



An Applicant's Considerations When Making Key PCT Decisions



An Applicant's
Considerations When Making Key
PCT Decisions

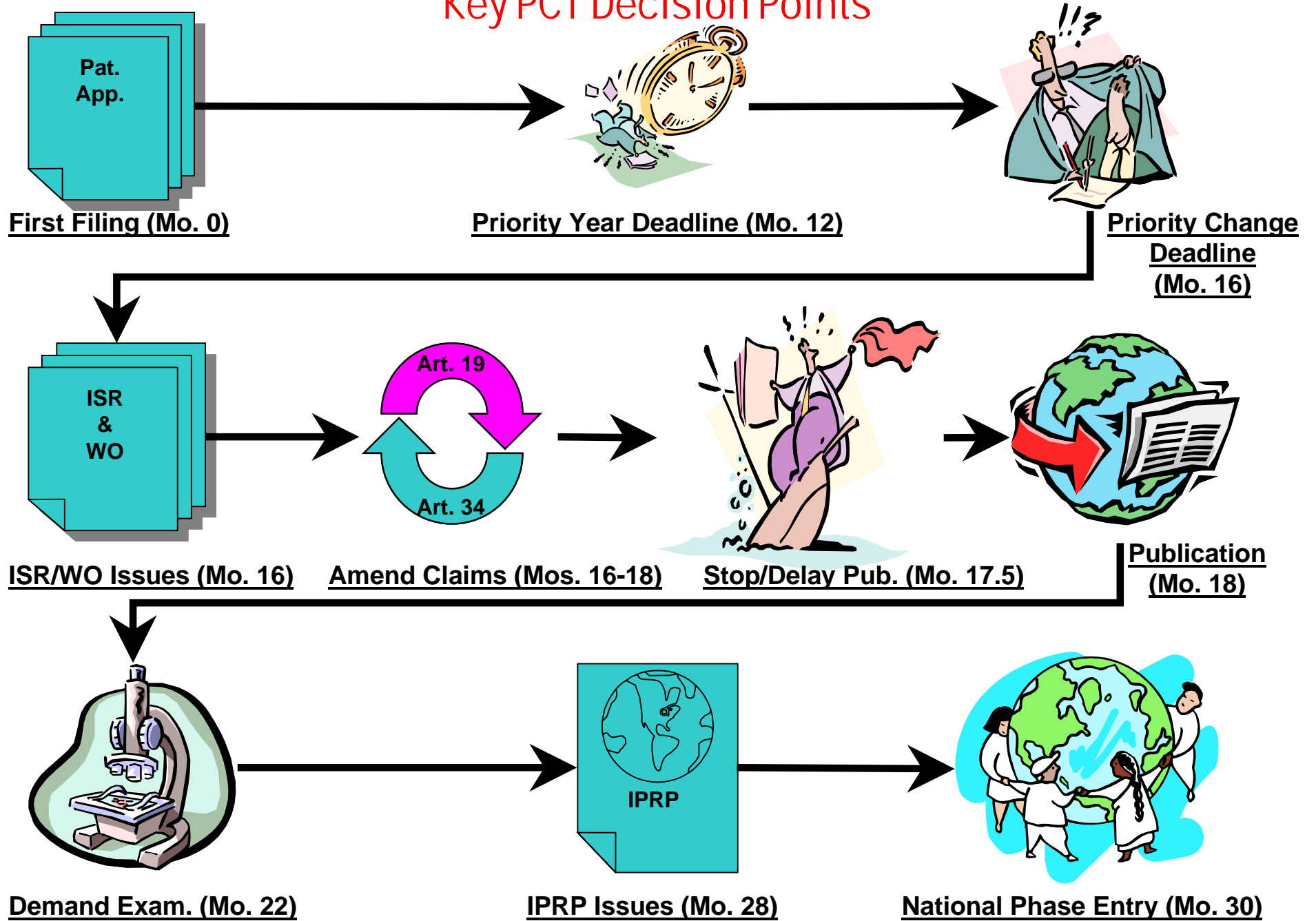
Overview

**Examine the Decisions an Applicant Must Make
During the International Phase of the PCT**

- **Explore the decision making process and the key considerations going into each decision for an international application containing at least one Paris Convention priority claim.**
- **Discuss the decisions we make in Procter & Gamble's corporate practice in relation to each of the key areas.**



Key PCT Decision Points



An Applicant's
Considerations When Making Key
PCT Decisions

Initial Consideration

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PCT Decisions



Initial Consideration



- **Is Filing Under the PCT Right for My Application?**



Initial Consideration



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➤ **Cost v. Benefits: Advantages of PCT Filing**

- Additional time to make final “filing” decisions and get information, licensees, capital, partners, etc.
- Hold geographic “filing” options open for a longer time
- Global publicity for invention *via* PCT publication
- Ease of filing -- many states, one application
- A single search report and considered examination report plus the opportunity to advance prosecution in many states with effort of a single action response



Initial Consideration

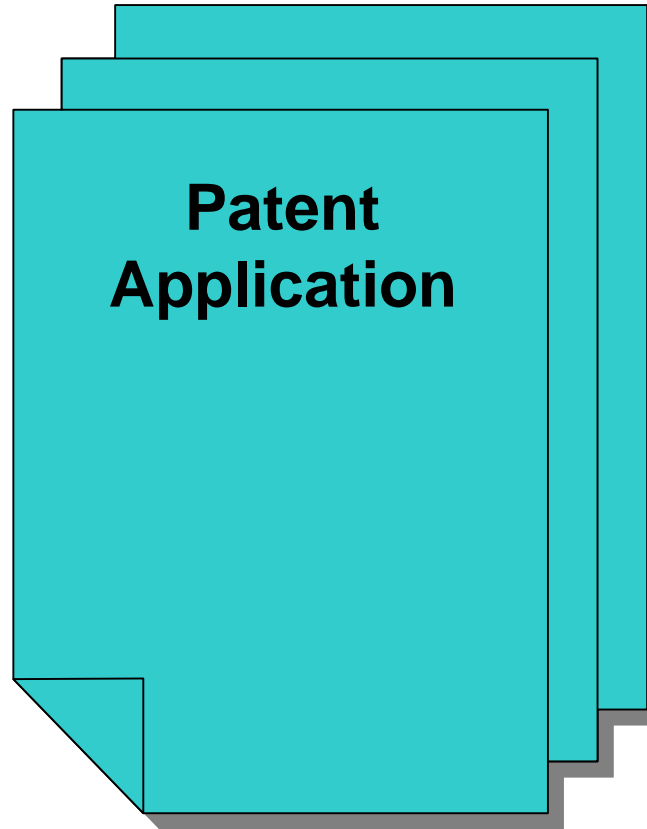


- **Is Filing Under the PCT Right for My Application?**

At P&G, we file by the route that gives the lowest “throw-away” cost should all filings be withdrawn



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PCT Decisions



Filing the First - Filed Patent
Application





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First Filing



How should the first application be filed ...

... directly in a national or regional office,

or

... under the PCT?





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First Filing



How should the first application be filed ...

At P&G we almost always first file through a national or regional patent office (US or EP, occasionally others). We file as both full utility and provisional applications depending on the circumstances and jurisdiction. This practice allows us to gain an additional year before expiry in all PCT countries and results in lower costs should the first filed application be revised at the end of the priority year.

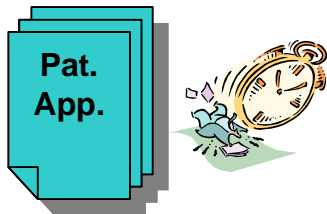


An Applicant's
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PCT Decisions



Considerations At the End of the
Priority Year (Month 12)





Considerations At The End Of The Priority Year:

- **Selection of the International Searching Authority**
- **Selection of the Receiving Office**
- **Decision on Using PCT-SAFE/EASY or paper**
- **Decision on Using PCT Declarations**
- **How Best to Re-file in the First-Filed Country**
- **Decisions on non-PCT country filings**
- **Must DE, KR or RU be “un-designated” or JP withdrawn?**





Selection of the International Searching Authority

- Overall Cost Impact
- Desire for More Diversified (Broader) Search
- Source of ISA Written Opinion
- Limitations on Selection of the IPEA
- Potential Reduced Search Fees
- Personal Preference





Considerations At The End Of The Priority Year:

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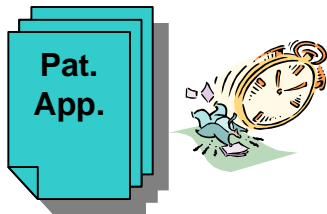




Selection of the Receiving Office; Decision on Using PCT-SAFE/EASY or paper; Decision on Using PCT Declarations

Applicants may use either their local receiving office or the Receiving Office at the International Bureau to file their applications. Both will do a good job, but one or the other may have advantages for your particular application. For example, your local RO may have special procedures to obtain a filing date (like the use of Express Mail in the US), if you made a first filing in your national office, your local RO will be able to supply the priority document if you make the proper indication in the REQUEST. If your country has national security requirements (as we do in the US), using your local RO may fill those requirements.



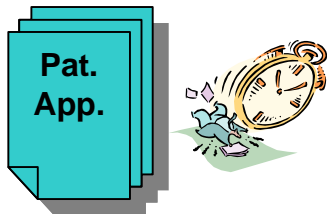


Selection of the Receiving Office; Decision on Using PCT-SAFE/EASY or paper; Decision on Using PCT Declarations

The RO/IB also has advantages. You may file by FAX (many local ROs, like the RO/US, do not allow filing by FAX). The RO/IB also accepts full electronic filing using the PCT SAFE software. Pick the RO that offers you the features you need for the filing.

Whether or not to use PCT EASY (or SAFE) and the use of the declarations to save time at national phase is easy. The cost savings of between 100 and 300 CHF for using EASY/SAFE and the efficiencies of not having to supply some documents upon national phase entry, make the decision whether or not to use these options easy – I recommend you use them when you can.





Considerations At The End Of The Priority Year:

- Selection of the International Searching Authority
- Selection of the Receiving Office
- Decision on Using PCT-SAFE/EASY or paper
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- How Best to Re-file in the First-Filed Country
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- Must DE, KR or RU be “un-designated” or JP withdrawn?





How Best to Re-file in the First-Filed Country

In many cases, you will have additional disclosure and/or new claims to add to your application when you make your Paris Convention filings. This additional matter will, of course, be included in your PCT filing, but you may also want to include the additional disclosure in your first, national filing. There are two ways to do this: 1) make an additional, direct national filing, using domestic priority (35 U.S.C. 120 in the US), or 2) make the initial country re-filing under the PCT.

Both methods work well, you must decide if having all your filings under the PCT is a better route for your case than the additional time and expense required to make a second national filing. In my practice, we do both, depending on the circumstances and needs of the case.





Considerations At The End Of The Priority Year:

- Selection of the International Searching Authority
- Selection of the Receiving Office
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Considerations At The End Of The Priority Year:

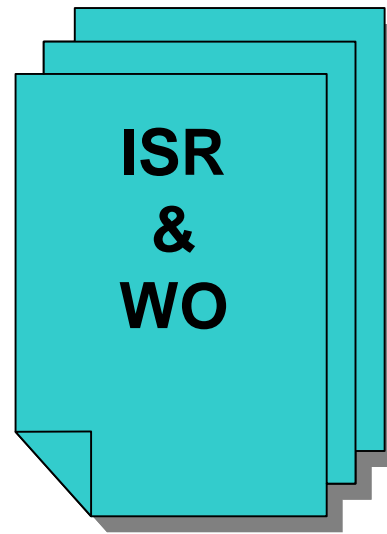
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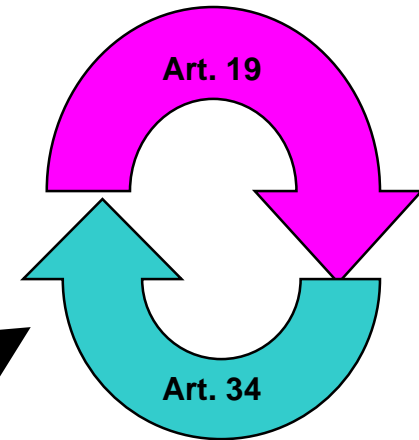
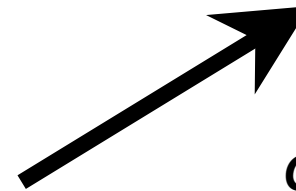
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Priority Claim Changes



ISR & WO



Claim Amendments

Considerations At Month 16



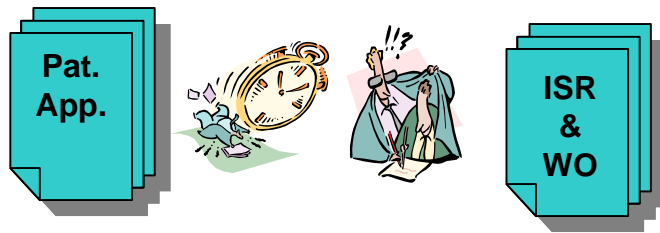


Month – 16 Considerations:
Deadline to Add/Amend Priority Claims

➤ **Do Any Changes or Additions to the Priority Claims
Need to Be Made?**

Changes and additions to the priority claims can be made until the later of:
4 months from the filing date or the earlier of 16 months from the priority
date originally claimed or 16 months from the priority date as changed/added.



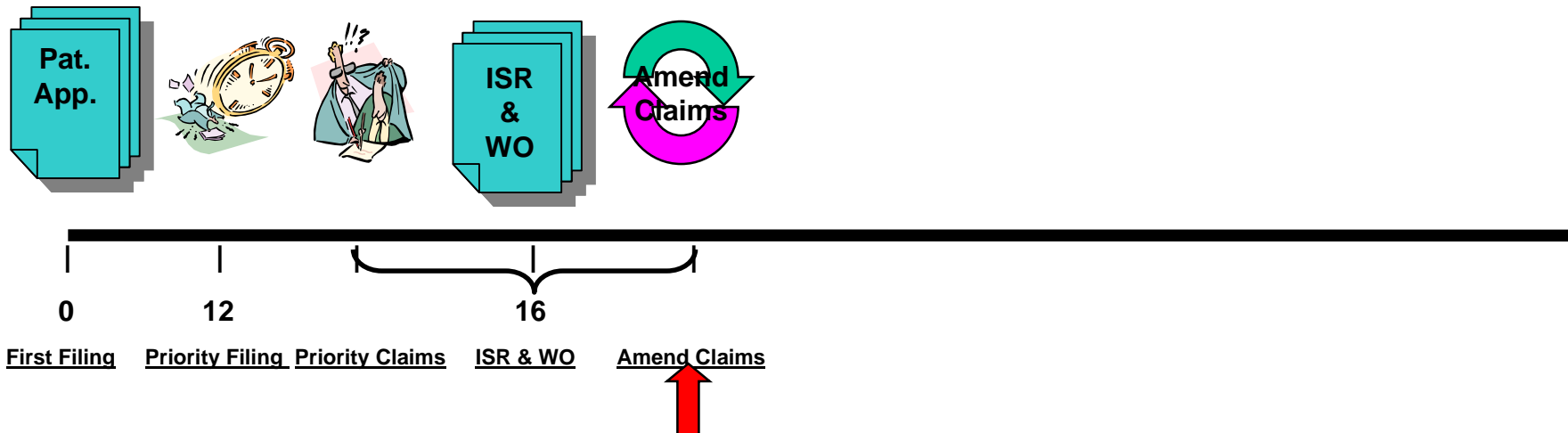


Month – 16 Considerations:

Upon Receipt of the Search Report and Written Opinion

- *Continued Assessment of Patentability*
- Need to Amend the Claims:
Article 19 v. Article 34 Amendments
- Begin Consideration of whether or not to respond, formally or informally, to the Written Opinion



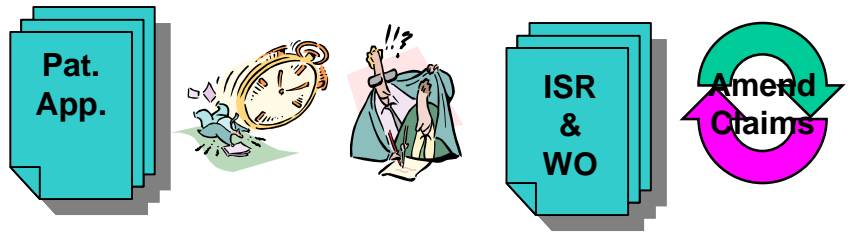


Month – 16 Considerations:

Upon Receipt of the Search Report and Written Opinion

- Continued Assessment of Patentability
- *Need to Amend the Claims:*
Article 19 v. Article 34 Amendments
- Begin Consideration of whether or not to respond, formally or informally, to the Written Opinion





Month – 16 Considerations:
Article 19 or Article 34 Amendments

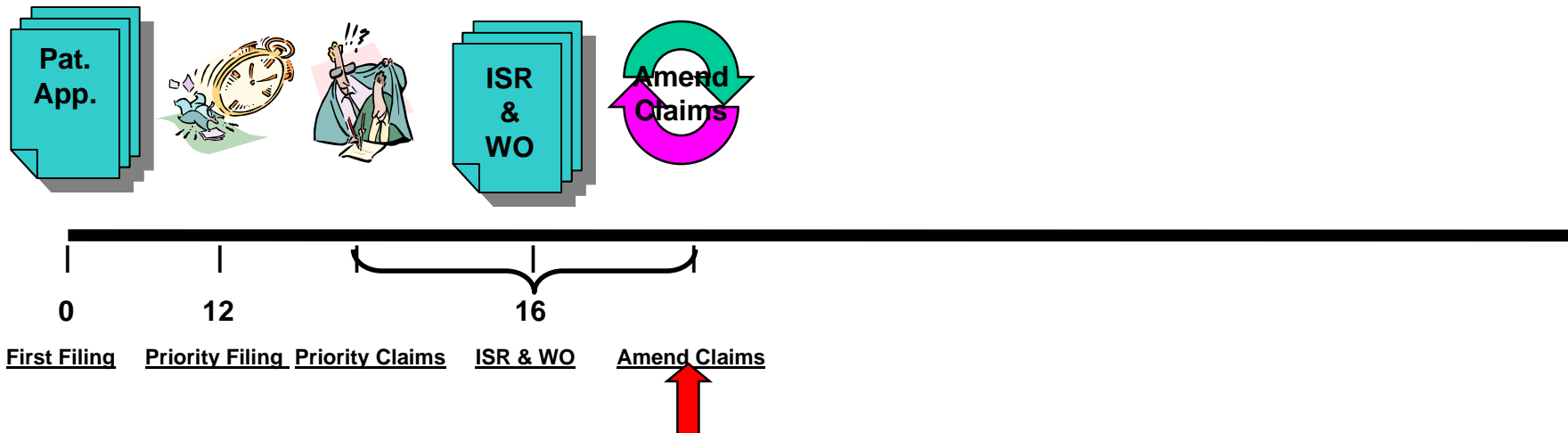
Article 19:

**Made Within 2 Mos. of ISR Issue
 Claim Amendments ONLY
 Submitted to the IB
 Published with Application
 Sending Copy to IPEA Recommended
 Will Not Be Reviewed by an Examiner**

Article 34:

**Made During Chapter II Procedure
 Can Amend Disclosure, Claims & Drawings
 Submitted to the IPEA
 Not Published
 Will be Reviewed by Examiner**





Month – 16 Considerations:

Upon Receipt of the Search Report and Written Opinion

- Continued Assessment of Patentability
- Need to Amend the Claims:
Article 19 v. Article 34 Amendments
- *Begin Consideration of whether or not to respond, formally or informally, to the ISA's Written Opinion*

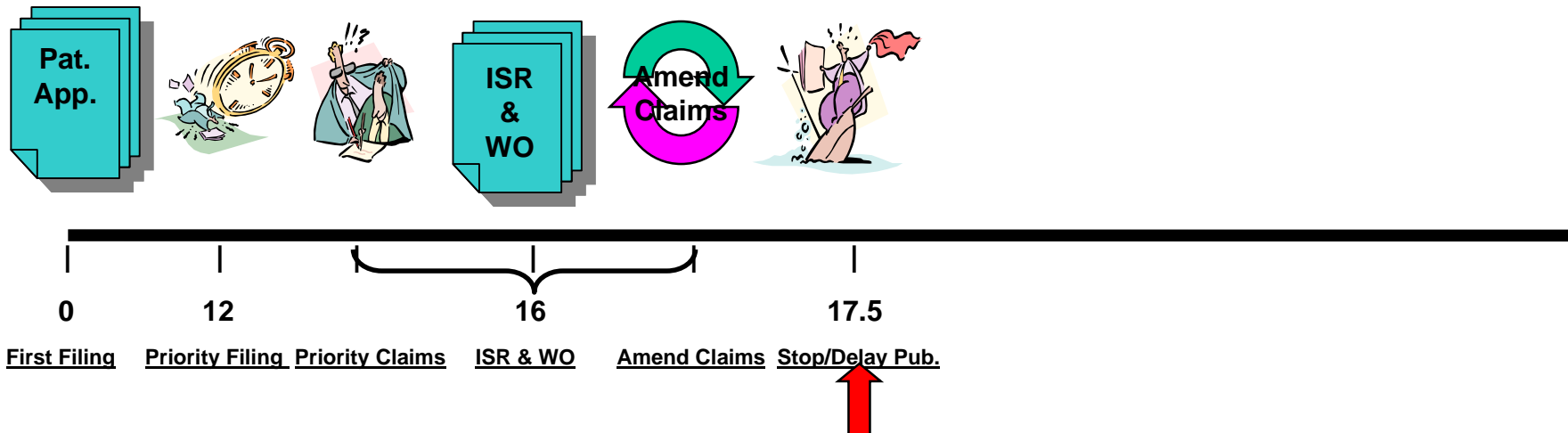


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PCT Decisions



Considerations About Stopping or
Delaying Publication
(Month 17-1/2)





Does Publication Need to Be Suspended?

- **By Withdrawing the Entire Application**
- **By Withdrawing the Earliest Priority Claim**
- **By Withdrawing All Designations *EXCEPT* the US**
 - ⊙ **Done before completion of technical preparations for publication**
 - ⊙ **Submitted directly to the IB**
 - ⊙ **May be done on condition that pending publication will be stopped**
 - ⊙ **Must have all applicant signatures**
 - ⊙ **Don't play "brinksmanship" with the deadline**
 - ⊙ **Work with IB processing teams to help insure desired results occur**
 - ⊙ **Don't forget about any direct national filings in publishing countries**

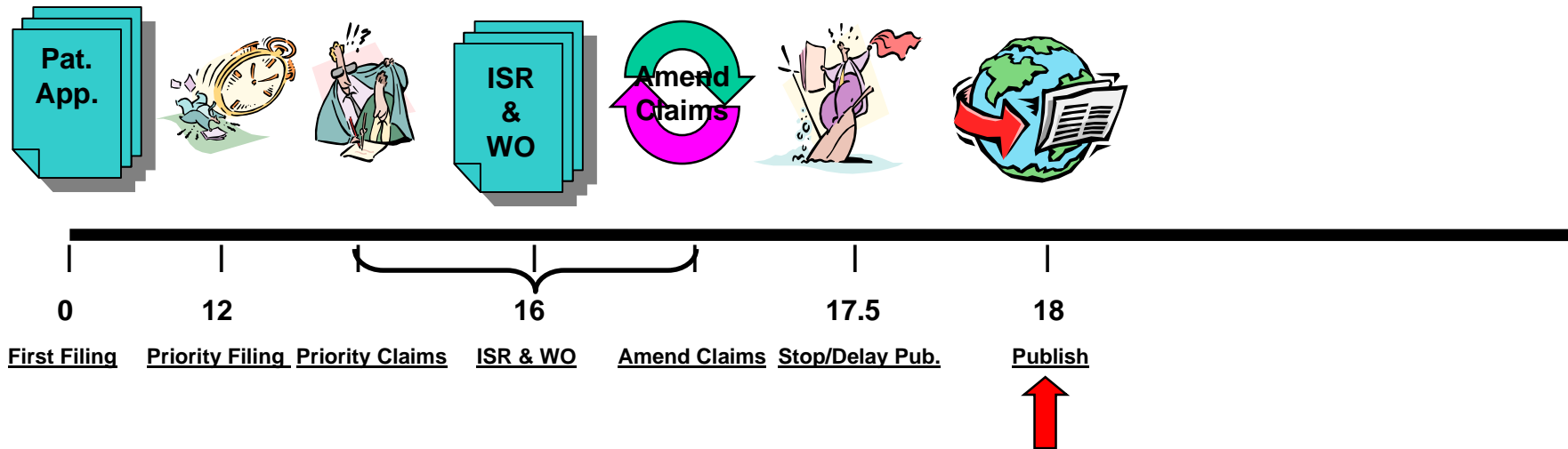


An Applicant's
Considerations When Making Key
PCT Decisions



Considerations At the Time of
Publication (Month 18)

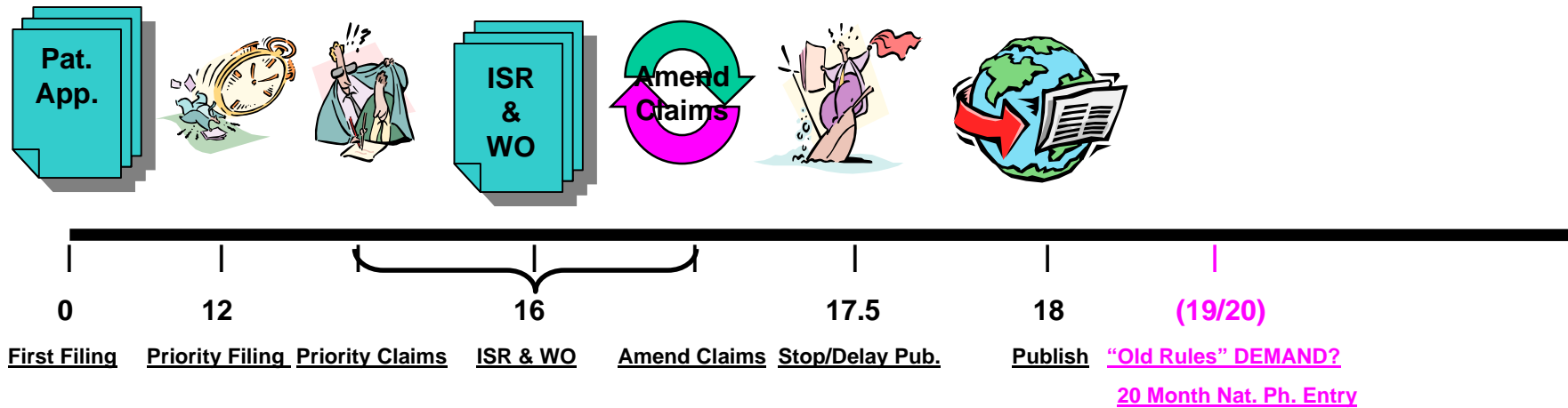




Consequences of Publication:

While there are no decisions to be made at the time of publication, the PCT publication places the disclosure into the public domain making it art against all applications filed after publication. If the US is a designated state and the PCT publication is in English, the disclosure becomes art under 35 U.S.C. 102(e)(1) as of the PCT filing date against claims invented after the PCT filing date. The PCT publication may also start provisional protection in some countries (including the US, if the application is published in English).





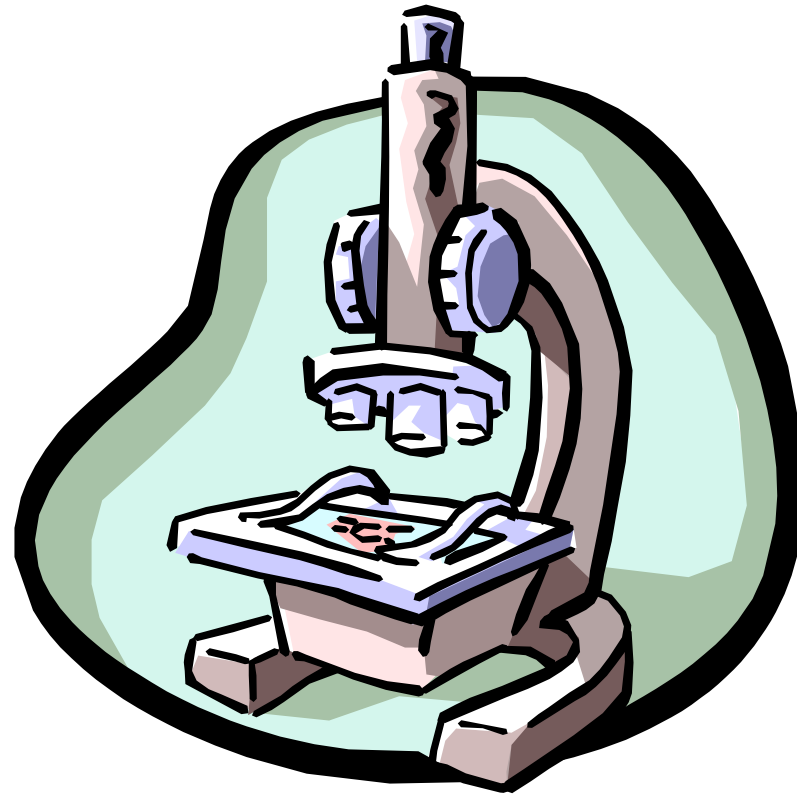
Important Reservations

Under current PCT practice (Articles 22 and 39), an applicant has at least 30 months from the earliest claimed priority date to enter into the national or regional phase. It is no longer necessary to file a DEMAND for International Preliminary Examination prior to the expiry of 19 months from the priority date to obtain an extension of time from Month 20 to Month 30 to enter the national/regional phase. However, several countries have taken a reservation to the new Treaty timing. For these countries, it is still necessary to file a DEMAND by the Month 19 anniversary to obtain the additional time.

To extend the time to enter the national phase by the NATIONAL route from 20 to 30 months in the EPO or ARIPO states of CH, LU, SE, TZ, UG, and ZM, a DEMAND must still be filed before the 19 Month deadline. For entry via the REGIONAL (EPO or ARIPO) route at 30 months, no DEMAND need be filed.

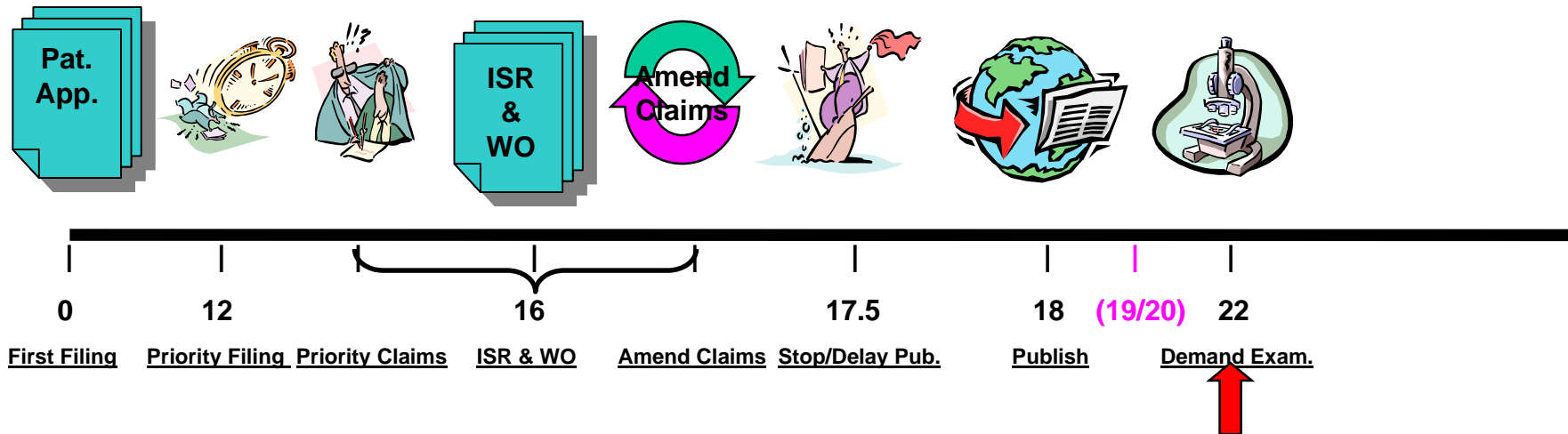


An Applicant's
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Considerations About International
Preliminary Examination (Month 22)

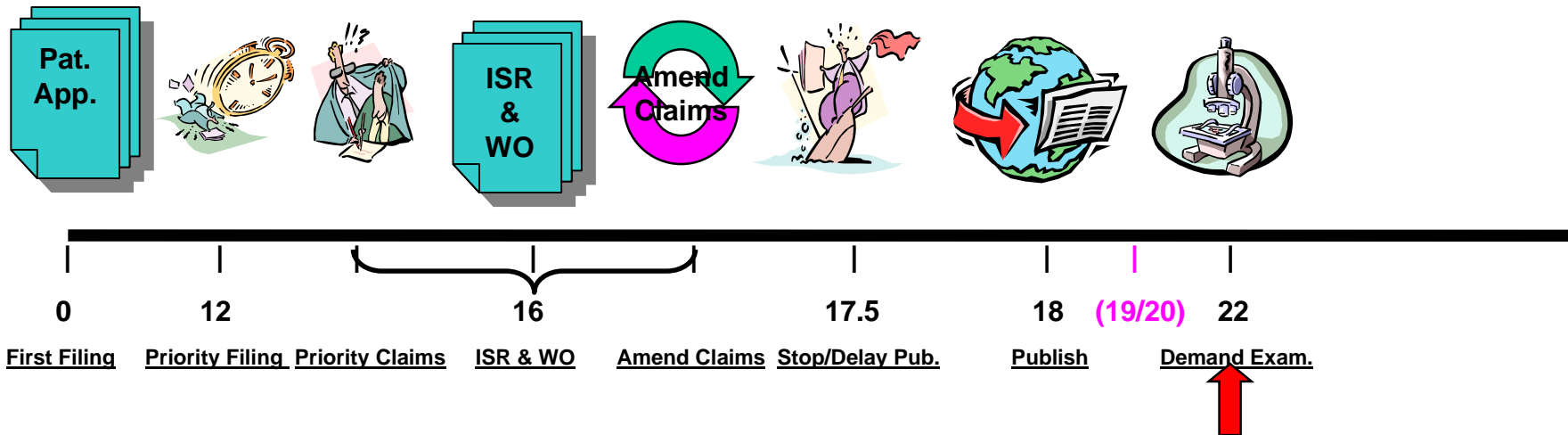




Is International Preliminary Examination Advantageous?

- Should the examiner's findings in the Written Opinion be rebutted during the Int'l. Phase?
 - Formally?
 - Informally?
- Is there a need to amend under Article 34?
- Do the advantages of having a more favorable IPRP justify the cost of a formal 'Chapter II' response?

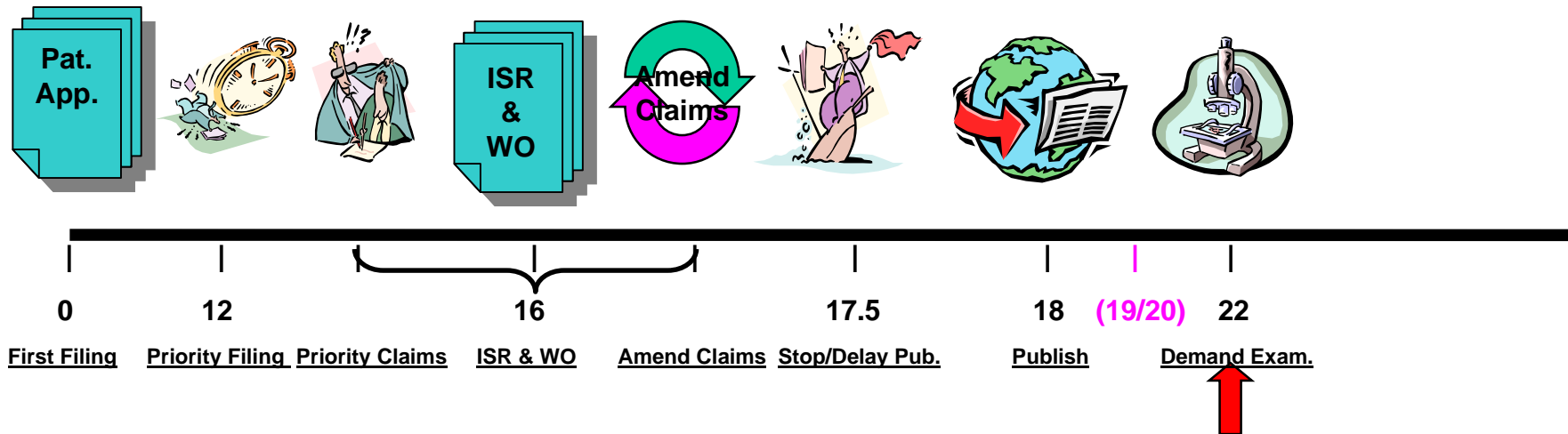




- Should the examiner's findings in the Written Opinion be rebutted during the Int'l. Phase?
 - Formally? • Informally?

The informal procedure to comment on the Written Opinion of the ISA provides an avenue for applicants to place arguments for patentability in light of the WO before all the Designated Offices at no additional cost. I would caution, however, anything that is put into the informal comments will become part of the public record, so the same care and thought must be put into these comments as one would when making a formal response under Chapter II or before a national examiner. If an applicant is going to use this procedure, and put in all the effort and expense of a well thought-out response, why not utilize Chapter II and gain the advantages of an IPRP-Ch. II.





Is International Preliminary Examination Advantageous?

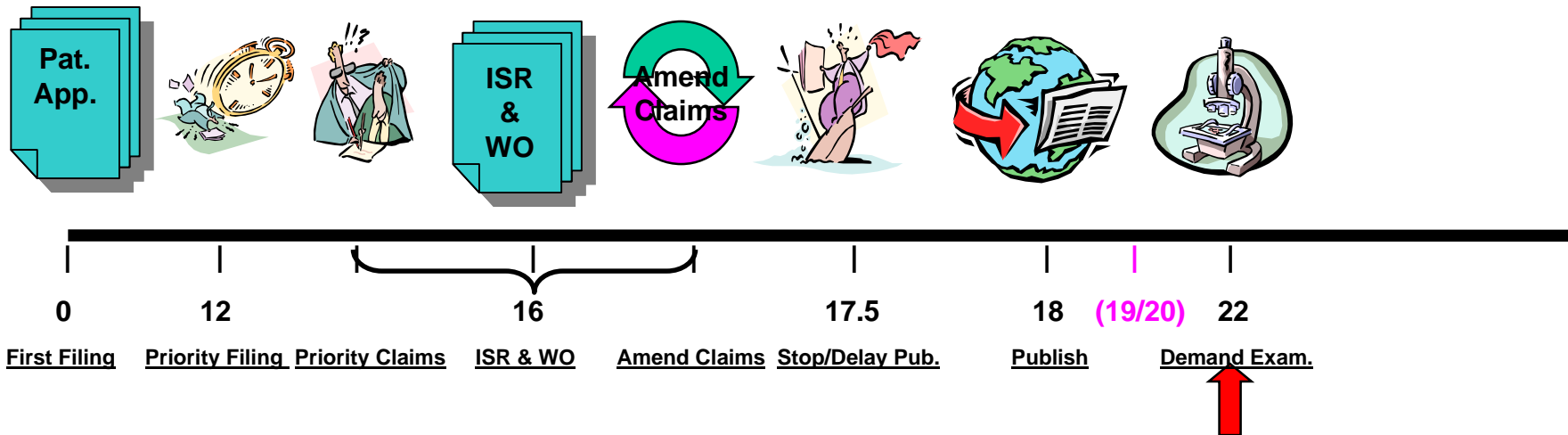
- Should the examiner's findings in the Written Opinion be rebutted during the International Phase?
 - Formally?
 - Informally?

- Is there a need to amend under Article 34?

If there is, utilizing Chapter II is required.

- Do the advantages of having a more favorable IPRP justify the cost of a formal 'Chapter II' response?



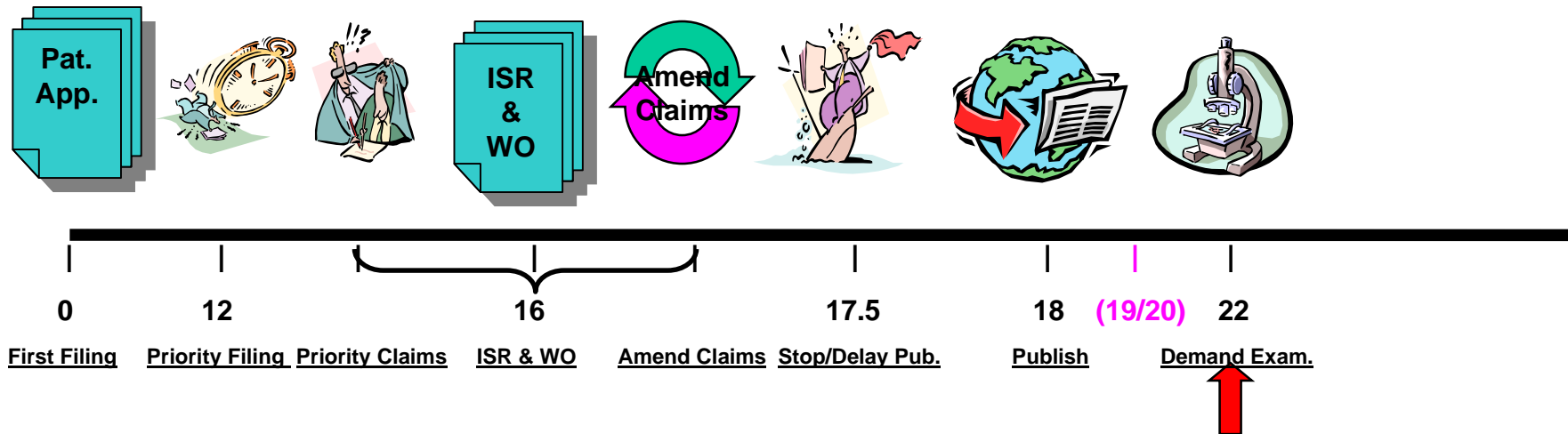


Is International Preliminary Examination Advantageous?

➤ Do the advantages of having a more favorable IPRP justify the cost of a formal 'Chapter II' response?

- Fast acceptance in the EPO if IPEA/EP establishes favorable IPRP
- Inexpensive entry and rapid allowance in the US if IPEA/US establishes favorable IPRP
- Acceptance without further official action in many foreign countries based on favorable IPRP





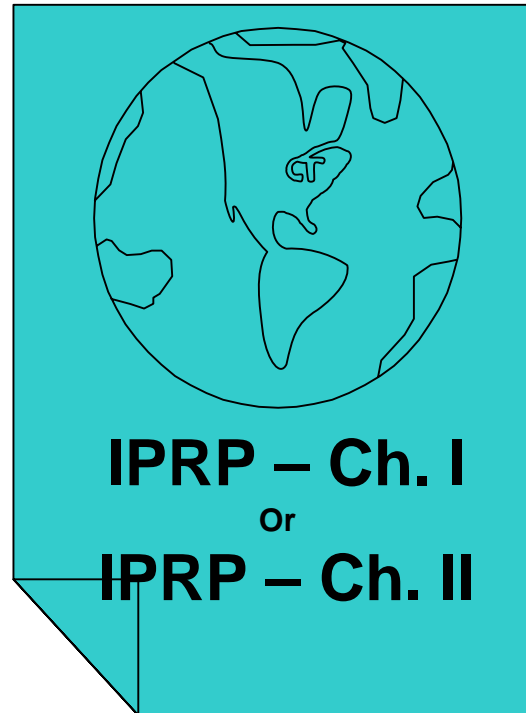
Is International Preliminary Examination Advantageous?

In spite of the recognized and realized advantages of a favorable IPRP – Chapter II/IPER, P&G did not substantively utilize Chapter II of the PCT under the old rules and does not plan to respond to the ISA Written Opinion, formally or informally, under the new rules.

A review of available professional staff effort, pending and expected work and the knowledge that there are no negative consequences in the PCT process to not responding, led to the decision not to respond to Written Opinions.

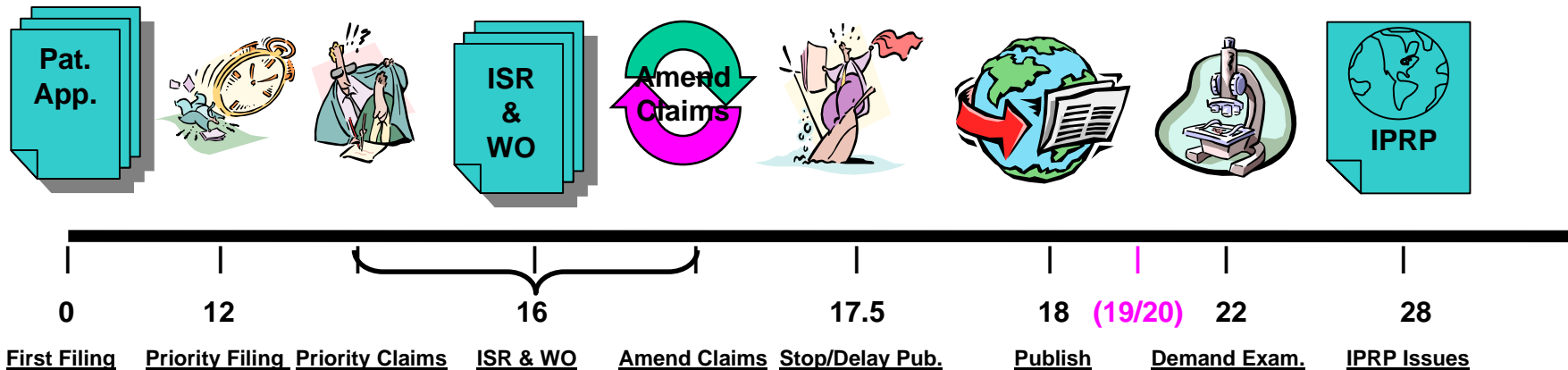


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PCT Decisions



Considerations On Receipt of the
IPRP (Ch. I or II) (Month 28)





Considerations on Receipt of the IPRP

Upon receipt of the IPRP (28-month target), the substantive portion of the International Phase under the PCT comes to a close. Upon receipt of the IPRP, an applicant should:

IPRP-Chapter I

- **Make final determination regarding an informal response**

IPRP-Chapter II

- **Assess chances of obtaining meaningful patent protection**

IPRP-Chapters I or II

- **Consider making preliminary amendments/arguments to the DO/EO upon entry into the National Phase**

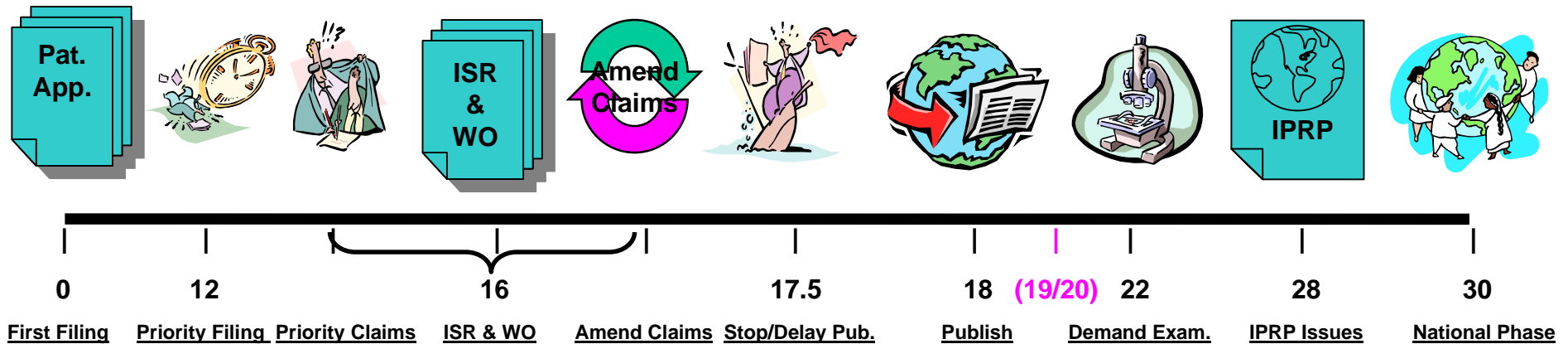


An Applicant's Considerations When Making Key PCT Decisions



Considerations At
Entry Into The National Phase
(Month 30)

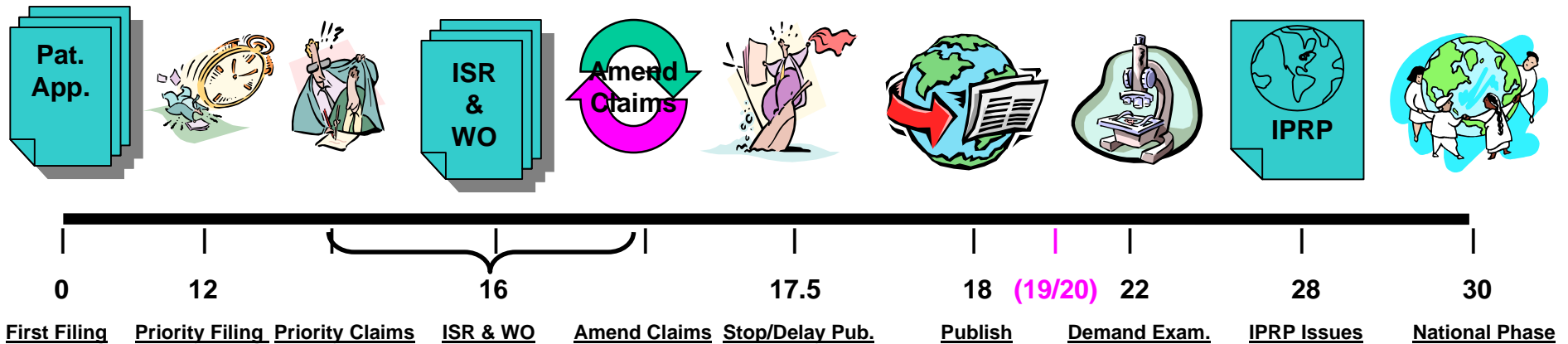




Considerations in Preparation for National Phase Entry

- Where should National Phase entry be made?
- Reconsider Continuing Prosecution in
Non-PCT Contracting States





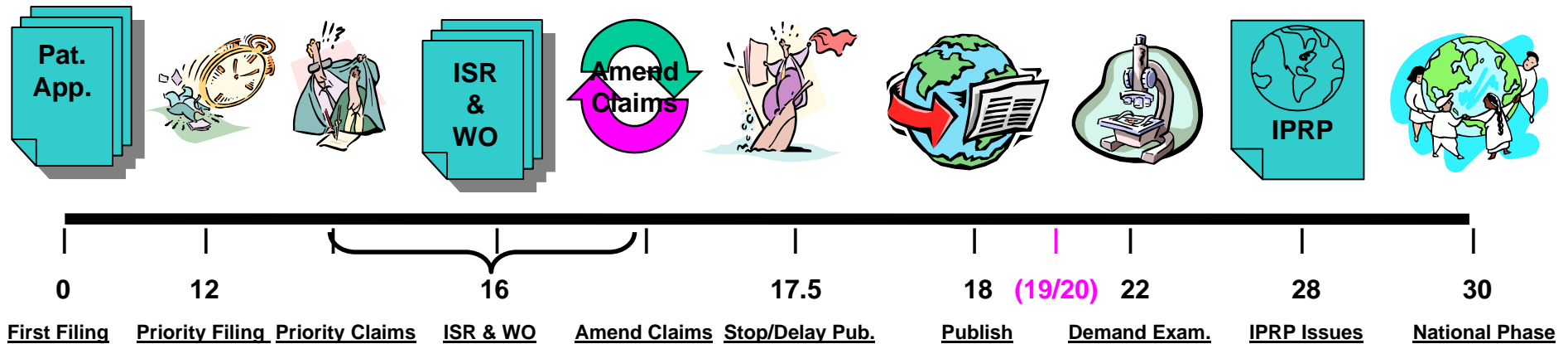
Where should National Phase entry be made?

It is not possible to answer this question generically. The business needs of each individual applicant vary too greatly to give a stock formula or universal plan.

Each applicant must look at their individual business plans, past experience in similar considerations, future expectations – theirs and those of any expected licensees, to decide where to enter the national phase.

After considering their plans and past experiences, I suggest answering some basic questions to aid in making the final national phase entry decisions:



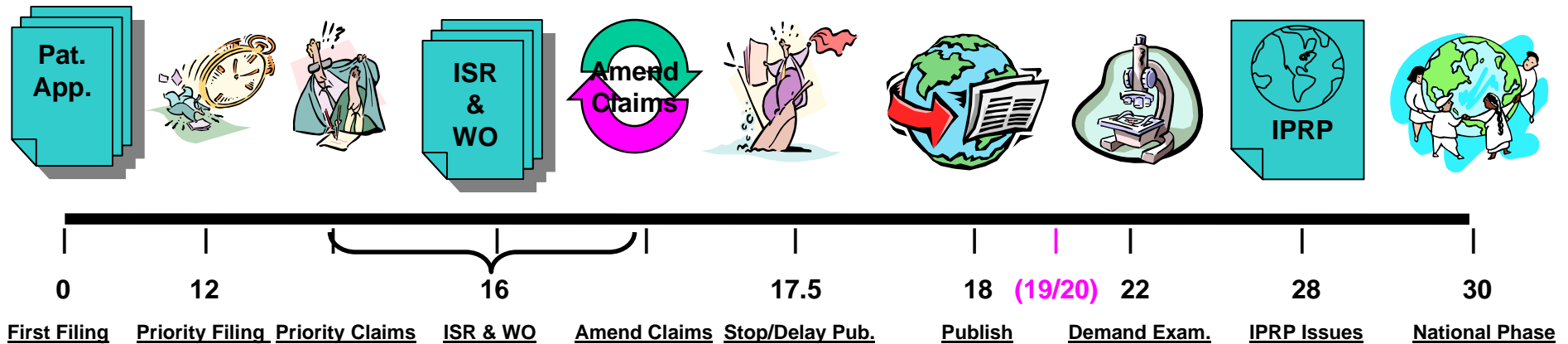


Where should National Phase entry be made? ↑

Some Helpful Questions to Consider

- Where is the market for the invention – local, regional, global? Who is the customer for the invention? Who is the competition?
- Where will the claimed product be manufactured or the claimed process used? Where does the competition manufacture its products?
- How easy (or difficult) would it be for competition to design around the claimed invention? How long and what resources would it take?



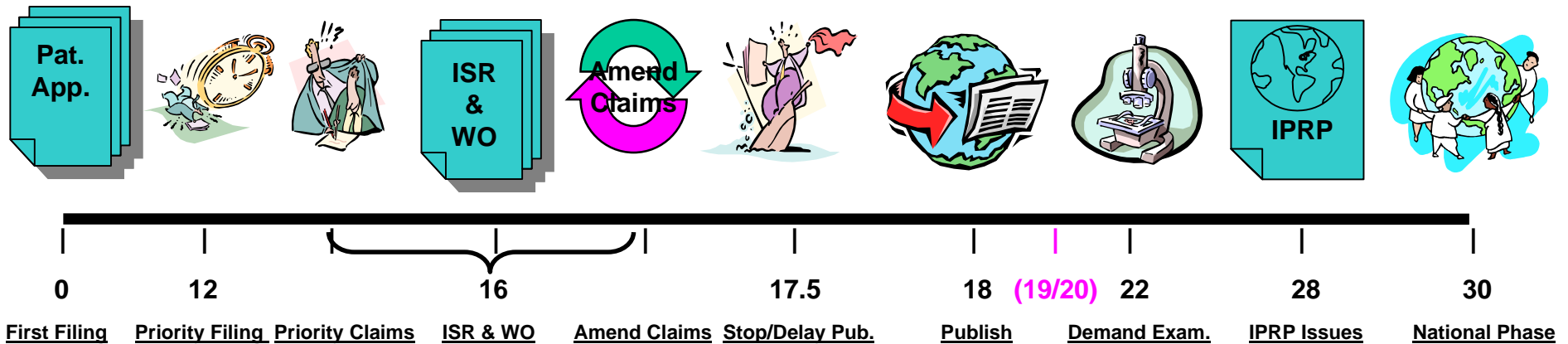


Where should National Phase entry be made? ↑

Some Helpful Questions to Consider

- How easy (or difficult) would it be for a third party to copy the invention? Is there an incentive to copy your invention in “unprotected” countries?
- How costly would it be for a third party to copy and market the invention?
- Is the invention on-point with your marketing strategy or is it defensive?



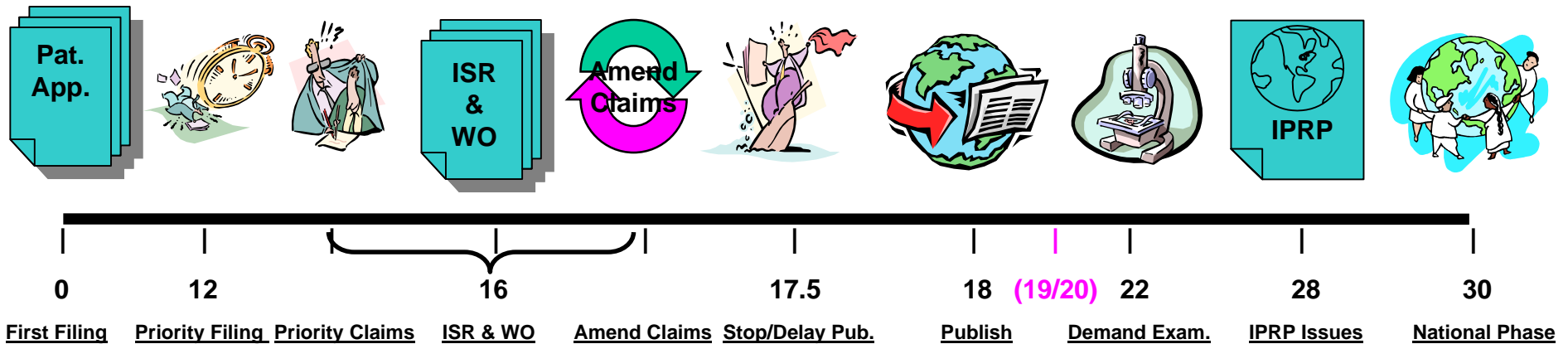


Where should National Phase entry be made? ↑

Some Helpful Questions to Consider

- What is the smallest market size that would economically justify a third party copying the invention?
- What are the consequences to your business if the invention is copied in some/all countries?
- By geographic area, what is more important, exclusivity, freedom-to-practice or both?



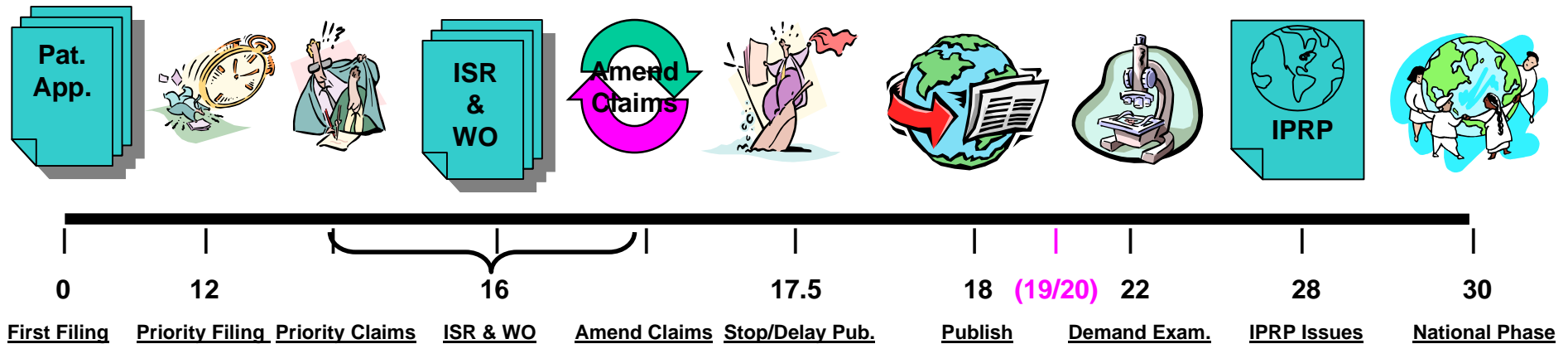


Where should National Phase entry be made? ↑

Some Helpful Questions to Consider

- For what period of time and where is exclusivity commercially important? How long does it take to get a patent in these countries? What is the local law regarding provisional protection?
- What is the current state of the local patent law? Are changes or improvements expected? When?



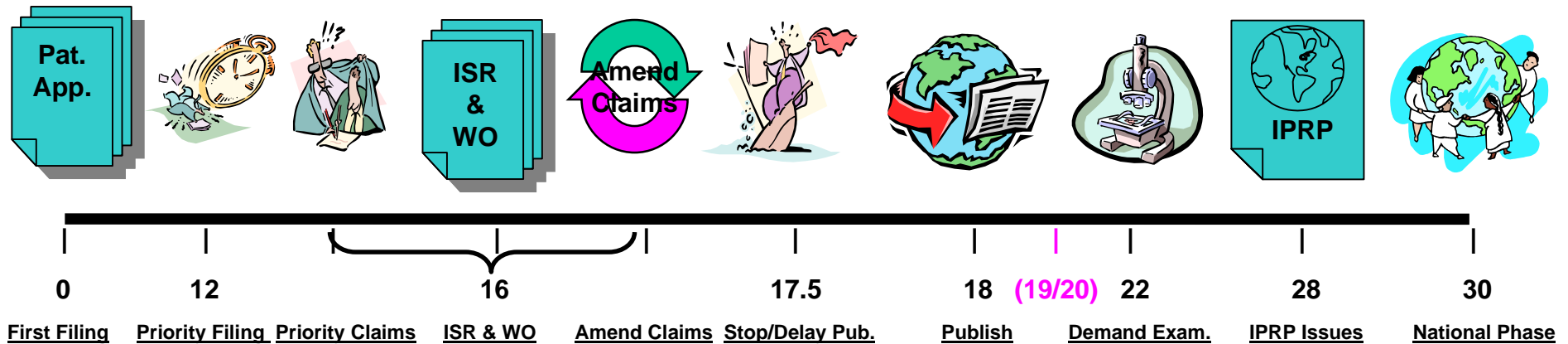


Where should National Phase entry be made? ↑

Some Helpful Questions to Consider

- What is the current state and history of patent enforcement? What remedies for infringement are available? How about damage awards – how frequent; how much? Are changes or improvement expected? When?
- What is your patenting budget? What other developments are competing for this budget money?





Considerations in Preparation for National Phase Entry

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Thank You



T. David Reed; patents@fuse.net