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Undersecretary of Commerce for Intellectual Property and Director
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Alexandria, Virginia

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Dear Trilateral Office Heads,

The Industry Trilateral, whose members include BUSINESSEUROPE, Intellectual Property Owners (IPO), the Japan Intellectual Property Association (JIPA) and the American Intellectual Property Association (AIPLA), since its founding in 2004, has held a great interest in and has supported the implementation of policies and procedures related to the preparation and prosecution of patent applications that can produce high quality patents at reasonable costs with high predictability and with reasonable pendency.

At the global level, the Industry Trilateral views the Patent Cooperation Treaty (PCT) as the preferred vehicle for international filing of applications. However, the Industry Trilateral is following with interest the efforts of the Trilateral Offices and certain other Patent Offices to develop a network of bilateral and plurilateral agreements to implement a Patent Prosecution Highway (PPH) system. The Industry Trilateral believes that the PPH program has potential for providing further advances in international cooperation, cost reduction, work-sharing efficiencies and work product uniformity and quality.

Through surveys of our members and our study of the PPH program to date, we have identified certain issues in relation to the PPH program that we believe should be considered and effectively resolved if the PPH program is to be successful. These issues are identified in the accompanying report, "Industry Trilateral Comments on Patent Prosecution Highway," dated July 27, 2009.

INDUSTRY TRILATERAL COMMENTS

ON PATENT PROSECUTION HIGHWAY

July 27, 2009

I. INTRODUCTION

As originally articulated by participating Offices, the Patent Prosecution Highway (PPH) is a bilateral arrangement between two Offices. The purposes of the PPH are firstly for a patent applicant who has allowable claims in an Office of first filing (OFF) to obtain patent allowance much earlier in another patent Office of second filing (OSF), and secondly for a patent Office to reduce examination workload and to improve examination quality by taking into account other patent Office's prior art search and examination results. In short, an applicant for a patent in an OFF that obtains an indication of allowability for a claim(s) or a decision to grant in an application, can use that decision in an OSF to obtain accelerated examination of a corresponding application with similar claims.

The PPH was initiated as a pilot program between the USPTO and the JPO in May, 2006. Under the PPH, an applicant receiving a ruling from either the JPO or the USPTO that at least one claim in an application is patentable may request that the other Office fast track the examination of corresponding claims in corresponding applications. The pilot having shown promising results, the PPH program became a permanent arrangement between the two Offices and, most recently in March 2008, the EPO joined in a pilot PPH program with the USPTO. Each of the USPTO and JPO also has entered into bilateral arrangements for pilot programs with Offices in other countries, and the efforts to increase the number of participating Offices are on-going. Moreover, ten Offices including the Trilateral Offices, discussed a plurilateral PPH program at a meeting in Denmark on February 20, 2009. A Working-Level meeting of the program was held in Tokyo on May 18 and 19, 2009, during which an agreement was reached on some issues. A report on that agreement was provided by the JPO at the Trilateral Offices and User's Working Level Meeting on June 18, 2009 via a presentation entitled "Current Situation of Patent Prosecution Highway."

II. INDUSTRY TRILATERAL PERSPECTIVE

The Industry Trilateral, whose members include BusinessEurope, Intellectual Property Owners (IPO), the Japan Intellectual Property Association (JIPA) and the American Intellectual Property Association (AIPPLA), since its founding in 2004, has held a great interest in and has supported the implementation of policies and procedures related to the preparation and prosecution of patent applications that can produce high quality patents at reasonable costs with high predictability and with reasonable pendency.

At the global level, the Industry Trilateral believes that the Patent Cooperation Treaty (PCT) offers the basic elements of an international search and examination system that are required to avoid duplication of work between patent Offices and to enhance the predictability and cost efficiency for applicants.

The Industry Trilateral is, however, following with interest the efforts of certain patent Offices to develop a network of bilateral agreements to implement the PPH system, which may also have potential for providing further international cooperation and uniformity. The amount of

information available on the activity under these bilateral arrangements is somewhat limited. An analysis of the data available with respect to the PPH put in place between the JPO and the USPTO makes it, nonetheless, possible for the Industry Trilateral to point to a number of issues.

III. IDENTIFIED ISSUES

The Industry Trilateral recommends that the most pertinent issues in relation to the PPH program raised by users, as summarized below, should be considered and effectively resolved. The Industry Trilateral understands that some of these issues have been discussed at the Working-Level Meeting in Tokyo.

A. Uniform and Cost Effective Accelerated Examination In the OFF and Cost Effective Procedures In the OSF

A significant concern of users is that, as between the two Offices participating in a PPH program, the initiation of the PPH program in the OFF requires different criteria and different procedures for enabling an application to be examined promptly, in advance of a normal examination in the OSF. Coupled with that concern for uniformity is the added concern that accelerated examination procedures and the overall PPH procedures within various Offices are extremely costly, complex and burdensome, with limited likelihood of success.

A further concern is the costs involved in satisfying the requirements in some Offices that are an OSF for copies and translations of Office Actions and allowable claims in the OFF.

Recommendations:

The Industry Trilateral recommends that a greater measure of uniformity for each partner Office in the PPH program be adopted and that such programs be designed to encourage participation by applicants, both financially and procedurally, given the recent economic environment.

The Industry Trilateral notes with approval the tentative agreement reached at the Plurilateral PPH meeting in May 2009 to permit machine translations of Office Actions but to maintain the requirement for human translation of OFF claims, pending further developments in machine translation capability. The Industry Trilateral recommends that every effort be made by the Offices to reduce translation and other costs to applicants with regard to their qualification for favorable treatment in the OSF under PPH policies.

B. Improved Information Flow to Users About the PPH Program, Including Itemized Listings of Requirements, Procedures and Advantages.

A vast majority of users, including practitioners, do not know about the PPH program, its advantages and the underlying procedures.

The Industry Trilateral notes with approval the proposals made with regard to the Plurilateral PPH Initiatives, including the adoption of standardized requirements and a common PPH request form, as well as the establishment of a Plurilateral PPH Portal Site with contents that may provide instruction materials, news, forms, tools, guidelines and statistics.

Recommendations:

The Industry Trilateral recommends that even greater promotional initiative be undertaken by all participating Offices on an urgent basis to educate applicants, practitioners and the public in general about the PPH program.

The Industry Trilateral further recommends the establishment of an effective resource for providing user input with regard to the operational and procedural features of the PPH program.

C. Uniform Unity of Invention Standard for All Participating Offices

There is a significant concern that the same claim set examined in the OFF would not be examined in the OSF because of differences in Unity of Invention standards that would result in examined and allowed claims in the OFF being excluded from examination in the OSF.

Recommendations:

The Industry Trilateral recommends that the participating Offices adopt the international PCT Unity of Invention standard.

D. Uncertainty as to OSF Treatment of OFF Examination

There is a significant concern that the work of the examiner in the OFF would not be accepted by the examiner in the OSF. In particular, there is uncertainty as to meaning of "corresponding claims" and uncertainty as to impact of allowability of corresponding claims on other claims.

The Industry Trilateral further notes the proposal at the Plurilateral PPH meeting in May 2009 of a definition of "sufficiently correspond," as that term would be applied to a comparison of claims from the OFF and the OSF in order to determine eligibility for favorable treatment by the OSF under the PPH policies. The Industry Trilateral notes that agreement on the scope and application of that definition has not yet been reached among the Trilateral Offices.

Recommendations:

The Industry Trilateral recommends that the Offices should optimize transparency with respect to the PPH programs and that detailed data and statistics should be maintained by Offices and made available to the public with regard to all aspects of the PPH programs so that the scope of true advantages of the programs can be understood and evaluated by applicants. Such information should include details regarding the style and content of claims that are accepted by the OSF and those claims that are not accepted and require further prosecution.

The Industry Trilateral also recommends the prompt adoption by the Trilateral Offices of a clear definition of "sufficiently correspond."

In addition, the Industry Trilateral recommends that uniform training, tools and resources should be made available to all Examiners and their supervisors in participating Offices with regard to the procedures and policies applicable to PPH applications and, in particular, the standard of "sufficiently correspond" as it applies to an OSF.

E. Impact of PPH Program on Scope of Patent Rights in Litigation are Uncertain.

Since the PPH program is new, applications that have matured into patents are few and none are known to have been tested in litigation. There is uncertainty as to whether the scope of such patent will be the same as those issued through a normal prosecution, whether there will be estoppels based on the OFF prosecution, whether there will be the same presumption of validity, etc.

Recommendations:

Recognizing that the Offices may not be able to control the manner in which courts will interpret the patents that have issued through the OSF, the Industry Trilateral nonetheless recommends that Offices attempt through policies and procedure to alleviate such concerns.

F. Compatibility of PPH with Current PCT Practices and Procedures is Uncertain

As already mentioned, the Industry Trilateral favors the Patent Cooperation Treaty (PCT) as the preferred vehicle for filing a common application in multiple jurisdictions and views the PCT process as capable of attaining added efficiencies and enhanced quality.

Recommendations:

To the extent that the PPH could be structured to be compatible with the achievement of those goals through the PCT itself, and implemented under existing PCT procedures, the Industry Trilateral would favor such initiatives. The Industry Trilateral looks forward to working with the Trilateral Offices, through pilot programs, surveys or the like, toward that end.

IV. CONCLUSIONS

The Industry Trilateral follows with interest the Patent Prosecution Highway program, so long as the PPH is compatible with the PCT, which the Industry Trilateral views as a preferred vehicle for international filing of applications. The Industry Trilateral encourages the Offices to identify and promote the ways PPH may be used with the existing PCT system, including the efficient conduct of high quality national and international searches that can be relied upon by the OFF and OSF participants in a PPH program. Moreover, in order to have greater acceptance and use of the PPH program, with the realization of the accompanying benefits, including higher quality patents, the Offices should provide (1) better publication and education about the program, (2) greater transparency with respect to the examinations conducted under the program and (3) more uniform rules and regulations so that equal access can be afforded to applicants and predictable results can be obtained in all jurisdictions that participate in the program world-wide.