

Users' Views on Trilateral Cooperation

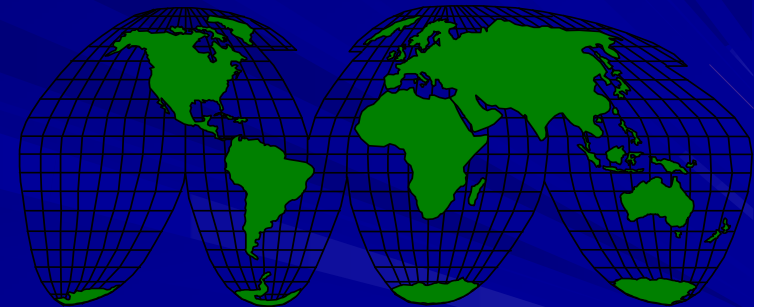
Alan J. Kasper
First Vice President AIPLA
Partner,
Sughrue Mion PLLC

Public User's Conference:
25th Annual Meeting of
Trilateral Patent Offices

AIPLA – A UNIQUE PERSPECTIVE IN THE INDUSTRY TRILATERAL

- **AIPLA – An Association of over 17,000 Professionals in the IP Field**
 - **Broad Spectrum of Membership**
 - **Attorneys and Agents**
 - **Corporate, Private, Government, Academic and Students**
 - **Vast Majority of Members**
 - **Registered to Practice before the USPTO**
 - **Represent Industry**
 - **Involved in Patent Law**
 - **Involved with International Protection**
 - **PCT, National and Regional**
 - **Expert and Experienced**
 - **Proactive Advocates**

- **IN SHORT: A KNOWLEDGEABLE MEMBERSHIP ON THE FRONT LINES OF PATENT PRACTICE**



THE FRONT LINE PERSPECTIVE OF USERS' REPRESENTATIVES

■ *Substantive Considerations*

– Possess Detailed Knowledge and Experience

■ *Existing law and regulation*

■ *Practices and procedures*

– Act as Intermediary between the Applicant and the Offices

■ *Advisors*

■ *Advocates*

– Focus is on Substantive Issues

■ *Protection and Preservation of IP Rights*

■ *Determination and Advice re Scope of IP Rights*



THE FRONT LINE PERSPECTIVE OF USERS' REPRESENTATIVES

■ *Administrative and Overhead Factors*

■ *Sensitivity to Increasing Costs*

– External

- *Translations***
- *Draftspersons***
- *Government fees***

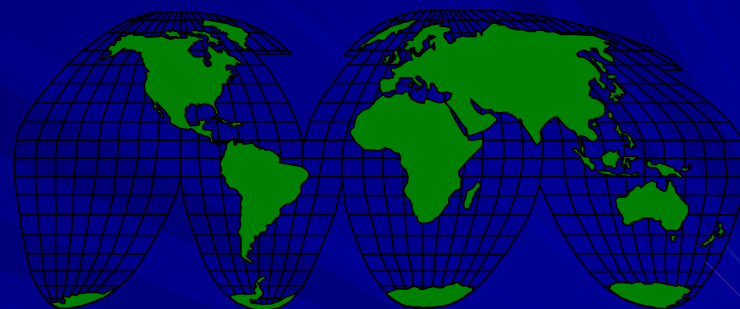
– Internal

- *Professional***
- *Secretarial***
- *Support (file handling and processing)***
- *Infrastructure***

■ *Budgetary Considerations*

- Quality vs. Quantity of Rights***
- Reduced Inefficiencies***

■ *Awareness of Increasing Delays*



THE FRONT LINE PERSPECTIVE OF USERS' REPRESENTATIVES

■ *ADVOCACY*

– For Clients

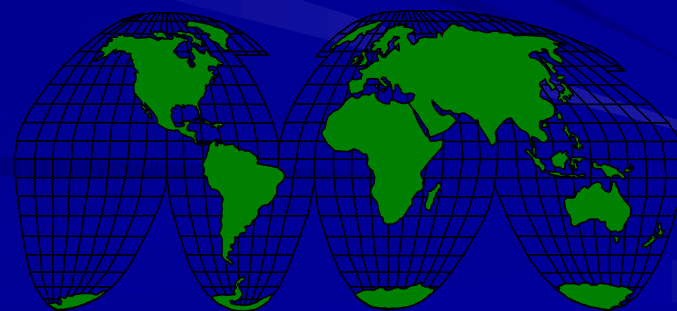
■ *Represent the client zealously within the bounds of the law*

- Consideration of Law and Regulations***
- Consideration of Duty of Candor***
- Consideration of Costs***

– For the Patent System

■ *Constantly make necessary efforts to maintain and improve the legal system*

- Identify Practical Problems and Propose Solutions***
- Work to Establish Best Practices***
- Advocate Changes in Law and Regulation***
 - *Perspective of Day-to-Day practice***



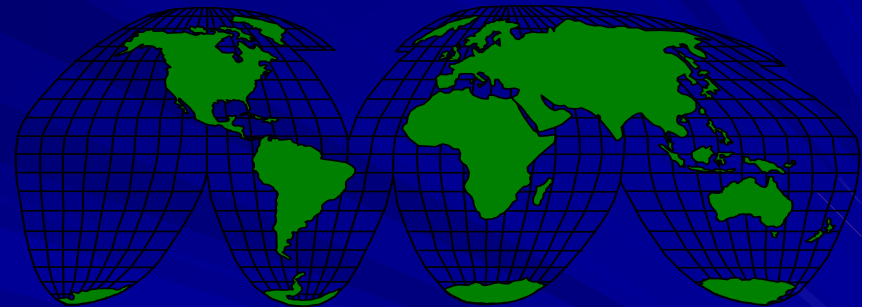
ADVOCACY Directed To The Trilateral

- ***AIPLA Creation of an Ad-Hoc Committee of Experts in 2004 to Study a Single Format Standard***
 - *One Small Step to Harmonization*
- ***Detailed Proposal by AIPLA to the Industry Trilateral in 2004***
 - *Simple and Doable*
 - *Preference for International Formats*
 - *15 Specific Recommendations for Single Format Standard*
- ***Adoption by Industry Trilateral and Proposed to Government Trilateral in 2006***

SCOPE AND IMPACT ON DIFFERING APPLICATION FORMATS

■ SCOPE of Format Differences

- ***Application Filing Formats***
 - ***Physical Requirements for Documents (size, fonts, drawings, etc.)***
 - ***Paragraph/Line numbering***
- ***Application Content***
 - ***Order and Titles of Sections***
 - ***Mandated Sections***
 - ***Handling of Formulae and Tables***
 - ***Claim Style and Content***



■ IMPACT of Format Differences

- ***Administrative and Financial Impact on Users World Wide***
- ***Operational and Financial Impact on Offices***
- ***Impediment to Harmonized Electronic filing system***
- ***Impediment to Machine Translation***
- ***Risk of Substantive Limitation of Rights – especially in the U.S.***

POTENTIAL FOR SAVING USERS \$300M ANNUALLY:

One Goal of the Industry Trilateral Single Format Project

MOTIVATING FACTORS:

- Approx. 250,000 original applications for global filing prepared annually
- Differences in Formalities Exist Among Offices
- Often Historical and Non-Substantive
- Pre-filing Rework or Post-filing Amendment Required
 - Significant Added Cost to Users – Est. **\$300 M annually**
 - **Pre filing and Post filing amendments**
 - Comparable Added Costs to Offices
 - Interference with Universal Electronic Filing and Machine Translation

UNDERLYING PRINCIPLES:

- PCT/PLT do not Solve the Problem
- Nonetheless, a Preference for International Formats
- Uniform not Minimum Standards for Filing
- Avoidance of Substantive, Cost and Prosecution Issues
- Amendment to Law and Regulation May Be Required



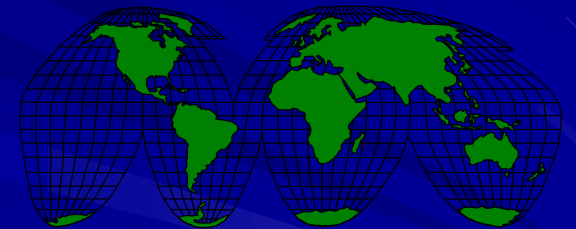
In Short – A Simple and Doable First Step

Prompt Response by the Trilateral

- ***TRILATERAL CREATION OF WORKING GROUP on Single Format Application Standard***
 - *Invited Expert Representatives of Industry Trilateral to Participate in Discussions*
 - *Invited Industry Trilateral to Participate in Pilot Program to Draft Model Applications*
 - *Continued Dialogue and Involvement of Industry Trilateral*
 - *Leading to Adoption of Trilateral Agreement on a Single Format Standard*
- ***BUT***
 - *Original 15 proposals were reduced*
 - *Substantive issues were deferred*
 - *New issues were identified*
 - *Working Group was Concluded*

EXPECTATIONS OF USERS FROM THE TRILATERAL

- ***Successfully Implement the Single Format Standard***
- ***Address the Excluded Substantive issues***
- ***Address New Issues***
- ***Commit to a Dialogue with Users to Achieve Desired Efficiencies***



IMPLEMENT THE SINGLE FORMAT APPLICATION STANDARD FOR INTERNATIONAL FILERS

■ *Single Format Application Standard and Procedure*

- Provide Tools That Can Ensure Ready by Users***
 - *Templates and Software***
- Demonstrate Flexibility Consistent With Standard***
- Minimize Administrative Overhead***
- Avoid Added Requirements During Examination***
- Consider Incentives for Acceptance***
 - *Full Scope of Proposed Changes Not Implemented***
 - *Substantive Issues Deferred***
 - *Overhead tasks added***

ADDRESS SUBSTANTIVE ISSUES THAT WERE EXCLUDED FROM THE SINGLE FORMAT STANDARD

- ***Unrestricted Use of Reference Characters In Claims and Abstract***
 - *Currently Problematic in the US*
 - *Statutory Change Required*
 - *Clear efficiencies for Offices, Applicants and the Public*
- ***Requirement for Citation of Prior Art In Disclosure***
 - *Currently Problematic in Japan*
 - *Seek an Acceptable Alternative Acceptable to All Offices*
 - *Without Added Burden During Examination*
- ***Requirement to Amend Specification to Conform to Claims and Add Prior Art***
 - *Currently Problematic in Europe*
 - *Eliminate Added Burden During Examination*

ADDRESS NEW ISSUES THAT CAN LEAD TO GREATER EFFICIENCIES FOR INTERNATIONAL FILERS

- **Single Search Standard and Procedure**
 - **Adopt a Workable System that Permits Work Sharing**
 - **Protocol for Shared Search Strategy**
 - **Common Data Bases and Compatible Infrastructures**
 - **Minimized Administrative Overhead for Users**
 - **Reasonable Accelerated Examination Standards**

- **Common Fee Structure**
 - **NOT Identical Fee Levels**
 - **But Common Structure to Incent Common Claim Strategies**
 - **Number of independent and dependent claims**
 - **Total number of claims**

- **Elimination of Different Requirements for Claim Format**
 - **Two part vs. One part Claims**
 - **Characterizing clauses**

ADDRESSING NEW ISSUES THAT CAN LEAD TO GREATER EFFICIENCIES FOR INTERNATIONAL FILERS

- ***Uniform Standard for Multiple Dependent Claims***
 - *Different Policies Present a Barrier to Single Application Format*
 - *Multiple on Multiple is Accepted and Workable in Some Trilateral Offices*
 - *Otherwise, Demonstrated Efficiencies for Offices, Applicants and the Public*
- ***Universal Adoption of Unity of Invention Standard***
 - *A Key Factor in Procedural Harmonization that can Lead to Efficiencies*
- ***Achievement of Substantive Harmonization of Patent Laws and Regulations***
 - *Agreement at least on novelty, inventive step, grace period and prior art drafted in the context of a first-to-file system.*

ATTAINING THE GOALS OF USERS

- *Higher Quality Patents*
- *At Reasonable Cost*
- *In Reasonable Time*
- *Through Efficient and Harmonized Patent Systems*

THANK YOU