United Kingdom and United States do not intend to pursue it further at this time. However, it is still our position that such a reduction in PCT fees for all small and micro entity applicants worldwide could facilitate the growth of small businesses by reducing the cost of international filing and processing. A small/micro entity reduction could permit small businesses worldwide to make greater use of the

PCT system, and increasing the PCT system's accessibility to small businesses could also help to build support for the PCT and patenting systems worldwide. Therefore, we strongly urge all Member States to consider the potential benefit which may be provided to small businesses by implementing this proposal unilaterally, if permitted under the applicable national law.

24. In this regard, it should be noted that the United States, in addition to its longstanding 50 per cent discount for small entities with regard to US national fees, has recently begun also offering a 75 per cent discount for those applicants who qualify for micro entity status. Additionally, the USPTO has recently begun offering both small and micro entity discounts for the fees it charges in the international phase as well. Again, we would encourage all of the Authorities to consider similar unilateral action on their part with respect to this aspect of the joint UK/US PCT 20/20 plan.

25. Additionally, while it may be the position of the Member States that it would be too difficult to reach agreement on definitions as to what constitutes a small or micro entity, in view of the conclusions reached with regard to the effect of international filing fee fluctuations on universities in Document PCT/WG/7/6, the United Kingdom and United States would urge the International Bureau to consider providing an appropriate reduction in the international filing fee for universities.

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

26. 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; (b) requiring, at the time of national phase entry, a complete response to any outstanding negative indications made by the ISA/IPEA; and (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 international search report (ISR) or written opinion where the claims are the same.

27. After consideration of the responses of the Member States and the Authorities, and especially in view of the extensive revisions to national laws and practices that would be involved in the implementation of items (a) and (c), it was decided that the only type of integration that was ripe for further consideration was the requirement for a complete response to any outstanding negative indications made by the ISA/IPEA. As such a specific proposal for such was presented to the most recent sessions of the Working Group and MIA.

28. While receiving significant support for the concept, there was enough concern expressed by the Member States and Authorities that it has been decided that further investigation is required prior to presentation of further proposals on this matter. In this regard, it is still our position that implementation of this proposal would result in significant efficiency gains, 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. As such, the United States is exploring the unilateral implementation of this proposal, perhaps on a pilot basis, so as to collect further data on the benefits that will be obtained by the national/regional offices. The data collected will then be shared with the Member States at a future session of the Working Group.

MANDATORY RECORDATION OF SEARCH STRATEGY

29. This 20/20 proposal was the subject of a separate proposal presented to the sixth session of the PCT Working Group (document PCT/WG/6/19) which contained a proposal to modify the International Search and Preliminary Examination Guidelines to provide that, when the ISA transmits the ISR to the IB, it shall also transmit a copy of the search strategy relied upon to perform the international search in whatever format the search strategy is currently recorded by the ISA.

30. The document argued that making search strategies available would serve three purposes:

- (a) It would make this important information available to national Offices immediately, and thus increase the level of transparency and confidence with respect to the work performed by the ISA. This will, in turn, allow the national Offices to improve the efficiency of their searches by reducing duplication;
- (b) It would allow the Offices to review the various formats in which the strategies are recorded and, as a result of the experience gained in utilizing the differing formats, make a more informed decision as to which aspects of the different formats are most useful when making a recommendation on a uniform format to be used by all Offices in the future; and
- (c) It would allow this information to become available, while negating the concerns expressed regarding the amount of examiner time which would be involved in preparing explanations of the scope of the search in a format different than that which they currently use, while also addressing concerns regarding the IT investments needed to accommodate a change in recordation format.

31. After discussions on the matter, the Working Group recommended “that the Quality Subgroup of the Meeting of International Authorities under the PCT should continue to review this subject, focusing in the first instance on developing a consistent format, and that International Authorities should share information on search strategy reporting formats to help move the work forward as quickly as possible” (see paragraph 39 of document PCT/WG/6/23).

32. At the most recent session of the MIA, the Authorities agreed to conduct a pilot whereby limited search information would be shared amongst the Authorities according to a format proposed by the EPO.

33. The United Kingdom and United States still feel very strongly that, for the reasons discussed in paragraph 26, the sharing of search strategies by the Authorities should be mandatory. However, in view of the agreed upon pilot, we will not be presenting a further proposal on this matter at this stage.

COLLABORATIVE SEARCHING (2+ OFFICES), ELIMINATE SUPPLEMENTARY INTERNATIONAL SEARCH

34. The Expanded 20/20 proposals included a more in depth discussion of what is envisioned by collaborative searching, but did not include any specific proposals for its implementation at this time.

35. The United States Patent and Trademark Office, the European Patent Office and the Korean Intellectual Property Office have been participating in a Collaborative Search and Examination Pilot involving PCT applications. The report on Phase II of the pilot was presented to the sixth session of the PCT Working Group in document PCT/WG/6/22.

36. Since then the three participating Authorities have been approached by several other Authorities expressing interest in either being included in a third phase of the pilot or starting a separate pilot on the matter.

37. The three offices are assessing the viability of proceeding with a third phase of the pilot, as well as adding additional Authorities to the pilot or exploring additional pilot studies, and will keep the Working Group informed of the progress in this area.

MANDATORY TOP-UP SEARCHES

38. This 20/20 proposal was the subject of a separate proposal presented to the sixth session of the Working Group in document PCT/WG/6/18. Specifically, document PCT/WG/6/18 contained specific proposals to amend the PCT Regulations, Administrative Instructions and International Search and Preliminary Examination Guidelines to make top-up searches a mandatory part of the Chapter II examination process.

39. The proposal was approved by the Working Group and adopted by the PCT Assembly at its forty-fourth session in September-October 2013 (see paragraphs 25 to 30 of document PCT/A/44/5).

DEVELOPMENT AND IMPLEMENTATION OF THE GLOBAL DOSSIER AND INCORPORATION OF SAID SYSTEM INTO THE PCT

40. The Expanded 20/20 proposals included a more in depth discussion of what is envisioned by the Global Dossier, but did not include any specific proposals for its implementation at this time.

41. In general, the Member States, Authorities and users indicated that they welcomed and supported the broad concept of a Global Dossier and that they looked forward to the development of more specific plans.

42. It continues to be our expectation that the envisioned benefits from the Global Dossier will include: facilitation of preplanned cross-filings; one-portal management of cross-filed applications; elimination of the need to file duplicate documents in multiple offices (e.g., priority documents, prior art citations, etc.); and cost savings through the use of modern machine translation tools. Among IP offices, it will provide tremendous work-sharing leverage not only through information exchange, but also examiner collaboration—activities adding to patent quality worldwide.

43. The USPTO, in conjunction with our IP5 partners, and keeping in mind its relation to WIPO's ePCT system, continues to develop the Global Dossier and hopes to present a more concrete proposal concerning its incorporation into the PCT system at a future session of the Working Group.

FORMAL INTEGRATION OF THE PATENT PROSECUTION HIGHWAY INTO THE PCT, FAST TRACK OF NATIONAL PHASE APPLICATIONS, IMPROVE REUSE OF PCT WORK AT THE NATIONAL PHASE

44. A specific proposal for formal integration of the PPH into the PCT was presented to the sixth session of the Working Group in document PCT/WG/6/17.

45. While some concerns were raised, the Report from the Working Group indicates that the majority of the delegations which took the floor indicated a level of support for the proposal and indicated a willingness to consider proposals directed to overcoming the stated concerns or, in the alternative, indicated that they would take advantage of the proposed notice of incompatibility. Two delegations indicated outright opposition to the proposal.

46. The proposal was discussed further at the 21st session of the MIA and is the subject of a separate paper before this session of the Working Group (document PCT/WG/7/21).

MAKING THE WRITTEN OPINION OF THE INTERNATIONAL SEARCHING AUTHORITY AVAILABLE TO THE PUBLIC AFTER INTERNATIONAL PUBLICATION

47. This 20/20 proposal was the subject of a separate proposal presented to the Working Group in document PCT/WG/6/13. Specifically, document PCT/WG/6/13 contained specific proposals to amend the PCT Regulations such that the written opinion of the ISA (WO/ISA) would be made available promptly following international publication for all international applications where a WO/ISA had been established.

48. The proposal was also approved by the Working Group and adopted by the PCT Assembly at its forty-fourth session in September-October 2013 (see paragraphs 25 to 30 of document PCT/A/44/5).

LOOKING AHEAD

49. Since the introduction of the International Bureau's PCT Roadmap, in addition to the PCT 20/20 proposal, several offices have introduced their own proposals for improvement of the PCT system, including proposals from the European Patent Office, the Japan Patent Office, and the Korean Intellectual Property Office. In the context of the meetings of the IP5 Offices, the United States has agreed to review the various plans with a view to identifying commonalities and proposals about which it is believed that agreement can be reached to move forward. It is expected that, after further discussions with our IP5 partners, this review will result in a blended set of proposals for presentation to a future session of the Working Group.

50. *The Working Group is invited to consider and comment on this document.*

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