

Intellectual Property

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Navigating the Ever-Changing Currents of International Patent Law

SIGNIFICANT RULE CHANGES UNDER THE PATENT COOPERATION TREATY

An international patent application properly filed under the Patent Cooperation Treaty (PCT) can preserve an applicant's right to file individual regional and national patent applications in PCT member countries. For this reason, foreign patent strategies increasingly begin with the filing of a PCT application. For example, in 2002, the International Bureau (IB) of the World Intellectual Property Organization (WIPO) received 114,418 PCT applications, a 10% increase over the PCT applications filed in 2001.

A full understanding of the PCT rules of practice is essential for successfully implementing a foreign filing strategy. Changes to the PCT rules of practice were recently adopted and apply to PCT applications filed on or after January 1, 2004. These rule changes, in some cases, significantly affect PCT prosecution strategies. Stated objectives of the rule changes are to simplify PCT application filing and enhance the PCT examination process.

The updated PCT rules are available at the WIPO website, <http://www.wipo.int/pct/en/texts/index.htm>. In response to the changes in the PCT rules, the United States Patent and Trademark Office ("USPTO") has made conforming changes to its rules of practice relating to PCT applications, found at 37 C.F.R. § 1.401, *et seq.* The general structure of the PCT procedure is retained – the procedure remains divided into an initial filing and prior art search, governed by PCT Chapter I, and an examination process, governed by PCT Chapter II. The most

significant PCT rule changes affect the filing and international search performed under Chapter I and the procedure for requesting examination and a final report on patentability under Chapter II. Several of these changes are discussed below and illustrated in the following figure.

AMENDMENTS AFFECTING PROCEEDINGS UNDER PCT CHAPTER I

- The initial PCT application is accompanied by a Request for an International Application under PCT Chapter I, or simply a "Request." The filing of a Request now automatically includes a designation of **all** member states of the PCT as of the international filing date. PCT Rule 4.9(a)(i). An applicant no longer need designate specific PCT member states in which patent protection may later be sought. Thus, the decision where to seek foreign patent protection among the designated PCT member states may now be delayed until the deadline for nationalizing the PCT application, typically thirty months from the priority date.
- A new PCT filing fee structure has been instituted. The new fee structure includes a flat international filing fee for the first thirty sheets of the PCT application and an additional fee per sheet in excess of thirty. *See* PCT Fee Tables, *available at* <http://www.wipo.int/pct/en/fees.pdf>. Under prior procedure, the PCT application filing fee was based, in part, on the number of PCT member countries designated in the Request. Because all PCT member states are now automatically

designated by the Request, designation fees are no longer charged upon filing a Request.

- Signature requirements for filing a Request have been relaxed. Previously, it was necessary for all applicants, including each named inventor, to sign the Request or an appointment of agent in all PCT applications designating the United States. Because all PCT member states, including the United States, are now automatically designated by the Request, the requirement that all inventors sign the Request or an appointment of agent has been relaxed. A PCT application now satisfies the signature requirement of PCT Article 14(1)(a)(i) if it is signed by at least **one** of the applicants. PCT Rule 26.2bis(a). Similarly, the address, nationality, and residence of only one applicant entitled to file the PCT application is now required. PCT Rule 26.2bis(b). In both cases, that single applicant may be the corporate assignee of the PCT application.
- The International Searching Authority (ISA) will now issue a Written Opinion in addition to the International Search Report (ISR). When filing a Request, a U.S. applicant may designate either the USPTO or the European Patent Office to conduct the international search for prior art during Chapter I proceedings. Under the new PCT rules, however, during Chapter I the ISA will issue both a search report **and** a preliminary and non-binding Written Opinion as to whether the claimed invention satisfies the novelty, inventive step, and industrial applicability criteria under the PCT. PCT Rules 43bis.1(a)(i), 44.1.
- Chapter II proceedings are initiated through the timely filing of a Demand for International Preliminary Examination, also known simply as the “Demand.” Under the rule changes, if a Demand is not filed in a PCT application, the IB will issue an International Preliminary Report on Patentability (IPRP) under Chapter I. PCT Rule 44bis.1(a). In

such case, the IB’s IPRP will be identical in content to the Written Opinion established by the ISA. However, the ISA’s Written Opinion and the IB’s IPRP are not made public until the expiration of thirty months from the PCT application’s priority date. PCT Rule 44ter.1(a). At that time, the IPRP is communicated to each of the designated patent offices and made available for public inspection. PCT Rule 44bis.2(a).

AMENDMENTS AFFECTING PROCEEDINGS UNDER PCT CHAPTER II

- An applicant may optionally file a Demand to initiate international preliminary examination under Chapter II. If the Demand is filed without amendments or comments on the ISA’s Written Opinion, the Written Opinion issued by the ISA will also serve as the first Written Opinion of the International Preliminary Examining Authority (IPEA) during Chapter II proceedings. PCT Rule 66.1bis(a). Applicants may then amend the PCT application in accordance with PCT Article 34. At the conclusion of the Chapter II international examination, the IPEA will issue the IPRP. An applicant may, however, file amendments or comments with the Demand in response to the ISA’s Written Opinion and the IPEA will consider these amendments or comments prior to issuing their first Written Opinion. The IPRP replaces the International Preliminary Examination Report that was issued in Chapter II under the previous rules. PCT Rule 70.
- The timing for filing a Demand has changed. An applicant may now file a Demand any time prior to the later of three months from the transmittal date of the ISR and Written Opinion or 22 months from the priority date.¹ Rule 54bis.1(a). A Demand filed beyond this time limit will not be considered. PCT Rule 54bis.1(b).

¹ It should be noted that several PCT member states have not yet conformed their national laws to certain previous PCT amendments. In those countries, an applicant must still submit the Demand prior to 19 months from the priority date to delay nationalizing in those countries beyond 20 months from the priority date. As of January 1, 2004, the WIPO website reported that the following countries had not yet harmonized their national laws in this way: Brazil, Finland, Luxembourg, Norway, Serbia, Montenegro, Sweden, Switzerland, Uganda, United Republic of Tanzania, and Zambia.

The PCT changes described above are summarized in the figure below. A PCT application must be filed within 12 months of the filing date of the priority application to validly claim priority. The Request automatically designates all PCT member states, including the United States. During Chapter I proceedings, the ISA designated in the Request issues an ISR and a Written Opinion. Prior to the later of three months from transmittal of the ISR and Written Opinion or 22 months from the priority date, the applicant may file a Demand. If a Demand is timely filed, thereby initiating Chapter II proceedings, the IPEA issues the ISA Written Opinion as the first Chapter II Written Opinion. After international examination is completed, the IPEA issues the IPRP, which is transmitted to the national and regional patent offices. If a Demand is not filed, then the IB issues an

IPRP that is substantively identical to the ISA Written Opinion. The IPRP is then communicated to all national and regional patent offices.

The foregoing changes simplify and streamline the PCT process in a number of respects, not the least of which is to simplify preparation of the Request and associated papers. PCT filings continue to be a simple and effective way to postpone foreign filing expenses and provide additional time to evaluate the commercial prospects of innovations on which a patent has been sought.

BERNARD G. PIKE

412.355.8620
bpike@kl.com

DANIEL R. MILLER

412.355.6773
daniel.miller@kl.com

MARK R. LESLIE

412.355.6271
mleslie@kl.com

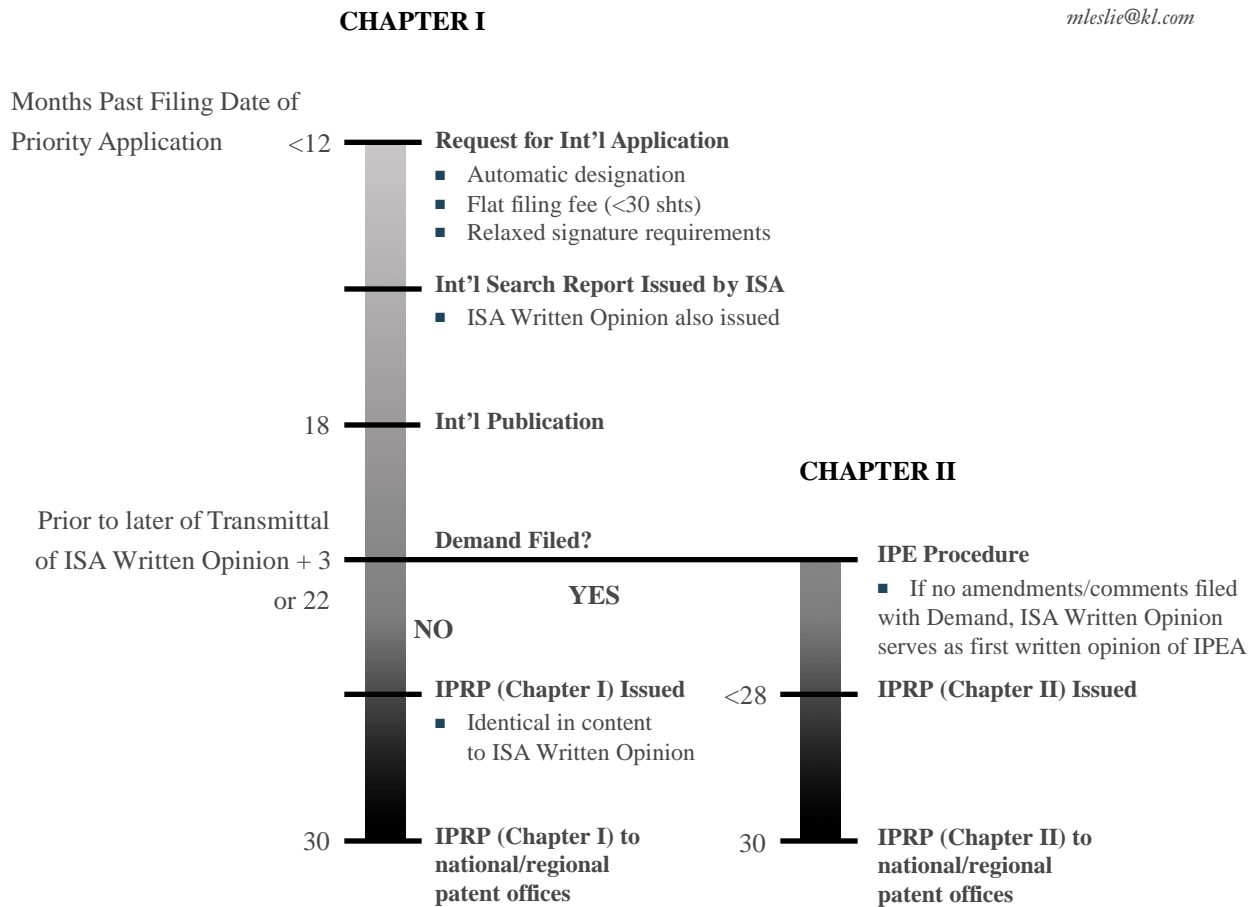


Figure 1 Summary of Changes in a Typical PCT Process

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| | | | |
|-----------------------|---------------|--------------|--|
| Stephen C. Glazier | Washington | 202.778.9045 | sglazier@kl.com |
| Jeffrey L. Snow | Boston | 617.951.9233 | jsnow@kl.com |
| Julie E. Lennon | Dallas | 214.939.4920 | jlennon@kl.com |
| Carleton O. Strouss | Harrisburg | 717.231.4503 | cstrouss@kl.com |
| Paul W. Sweeney, Jr. | Los Angeles | 310.552.5055 | psweeney@kl.com |
| Daniel A. Casey | Miami | 305.539.3324 | dcasey@kl.com |
| Anthony P. La Rocco | Newark | 973.848.4014 | alarocco@kl.com |
| Whitney J. Smith | New York | 212.536.3930 | whitney.smith@kl.com |
| George D. Dickos | Pittsburgh | 412.355.6785 | gdickos@kl.com |
| Christine R. Ethridge | Pittsburgh | 412.355.8619 | cethridge@kl.com |
| Deborah Bailey-Wells | San Francisco | 415.249.1065 | dbaileywells@kl.com |



BOSTON ■ DALLAS ■ HARRISBURG ■ LOS ANGELES ■ MIAMI ■ NEWARK ■ NEW YORK ■ PITTSBURGH ■ SAN FRANCISCO ■ WASHINGTON

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