

Promotion of Intellectual Property Systems in Response to Globalization

Chapter 1

International Trends of Patent Systems

1 Movements toward Establishment of a Global Patent System

Along with the advancement of economic globalization and the growing need for obtaining patents in multiple countries, the number of patent applications filed in multiple countries is rapidly increasing. In the present situation, however, since individual countries basically establish and operate their own patent systems, applicants who wish to obtain patents in multiple countries have to file patent applications individually in all these countries. As the necessity for obtaining patents in multiple countries increases, various problems are emerging: (i) procedural burden on applicants due to the difference in application procedures and the requirements for patentability varying by country; (ii) large costs for obtaining patents on a global scale; (iii) overlapping of prior art searches and examinations; and (iv) complicated procedures.

The perfect solution for these problems is to realize a single global patent system. However, it is least feasible in the present situation in which there is a vast difference in political, social and judicial systems between countries. For this reason, to realize a de-facto global patent system instead of establishing a single global patent system, mutual recognition of patents, that is, granting a patent right based on a patent right granted in another country, would be another potential measure. Though mutual recognition is more feasible than establishing a single global patent system, it is in reality difficult to realize immediately due to various barriers such as sovereignty and language. Nevertheless, it is necessary to take practical steps one by one, toward this goal by eliminating overlapping of prior art searches and substantive examinations.

More specifically, as a major premise of realizing mutual recognition of patents, it is necessary to enable applicants to expect the same examination results from multiple patent Offices by promoting substantive harmonization of patent systems. Furthermore, as it will likely take more time to consider the establishment of the Substantive Patent Law Treaty (SPLT), which aims to harmonize substantive procedures in patent systems, it is necessary to make efforts to explore the possibility of mutually utilizing prior art search results and examination results between countries under the existing patent laws. Furthermore, varying measures should be taken to enable Japanese applicants to use the modified substantive examination system (explained later) in countries where it is adopted. It is also important to take measures to effectively use the existing Patent Cooperation Treaty (PCT) system as well as to carry out PCT reforms in response to the current needs of users and patent Offices.

1. Substantive Harmonization of Patent Systems

Discussion at WIPO on the international substantive harmonization of Patent Laws had been frozen since January 1994 due to the United States insistence on the first-to-invent system. However, in June 2000, the Patent Law Treaty (PLT) was adopted with the objective of the harmonizing the formalities of patent laws. Along with this, it was agreed at the fourth meeting of the Standing Committee on the Law of Patents (SCP) held in November 2000 that discussion on the substantive harmonization of patent laws be resumed.

Regarding the new phase of substantive harmonization, a virtually agreement has been made upon the following goals and targets.

- (i) For the benefit of applicants who seek worldwide patent protection, lowering of the application costs and improving the predictability of patent acquisition.
- (ii) To assist in decreasing the workload of patent Offices affected by the worldwide increase in applications,

allowing the results of searches and examinations to be exploited mutually under work-sharing provisions

(iii) For above purposes, several requirements essential for deciding whether or not patents can be granted will be highlighted for discussion, and detailed specifications for matters of practice ("deep harmonization") will also be pursued

(iv) In view of the excessive number of exemptions permitted in the previous agreement, no country should be granted exemptions under the new agreement in principle

The above (i) through (iv) will contribute to the construction of a patent system in which stable patent rights for the same invention can be acquired easily, at low cost, simultaneously, and anywhere in the world. Consequently Japan is taking a positive role in the discussion.

The SCP held three meetings after the fourth meeting by May, 2002, and carried out detailed discussions about the Substantive Patent Law Treaty (SPLT) clause by clause. As a result, though the members shared a basic direction regarding various matters such as approving the new provision on the relationship between claims and disclosure, there still remains a difference in the basic position between countries in respect to several matters.

Along with the seventh meeting of the SCP, the first meeting of the Working Group on Multiple Invention Disclosures and Complex Applications was held. The members discussed the issue of complex applications, which recently became a common problem, with a view to incorporating the results of the discussion at the meeting into the SPLT.

2. Promotion of the Mutual Use of Prior Art Search Results and Examination Results

In order to meet the needs for obtaining patents in multiple countries, it would be effective to reduce overlapping work for prior art searches and examinations carried out by multiple patent Offices. In light of this, the JPO has been recommending in various occasions, such as WIPO meetings, Trilateral meetings and meetings of the heads of patent Offices of developed countries, that prior art search results and examination results be mutually exploited and recognized, and that national patents also be mutually recognized in the future.

In order to promote the mutual use and recognition of prior art search results and examination results, it will be necessary not only to harmonize legal systems and the operation thereof but also to foster mutual trust between examiners of various patent Offices and improve the mutual understanding of national practices among countries. For this reason, the JPO has been exchanging examiners with the EPO and other patent Offices in foreign countries such as the United Kingdom, Germany, Sweden and the Republic of Korea as well as carrying out joint prior art searches between the Trilateral Patent Offices to ascertain the difference in the procedures for prior art search and examination between the Offices.

According to the results of these activities, the JPO and USPTO agreed in principle in June 2002 to launch a joint project, based on the common recognition that the sharing of prior art search results and examination results between the two would be effective in dealing with increasing examination workload and reducing overlapping work. In this joint project, the two Offices agreed in principle to launch a short-term review project by the end of this year with a view to sharing their prior art search results. At the same time, they also agreed in principle to launch a review project in respect to sharing examination results with other patent Offices and start considering effective measures to promote the sharing of examination results. The JPO and the USPTO will complete the review project on the sharing of examination results by the end of 2003 at the latest and then review the project and decide a future plan for the period from 2004.

3. Modified Substantive Examination (MSE) System

Using the modified substantive examination (MSE)¹ system would be another appropriate measure to reduce duplicated search and examination workload while maintaining the patent systems of respective countries. In consideration of this, it would be important to properly provide the results of examinations for corresponding Japanese patent applications with overseas patent Offices.

From such perspective, the JPO has taken measures in which, when it is designated as a prescribed patent Office in countries employing the modified substantive examination system (Singapore and Malaysia), applicants may obtain patent rights in these countries without going through substantive examination in principle by submitting the examination results of corresponding Japanese patent applications to the patent Offices of these countries. Accordingly, in the Agreement between Japan and the Republic of Singapore for a New-Age Economic Partnership (JSEPA), the JPO was designated as a prescribed patent Office on August 15, 2002 (The JPO was already designated as an elected Office by the Republic of Croatia in June 2001.)

4. Reform of the Patent Cooperation Treaty (PCT)

The Patent Cooperation Treaty (PCT), with an over 20 year history as an international patent filing system, is expected to further develop as a foundation for obtaining patents on a global scale, as shown in the remarkable growth of PCT applications. On the other hand, both users and patent Offices strongly demand improvement of the existing PCT system due to various problems such as complex procedures in the international phase and inefficiency due to duplicated procedures between the international phase and the national phase.

The PCT Assembly held in September 2000 reached an agreement on the commencement of discussion on reform of the PCT. Following this, lively and explicit discussions have been held, beginning with the meeting of the Committee on Reform of the PCT held in May 2001, with the aim of ensuring more efficient operation of the PCT system while reducing excessive burden on the ministries and agencies concerned. A variety of proposals for the reform of the PCT were classified into those requiring early implementation and those requiring further discussion. At the PCT Assembly held in 2002, the following reform proposals were adopted: (i) expansion of the functions of International Search (IS) and International Preliminary Examination (IPE) (written opinion together with an international search report), (ii) changes in the designation procedures (automatic indication of all designations at the time of filing an international application), and (iii) reinstatement of rights of international applications after failure to enter into the national phase within 30 months. Agreements were reached for (i) and (ii) to enter into force on January 1, 2004, and for (iii) to enter into force on January 1, 2003, with a transitional period being secured for consistency with national laws.

An agreement has been reached that discussions shall be further promoted to achieve and implement feasible proposals for PCT Reform as soon as possible while making amendments to the Treaty, if necessary.

In line with PCT reform, modification to Article 22(1) for "abolition of the time limit of 20 months for entering into the national phase" has been in force April 1, 2002. Accordingly, the time limit for a PCT application to enter into the national phase has uniformly been set at 30 months whether or not the applicant files the demand for international preliminary examination. Following this amendment under the PCT, the JPO has made necessary amendments to national laws and applied the uniform time limit of 30 months for entering into the national phase to applications that will reach the time limit of 20 months on and after September 1, 2002.

¹Under the modified substantive examination system, when a patent application is filed with a patent Office and a corresponding patent application is filed with a prescribed patent Office designated by the former Office, if the applicant submits the results of the examination carried out by the prescribed patent Office for the corresponding patent application to the former patent Office under the prescribed procedures, the former patent Office shall in principle accept the examination results by the prescribed patent Office and grant the applicant a patent right in the country of the former Office.

② Trilateral Cooperation

1. Trilateral Patent Cooperation

More than 80% of the world's patent applications are now examined by the Japan Patent Office (JPO), the United States Patent and Trademark Office (USPTO) and the European Patent Office (EPO), together comprising the Trilateral Offices. The Trilateral Offices have been carrying out cooperative activities with the aim of working out solutions to common issues. Trilateral cooperation started in 1983 and marked its 20th anniversary in 2002.

Trilateral cooperation started as project-type cooperation. The Trilateral Offices have released to the public the project results and outcomes common to them in various fields such as electronic filing, search tools, comparative studies in new technologies data exchange, classification, dissemination of patent information, examiner's exchange, and statistics.

In response to the increasingly active movement for new trilateral action, the Trilateral Conference in November 2001 decided, at the JPO's proposal, to have trilateral meetings to exchange information on solutions to the increasing workload.

The JPO will continue to promote Trilateral cooperation and contribute useful information to the world.

From May 21 to 24, 2002, two working groups on workload reduction as well as the Trilateral Technical Meeting were convened in the Hague.

(i) Working Groups concerning Workload Reduction

Meetings of the two working groups were held on May 21, 2002. These working groups were established under a decision made at the 19th Trilateral Conference in November 2001.

(a) Working Group for Mid- and Long-term Workload Reduction (usually called "Strategic Working Group (SWG))

At the SWG meeting, participants presented and freely discussed possible measures to be taken by the Trilateral Offices against the increasing workload at present and in the future

(b) Working Group for Workload Problems from the Technical Aspect (usually called "Technical Working Group (TWG))

The TWG reviewed the Trilateral projects, focusing on those relating to systems and information, and considered their impact on workload reduction with the aim of reflecting such review in future Trilateral policy. The TWG also discussed integration of systems including the electronic filing system.

(ii) Outline of the Trilateral Technical Meeting

Following the above workload working groups, the Trilateral Technical Meeting was held from May 22 to 24, 2002.

(a) Report on the SWG and the TWG, and Review of the Project Framework

At the Trilateral Technical Meeting, a rough draft of a new project framework for the trilateral projects was discussed in accordance with the discussions at the SWG and TWG meetings. In this discussion, it was decided to launch two new projects. The new project framework will be adopted in the Trilateral Conference in November 2002 and will start to be applied in 2003.

● Measures to deal with Mega/complex Applications

According to the SWG report, the Trilateral Technical Meeting decided to launch a project to consider measures for mega/complex applications, one cause of increasing workload.

● Exchange of DNA Search Results

As a result of past Trilateral cooperation, the Trilateral Offices have already standardized search tools and shared prior art search strategy with respect to DNA-related applications. In the Trilateral Technical Meeting in 2002, the Trilateral Offices decided to launch a new project for Trilateral exchange of prior art search results concerning DNA-related applications for search results obtained by one Office to be most effectively used by the other two Offices. To achieve this, the Trilateral Offices will experimentally exchange and mutually evaluate DNA search results, and then exchange such results on a regular basis using the Trilateral Network (TriNet).

(b) Progress in Ongoing Projects

The Trilateral Offices have been cooperatively working out solutions to common problems, with respect to mutual understanding of prior art search and examination practices, electronic applications, the Trilateral network, data exchange, and harmonization of classifications. At the meeting, progress in current projects was reported as usual. The outline of reported progress of the major projects is as follows.

● Comparative Study on "Protein 3-dimensional (3-D) Structure-Related Claims"

Recently, patent applications have been filed regarding technology for pharmaceutical development by analyzing the three-dimensional coordinate data for protein structures and applying information engineering to the obtained data. However, the Trilateral Offices had yet to clearly define the standards for judging the patentability of such inventions. Therefore, the JPO made a new proposal to carry out a comparative study concerning the patentability of protein 3-D structure related claims as a Trilateral joint project. It was agreed that the Trilateral Offices would start the project under the leadership of the JPO, aiming at preparing a report by November 2002.

● Examiner Exchange

JPO and EPO had already been exchanging examiners for the purpose of surveying the use of International Search Reports (ISRs) for PCT applications to improve their use, strengthen mutual understanding of prior art search results and examination results and foster mutual confidence. In this Trilateral Technical Meeting, the JPO proposed effective sharing of the survey results on the use of ISR and the efficient exchange of examiners between the JPO and the EPO, and reached an agreement with the EPO to that effect.

● Trilateral Network

The Trilateral Network (TriNet), connecting the Trilateral Offices online, made a significant contribution to the exchange of various types of information. In response to the argument for its expansion aiming to establish a global network, it was agreed in the technical meeting held in May 2001 to experimentally connect the Korean Intellectual Property Office (KIPO) and the Canadian Intellectual Property Office (CIPO) with the TriNet and review the TriNet expansion standards and the action program for expansion. In this Trilateral Technical Meeting, the KIPO and the CIPO reported the present situation of the network connection between these Offices and their corresponding hub Offices, the JPO and the USPTO. The Trilateral Offices officially approved participation of the KIPO and the CIPO in the TriNet at the November 2002 Trilateral Conference.

● Consideration of Change Request Mechanism in Technical Standards for PCT E-Filing Systems

The technical standards for the PCT electronic filing system (Part 7 and Annex F of the Administrative Instructions under the PCT) came into force in January 2002. They stipulate basic specifications for the PCT electronic filing system. The WIPO International Bureau made a proposal to include procedures to change the specification in the standards. With the first change in standards scheduled for 2003, the WIPO International Bureau has received nine change requests from PCT member countries. In this Trilateral Technical Meeting, the Trilateral Offices considered the requests and worked on preparing a Trilateral proposal on this issue.

● Efforts for Data Standardization

The Trilateral Offices have been considering the standardization of data formats for patent information. As XML standard formats for the PCT electronic filing system have been completely developed, efforts are continuing to develop XML standard formats for patent gazettes issued by the Trilateral Offices. A meeting of the XML Working Group was held from May 20 to 22 to discuss XML-DTD targeting dispatched data, gazettes and sequence lists. The results of the considerations of the Working Group were reported to this Trilateral Technical Meeting.

- F-term

F-term, developed as a JPO internal search tool, has been translated into English with JPO contribution under Trilateral cooperation and delivered to the other two Trilateral Offices. At this meeting, JPO contribution to the development of F-terms and English translation thereof was highly evaluated.

2. Trilateral Trademark Cooperation

Aiming for mutual cooperation among Trilateral Offices (JPO, USPTO, and OHIM) toward harmonization of systems for the registration and protection of trademarks, the first Trademark Trilateral Cooperation Meeting was held in May 2001 in Arlington, Virginia(US), and the second meeting was held in May 2002 in Alicante, Spain.

Following an exchange of information on the present situation of trademark systems in the countries concerned, discussion continued regarding (i) international trademark classifications under the Nice Agreement, (ii) Vienna Classifications for figure marks, and (iii) information technology. The Trilateral Offices agreed to discuss the possibility of standardization of the above three issues and technical experts from the Trilateral Offices would carry out projects to address them. The result of projects on these three issues will be reported at the third meeting, scheduled for 2003 in Tokyo.