

December 11, 2009

The Honorable David J. Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office
Mail Stop OIPE
P.O. Box 1450
Alexandria, VA 22313-1450

Comments on Work Sharing for Patent Applications
74 Federal Register 54028 (October 21, 2009)

Dear Under Secretary Kappos:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments in response to the Notice of the U.S. Patent and Trademark Office (USPTO) regarding Work Sharing for Patent Applications.

AIPLA is a national bar association whose more than 16,000 members are primarily lawyers and other patent practitioners in private and corporate practice, in government service, and in the academic community. AIPLA represents a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA supports the USPTO's efforts to increase work sharing and reduce the application backlog, and in particular supports the current effort of the USPTO to gather user views on the topic of work sharing and reducing backlog by convening the Roundtable held on November 11, 2009, and receiving comments from the patent community and public sector. I was pleased to participate in the Roundtable on behalf of AIPLA and look forward to continued cooperation with this administration in developing programs and practices that will assist the USPTO in accomplishing its mission.

While AIPLA fully supports the work sharing initiatives identified to date, it is important that efforts to promote efficiency and eliminate duplication of work not be carried out in a manner that would adversely affect the quality of search or examination performed, or prejudice the rights of patent applicants. In particular, resources devoted to new work sharing initiatives should not detract from efforts to improve the quality and reliability of international search and examination efforts under the Patent Cooperation Treaty (PCT).

AIPLA supports the PCT as the model for international cooperation that is likely to yield the greatest benefit for both Offices and the largest number of patent applicants, and we are especially heartened by Director Kappos' commitment to "world class" PCT processing. We suggest that performance metrics should be developed to properly assess the results of any adopted work sharing programs. These new work sharing initiatives will necessarily lead to increased demands for training and monitoring for USPTO staff and patent practitioners alike and should only be continued if they provide a net benefit to the patent community.

AIPLA is encouraged by the USPTO's recent commitment to transparency in its operations and suggests that the USPTO make available on its website statistics and other information regarding its work sharing initiatives. The recent success of the Patent Prosecution Highway (PPH) program in terms of rates of allowance and speed of examination can be used by patent practitioners and applicants alike to appreciate more fully the potential benefits of participation. The USPTO should consider posting a report of errors or misunderstandings that occur most frequently and reduce the expected efficiencies and benefits of the program to help reduce the recurrence of those problems.

We believe that one of the challenges in the early adoption of PPH, especially between Offices such as the USPTO and the European Patent Office, has been a lack of user awareness. To that end, AIPLA has sponsored one webinar on the PPH program, conducted on June 3, 2009, by former USPTO officials Nick Godici and Esther Kepplinger, to promote awareness of the program and its advantages. We welcome additional opportunities to disseminate information about and promote USPTO work sharing programs among our membership and the user community at large, and we look forward to working with the USPTO on expanding awareness of the various work sharing programs. Finally, the growth and success of these programs will ultimately depend on the ability of the USPTO and other participating Offices to consistently deliver on their promises of greater efficiency and speed in the examination process, while at least retaining the quality of the work product.

AIPLA offers the following comments on the three types of work sharing programs addressed at the Roundtable: (1) Patent Prosecution Highway (PPH); (2) strategic handling of applications for rapid examination (SHARE); and (3) the PCT.

Patent Prosecution Highway

The PPH program arises from a series of bilateral arrangements between patent Offices. Under the PPH program, a patent applicant who has obtained allowable claims in an Office of first filing (OFF) is able to obtain accelerated examination and earlier allowance in most cases in another patent Office of second filing (OSF). The OSF is able to reduce the examination burden and improve the examination quality by taking into account the results of search and examination from the OFF. The PPH program was initiated as a pilot program between the USPTO and the JPO in May 2006 and has shown promising results that have led not only to the continuation of that program, but also to the expansion to other Offices.

We applaud the recent USPTO announcement that it intends to launch, early in 2010, a pilot program for handling PCT applications through the PPH process among the Trilateral Patent Offices. We understand that the program will make applications eligible for processing that have received positive results in either an examination search report, a written opinion, or an international preliminary examination report. Although this pilot program may be limited to situations where a second Office would rely on a positive examination result during the international phase by another Trilateral Office, it should also be contemplated that, at some point, a patent Office would accept its own work in reaching a positive examination result as a sufficient basis to accelerate examination of its own national phase application. Such a program already exists in the U.S. under 37 C.F.R § 1.496, but is not well understood by the examining corps or by practitioners.

One of the major disadvantages to U.S. origin applicants in using the PPH is the continuing difficulty in obtaining an early allowance in the USPTO, which would provide favorable results to foreign jurisdictions using the PPH. There are very few fields of technology where the pendency to first action in the USPTO is at a level that would provide an early indication of allowable subject matter that could be useful in foreign jurisdictions participating in the PPH. We continue to be concerned that, generally speaking, the current requirements to support a petition for accelerated examination (MPEP 708.02(a)) are both burdensome and present risks to applicants in making a good faith attempt to satisfy all the requirements. Moreover, the absence of reasonable procedures in the USPTO has encouraged some applicants to develop strategies of filing applications first outside the United States, after obtaining the appropriate foreign filing license, in order to participate in the PPH program without the burdens imposed by the USPTO's accelerated examination requirements. This, of course, only adds additional costs to a program that should be focused on achieving greater efficiencies in a global filing program. Accordingly, the USPTO is encouraged to develop a more user-friendly opportunity to obtain accelerated examination, at least for those applicants who intend to participate in the PPH program in foreign jurisdictions.

Another concern for U.S. users is that the work of the examiner in the USPTO may not be accepted by the examiner in the partnering Office of second filing. In particular, there is uncertainty as to the meaning of when there are "corresponding claims" and uncertainty as to the impact of allowability of corresponding claims on other claims. Greater clarity and uniformity on a global basis would be desirable.

In this same regard, AIPLA recognizes that if large numbers of PPH bilateral agreements differ in detail one from another, this may present practical difficulties for users in the long term. Such differences can create traps for applicants who want to take advantage of the PPH program, but will have to endure burdensome correction procedures to comply with particular PPH agreements. These correction procedures add inefficiencies for both applicants and the Offices and represent an unnecessary barrier to achieving the expected benefits of work sharing. While recognizing the desirability and necessity of examining ways to streamline the system of multiple bilateral agreements, we also appreciate that there are on-going discussions about the feasibility of establishing a "plurilateral" or "multilateral" PPH.

AIPLA would like to understand more about how such a system might be established and maintained before supporting such a concept and, in particular, questions the practicality of any such system that would have the effect of competing with or weakening the PCT. At a minimum, the USPTO should list and publish the requirements for each bilateral agreement in a manner that makes differences among the agreements readily apparent to users.

Finally, the need for copies and translations of all documents coming from the foreign OFF into the USPTO is extensive. We understand that this information is already available to the USPTO examiner through the use of the Dossier system. It would be helpful to applicants if the USPTO would provide additional training to examiners in the use of the systems, in order to avoid the need for applicants to continuously provide costly copies and translations of information that can be easily accessed by the USPTO examiner. To the extent that these systems do not exist with respect to any of the participating Offices, AIPLA would encourage the Offices to develop such systems and improve the efficiency of the PPH process for all participants.

SHARE

As we understand the SHARE program, applications for which an Office is the Office of first filing (OFF) are prioritized in the examination queue relative to applications where the Office is the Office of second filing (OSF). The concept is that the OSF can use the work product of the OFF to the maximum extent practicable to reduce redundant work, decrease pendency, and improve examination quality. These are very important goals, especially in times of enormous backlog like the present, and AIPLA supports the SHARE concept in principle. However, we have reservations based on the potential impacts of such a program and the types of applicant behavior that may be stimulated by such a program.

Fundamentally, AIPLA believes that Offices of second and subsequent filings, and particularly the USPTO, do benefit from the search and examination results from the OFF or earlier examinations in counterpart foreign applications. As in the case of the PCT, however, any real benefit that is derived from an earlier search and examination by another Office is highly dependent on the quality of that search and examination. It would also appear that much of this type of information (i.e., search and examination results from other Offices) is already provided to the USPTO through information disclosure statements filed by applicants in accordance with and pursuant to 37 C.F.R. §§ 1.56, 1.97 and 1.98. To the extent that participating Offices are equally committed to the quality of their work product, the SHARE program should lead to both increased efficiencies and quality in the examination process.

AIPLA shares the concern expressed by some about how the opportunity for intentional delay of examination for some applications is likely to affect applicant behavior. As noted above, it can be predicted that some applicants may develop strategies to take advantage of a new program in ways that may not be in the public interest. For example, an applicant may select an Office of first filing that has the longest delay to examination, so that examination in the second or subsequent Offices would be delayed, invoking perhaps inappropriate patent term adjustment issues, at least in the United States.

In addition, it may not be predictable how an effective work sharing program for those applicants filing applications in multiple jurisdictions will affect the examination of applications filed by applicants who file only in the United States, principally small entities.

AIPLA looks forward to following closely the results that are achieved by the pilot SHARE program and an analysis of the likely impacts on all users of the patent system and the public.

Patent Cooperation Treaty

AIPLA supports the PCT as a work sharing mechanism, and also supports including PCT search and examination results in the PPH program. We encourage the USPTO to improve its processing of PCT applications, along with improving the quality and reliability of international search and examination efforts under the PCT. The work done during the international stage of the PCT will be valuable to those Offices processing national stage applications only to the extent that the work performed in the international stage is both complete and reliable. The PCT can be the model for international cooperation among Offices, but only to the extent that each Office processing the international application and conducting both the search and examination in the international stage perform those responsibilities in a competent and complete manner.

Finally, the efficient national stage processing of applications can also serve the goal of optimizing work sharing and reducing the backlog, while maintaining quality. At the most basic level of work sharing, full faith and credit in the U.S. national stage should be given to the work performed by the U.S. examiner in the international stage. In addition, AIPLA supports and would strongly encourage the USPTO's processing of papers for entry into the U.S. national stage as promptly as the USPTO processes domestic (111(a)) patent applications. Further, AIPLA supports the implementation by the USPTO of enhancements to the docketing system to better identify and highlight the "out of turn" cases under Rule 496 so that examiners will be able to take advantage of recently performed work by themselves or others.

We appreciate the opportunity to provide these comments in response to the Notice and would be pleased to answer any questions our comments may raise.

Sincerely,



Q. Todd Dickinson
Executive Director
AIPLA