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Undersecretary of Commerce for Intellectual Property and Director
United States Patent and Trademark Office

3 Octobre 2011

Dear Trilateral Office Heads,

The Industry Trilateral, whose members include the American Intellectual Property Law Association (AIPLA), BUSINESSEUROPE, Intellectual Property Owners (IPO), and the Japan Intellectual Property Association (JIPA), 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.

The Industry Trilateral welcomes, in particular, efforts by Patent Offices to provide further advances in international cooperation, cost reduction, work-sharing efficiencies and work product uniformity and quality. In addition to the Patent Cooperation Treaty (PCT) as the vehicle for international cooperation and worksharing, we follow with great interest the developments in the Patent Prosecution Highway (PPH) program.

On 19 August 2009, the Industry Trilateral sent a letter and report to the Heads of the Trilateral Offices setting out a number of recommendations and identifying a number of issues that it deemed important for PPH. We are very pleased that one of the main recommendations of the Industry Trilateral, namely to identify and promote the ways PPH may be used with the existing PCT system, has since been

adopted by the Trilateral Offices and implemented in January 2010 through the PCT-PPH program. We highly commend the Offices for this advance.

However, other recommendations in that report have not yet been fully addressed by the Trilateral Offices and new issues arise. As users continue to gain experience with the PPH programs, and user concerns, difficulties or needs are identified, we strongly encourage the Offices to refine their practices and procedures, and to address the new issues as well as the earlier recommendations that we have made.

Further discussions at the Industry Trilateral meetings in Washington on 17 November 2010 and Munich on 17 May 2011 resulted in a number of comments regarding PPH, sharing experiences, and improving Office procedures. These comments and recommendations are contained in the accompanying Industry Trilateral report.

In conclusion, we would like to express our appreciation for your continuing efforts to achieve meaningful efficiencies and cost reductions in the patent prosecution process and to thank you in advance for your consideration of the views and recommendations of the Industry Trilateral.

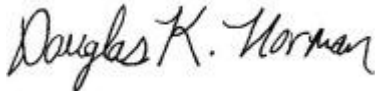
Yours sincerely,



Philippe de Buck
BUSINESSEUROPE Director General



Kenji Koumoto
President of JIPA



Douglas Norman
President of IPO



David W. Hill
President of AIPLA

cc: Francis Gurry, Director General;
World Intellectual Property Organization

James Pooley, Deputy Director General – Patents
World Intellectual Property Organization

RECOMMENDATIONS FOR IMPROVING THE PATENT PROSECUTION HIGHWAY (PPH)

INTRODUCTION

The Industry Trilateral, whose members include the American Intellectual Property Law Association (AIPLA), BUSINESSEUROPE, Intellectual Property Owners (IPO), and the Japan Intellectual Property Association (JIPA), 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.

The Industry Trilateral has followed with interest the efforts of the Trilateral and other patent Offices to develop a network of bilateral agreements to implement the PPH system, and has studied the PPH system and consulted with users of the system. Based upon this input, the Industry Trilateral is able to put forward a number of suggestions that could improve the system for users and Offices alike.

RECOMMENDATIONS

PCT-PPH

1. The Industry Trilateral is very pleased that one of the main recommendations of the Industry Trilateral set out in its letter of August 19, 2009, namely to identify and promote the ways PPH may be used with the existing PCT system, has since been adopted by the Trilateral Offices and implemented in January 2010 through the PCT-PPH. We fully support the use of PCT results for PPH purposes, and would encourage the inclusion of additional Offices in the system of PCT-PPH bilateral agreements. It is critical, however, to assure that the quality of work done during the PCT international phase is at least at the same level of quality as that done during national examination. It must be kept in mind that the work done by Examiners in Patent Offices acting as International Searching Authority (ISA) and International Preliminary Examining Authority (IPEA) will, almost by definition, be re-used by other Patent Offices in the national phases and constitutes therefore the groundwork for efficient worksharing.
2. PCT results should be utilized for PPH even where the same Office serves as the Office of First Filing (OFF) (during the PCT international phase) and the Office of Second Filing (OSF) (during the national phase). In general, Offices should regularly utilize their own international phase work during national examination.

RAISING AWARENESS

3. Many users, including practitioners, still do not know about the PPH program, the underlying procedures and how to use the program to their advantage. Given the potential benefits of PPH, based on statistics and data presented so far by the USPTO, JPO and corporate users, the Industry Trilateral recommends that participating Offices take initiatives to increase the awareness of applicants, practitioners and the public in general about the PPH program.
4. Offices should take every opportunity to make applicants aware of the possibility of requesting PPH, even in other Offices. For example, in the U.S. a statement could be included at the bottom of Notices of Allowance that the case may now be eligible for PPH in other Offices, and giving a URL for further information. This type of statement could also accompany a response to a request for a certified copy of a priority application, or a Written Opinion (WO) or International Preliminary Examination Report (IPER) in the case of PCT. In addition, WIPO might provide the facility to determine from its databases whether an international authority opinion is favorable for PPH.
5. In the process of developing awareness, potential users should be informed as to (i) the benefits and constraints of using PPH; (ii) criteria for evaluating whether to use the system and when; (iii) procedures for using the system, including instructions on how to file, and differences in rules applied among the various Offices; and (iii) how to avoid making mistakes when using the system.
6. 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.

INFORMATION AND DATA DISSEMINATION

7. The Industry Trilateral believes that there remain outstanding questions with regard to the quality of the work product that is generated from the PPH program that prevents a sufficiently broad acceptance and use of the program that would enable achievement of meaningful efficiencies through work sharing. As with the specific concern already expressed with regard to the quality of work done during the PCT international phase, it is critical that users can be assured that the quality of work performed by the OFF is of a level of quality consistent with the objectives of the PPH program.

Offices can enhance confidence in the PPH program by conducting quality studies, based on appropriate metrics and/or feedback from OSF to OFF, of search and examination results, including the scope of claims allowed, as received from an OFF for patent applications for which PPH status has been requested. Any such studies should appropriately consider decisions that

may be made by applicants based on economics, desired scope of protection or differences in law.

7bis. The Industry Trilateral notes with appreciation the information recently received from the USPTO regarding, in particular, the work done on applications under PPH at the USPTO acting as OSF and showing that, in practically all cases, further searches were conducted. We also welcome the feedback provided by the JPO regarding their experience with the search and examination results received from the USPTO acting as OFF together with recommendations for improving the efficiency of the PPH bilateral program.

8. The Industry Trilateral recommends that the Offices should continue to 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, particularly quality analyses. It would be most useful if applications utilizing PPH could be identified on the web. This would allow users and other Offices to evaluate the scope of the advantages of the programs. 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, thus, will necessitate further prosecution.

9. The Industry Trilateral believes that it would be very useful to have easy access to statistics on PPH time and cost advantages, from the various Offices and from current users, in order to help potential users decide whether it would be beneficial for them to utilize the system. This data should be available on the web, and should if possible include, *inter alia*, the fields of technology in which PPH has been utilized, to determine how broadly PPH is being used. The Industry Trilateral is prepared to work with the Offices to quantify the cost savings that can be achieved by users and the Offices as a result of reductions in pendency and workload, as demonstrated by relevant metrics, such as the number of actions per disposal or allowance.

10. The Industry Trilateral believes that there is a need to know the metrics used by the various Offices in compiling information and statistics, in order to fully understand the data. For example, if data is presented on the number of office actions after PPH is requested, it is essential to know whether or not an allowance is counted as an office action. The Offices should ideally agree on a common set of metrics for PPH so that users can make useful comparisons.

11. Offices should identify areas where applicants have made mistakes when requesting PPH handling, and make this information public. For example, when denying a petition, Offices should provide the reasons for denial, and compile and make public the data on those reasons (this would make clear, e.g., which are the most frequent mistakes made by applicants).

12. If an Office uses a checklist for evaluating petitions, that checklist should be made available to the applicant and to the general public.

UNIFORMITY OF PPH RULES AND PROCEDURES

13. 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.

14. While PCT-PPH agreements appear to be uniform in their provisions and procedures, PPH bilateral agreements appear to vary somewhat. Steps should be taken to make the agreements, and in particular the rules, regulations and procedures in the various Offices, as uniform as possible. This would greatly assist applicants in requesting PPH. Even petition fee differences from Office to Office may create complexities and barriers. It would be very useful to have an annual Offices/users meeting to provide updates on the status of PPH in each country, and the latest available user data (which should also be available on the web).

15. In the future, procedures may vary even more when additional countries implement PPH. Thus, care should be taken against expanding the PPH system too rapidly and without careful thought, as well as bringing into play issues that are not necessarily directed toward procedures and narrow IP infrastructure issues.

16. 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. Guidelines for Examiners in applying PPH would not only lead to uniformity of procedures for approving applications for PPH handling in participating Offices, but would also lead to more uniformity and, therefore, greater confidence in the system. Uniform procedures and examination would also lead to better understanding on the part of applicants of search capabilities (including data bases searched and language capabilities) and examination procedures in participating Offices.

IMPROVEMENTS TO PPH PROCEDURES

The Industry Trilateral can suggest the following changes which could lead to improvements to PPH procedures:

17. Qualification for participation in the PPH program may be broadened by changing from the present standard requiring the achievement of allowable claims in the OFF to the achievement of allowable claims in the Office which was the first to complete the examination of the application - the Office of first examination (OFE) -, or in the alternative, the achievement of allowable claims in either the OFF or OFE. The Industry Trilateral notes with interest the recent initiative of several PPH Offices to initiate a one-year pilot “Mottainai” program in which the examination

results from an Office of earlier examination (OEE) can support a PPH request in any Office of later examination (OLE), even though the OEE is not the OFF while the OLE may be the OFF, if the examination has not begun in the OLE. The Industry Trilateral will carefully study the conditions of this pilot program and looks forward to receiving a report on the result of it.

18. Submission of a request for PPH processing at the time of requesting PCT national phase entry should automatically lead to fast-tracking the application in the initial application formal-review process, as is done in the US.

19. Search strategies and search databases should be made available to the public and to Examiners in the OSF, in order to increase confidence in the work of the OFF. Search strategies and databases consulted should be set out in the office action or written opinion.

20. Examiners need to be aware of and take into account differences in local substantive rules. Concomitantly, users need to be reminded that such differences can interfere with the smooth functioning of the system (i.e., they may not always get a patent in the OSF). This may have the positive side-effect of highlighting issues that would benefit from harmonization.

21. The current study underway on differences in rules of different Offices should be shared and made publicly accessible on the web.

22. Translation costs should be kept to a minimum.

23. 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. Thus, there should be uniformity in application of the unity of invention standard.

24. The definition of “sufficiently corresponding” should be made very clear, and applied uniformly. In this regard, the Industry Trilateral further notes with respect to the pilot Mottainai program that the definition of "sufficiently corresponding" has been broadened to allow applicants to present in the OLE, when requesting PPH handling, claims with a narrower scope than the claims found allowable in the OEE. The Industry Trilateral looks forward to receiving a report on the result of this aspect of the Mottainai program.

25. It would be useful to have an ongoing dialog among users and Offices for the purpose, *inter alia*, of sharing best practices and effective strategies for utilizing PPH. An example of one such strategy is to first file in Offices that are known to provide a quick first office action, and to rely thereafter on PPH to get accelerated treatment in other Offices as OSF. The Industry Trilateral recognizes, however, that such strategies will have to be carefully scrutinized as they may create some imbalance in the workload of the more efficient Offices.

26. OSFs should allow applicants to make narrowing amendments after entry into the PPH program. In those rare instances where the OSF determines that claims are unpatentable and is not able to rely on the examination results from the OFF, applicants should not be irrevocably constrained by the claims obtained in OFF examination. The Industry Trilateral recognizes and understands the Offices' concerns that permitting such narrowing amendments could require additional search and further prosecution. If narrowing amendments are not permitted after entry into the PPH program, applicants should be provided a simple and cost-free route to exit the PPH program and resume regular examination. Such improvements would greatly reduce fears and resistance to the PPH program.

27. Since the PPH program is new, PPH 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. 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. The transparency about PPH programs advocated above is likely to help in this respect.

COSTS

28. The Industry Trilateral notes that USPTO and JPO have agreed to charge no fee for PPH, while in the EPO the program is handled under the fee-free PACE procedure. Other Offices are encouraged to do the same.

29. If fees are not zero, they should be modest, and set at about the same level. PPH should not be used for revenue generation or to fund other aspects of Office work. At the very least, new Offices that join the system should charge minimal fees.
