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## Trilateral Co-operation: Patently Obvious

Trilateral Conference, Washington

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## Congratulations with this 25 $^{\text {th }}$ Trilateral Meeting



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## Trilateral Co-operation

Three questions:

- Why does industry need it?
- What does industry want?
- How can it be done?



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## Why does industry need it?

- Operate in a global markets
- manufacturing and sales in more countries
- more players in markets
- more competition
$\rightarrow$ Patents needed in more countries
- protecting own products
- third party co-operations
- trade IP/ technology



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Trilateral cooperation needed to cope with increasing workload from other countries

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$\square$ Residents $\square$ Non-residents


Closer cooperation with increasing number of patent offices needed

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## Why does industry need it?

- Markets show high dynamics
- rapid development for new products
- high competition
- high price erosion
$\rightarrow$ Drives need to have patents quickly
- timely and effective support business
- locally / globally


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## Why does industry need it?

- Increasing cost of R\&D
- high initial cost to develop new systems/products
- low cost of reproduction
- high volume, low margin products
- Patents are essential element in doing business I
$\rightarrow$ Drives need to have high quality patents, quickly and globally


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## Why does industry need it?

- Move to knowledge economy
- manufacturing has become commodity
- creation of new business/product concepts
- bring products/services to market quickly
- Knowledge economy = IP driven economy
- companies seek more protection
- leveraging intellectual assets
$\rightarrow$ Drives need for high quality patents, globally



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## Why does business need it?

- Trend to Open Innovation
- convergence of technologies
- shortening time to market
- Need to collaborate more with others
- patents / IP facilitate collaborations
- partners around the globe

$\rightarrow$ Drives need to high quality patents, quickly and globally


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## What does industry need?

- Globally operating companies need patents in increasingly more countries in support of their businesses
- Locally different patent systems may create market distortions:
- we want to know whether we can sell our products and not where we can sell them
- Need uniform, efficient and effective, predictable patent systems in countries:
- quality patents
- timely granted
- reasonable cost


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## What do we mean with quality?

- Clarity about what is protected
- clear claims, scope, description
- Enforceable
- Stand test of validity



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## Why is high quality needed?

- High quality is in interest of both applicants and third parties
- Guide R\&D investments
- Determine risks in product development
- Certainty in commercial transactions

- High quality patent examination is thus important
- but why the same examination multiple times?
- cooperation offers gains in quality, efficiency and cost


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## How to cooperate?

- Substantive Patent Law Harmonization
- Other Patent Law Harmonization
- Close cooperation between offices


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## Substantive Patent Law Harmonization

- Optimal solution for applicants and offices:
- avoids multiplication of work
- road towards global patent system
- Not likely to happen soon because of current impasse:
- e.g. Grace Period
- Europe: none
- JP: 6 months plus declaration
- US: 12 months without declaration


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## Other Patent Law Harmonization

-What can be done re harmonization of contents and formalities?

- A vast and increasing number of applicants use PCT :
- good search before entry national phase
- avoids cost for applicant and offices (other than ISA) if not continued
- PCT treaty already harmonizes contents and formalities
- Art. 27 PCT: no national criteria different from PCT criteria
- PCT Diplomatic Conference Washington 1970


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## Other Patent Law Harmonization

- Consequently PCT already harmonizes:
- description (i.e. sufficiency of disclosure)
- claims (i.e. support by description, clarity and conciseness)
- unity of invention
- If compliant with PCT provisions, additional / different local rules should not be applicable
- Uniform application of these harmonized provisions is assisted by PCT international search and examination guidelines


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## Other Patent Law Harmonization

- PLT 2000 harmonizes provisions on a.o:
- filing date requirements
- relief in respect of time limits / reinstatement of rights
- correction or addition of priority claim
- request for recordation
- request for correction of mistake
- Declares PCT form/contents provisions applicable to non-PCT applications as well.


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## Other Patent Law Harmonization

- Only 16 states joined PLT, excluding e.g. CN, JP, KR, US
- EPC 2000 will make the EPC compliant with PLT
- Greater support for PLT would simplify obtaining patents in multiple countries



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## Close cooperation between Offices

Additional opportunities for greater efficiencies for both applicants and offices:

- extended PCT examinations
- Triway / Supplementary PCT searches (2009)
- utilization of search results
- Patent Prosecution Highway (PPH)


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## Extended PCT examinations

- PCT search examines patentability criteria
- Optional examination of description and claims not done in practice
- Designated offices examine description and claims after entry into national phase (including ISA itself)
- Examining description and claims during international phase would increase efficiency for both applicants and offices


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## Supplementary Searches

- Supplementary searches increase quality search
- Triway: use search results other two offices upon request
- PCT searches (2009) : additional searches in f.e. nonEnglish patent literature (CN, JP, KR)
- No additional work for ISA

- Better to have things done once in the international phase than multiple times in the national phase


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## China patent applications filed



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## Quality search

- Drive for patent quality should start with focus on high quality search
- Missing out increasingly larger collection of Chinese prior art is inconsistent with this drive
- Both PTO's and industry need access to all relevant prior art
- What can be done to solve this problem:
- machine translations: takes 3-5 years before quality is acceptable
- what do we do in the meantime?
- manual translations: cooperation between offices, industry, suppliers?


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## Utilization of search results

## Examination process could be made more efficient:

- Require applicant to respond to PCT written opinion before designated Office starts examination
- National phase examination becomes logical continuation of PCT examination


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## Summary



- Intensified cooperation between offices creates win-win for offices and users
- Users can contribute to increase efficiency system as well
- Industry needs more efficient, high quality system now
- Stimulates innovation, trade and economic development around the globe
$\rightarrow$ Acceleration of harmonization discussions highly desired


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