

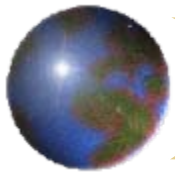
# Expectations for Patent Prosecution Highway by Japanese Users

TENTATIVE TRANSLATION

July 2, 2010

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Vice-Chairperson

The Second International Affairs Committee  
Japan Intellectual Property Association



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# 1. Introduction: Japan Intellectual Property Association

## Japan Intellectual Property Association (JIPA)

JIPA is a non-profit, non-governmental organization of users of the IP system which was established for the purpose of appropriately utilizing and making improvements to various IP systems and thus contribute to the sound progress of technology and development of Japanese industries as well as to the management of member companies. ( Number of member companies as of Oct. 7, 2009: 1193)

The following expert committees and special committees are affiliated with JIPA to study various IP issues, provide information, exchange views with relevant organizations, etc.:

### ◆ The First Patent Committee

Research and study on various issues involved in creation to patenting of inventions under the Japanese patent system

### ◆ The Second International Affairs Committee

Research and study on the system of acquiring and enforcing patent rights in Europe and PCT

### ◆ Trilateral Users/Committee on Promoting Harmonization of the IP System (Former Trilateral Users Project)

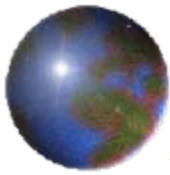
Research/study and provision of views for the purpose of international harmonization of patent systems and their utilization

JIPA's website: <http://www.jipa.or.jp/index.html>



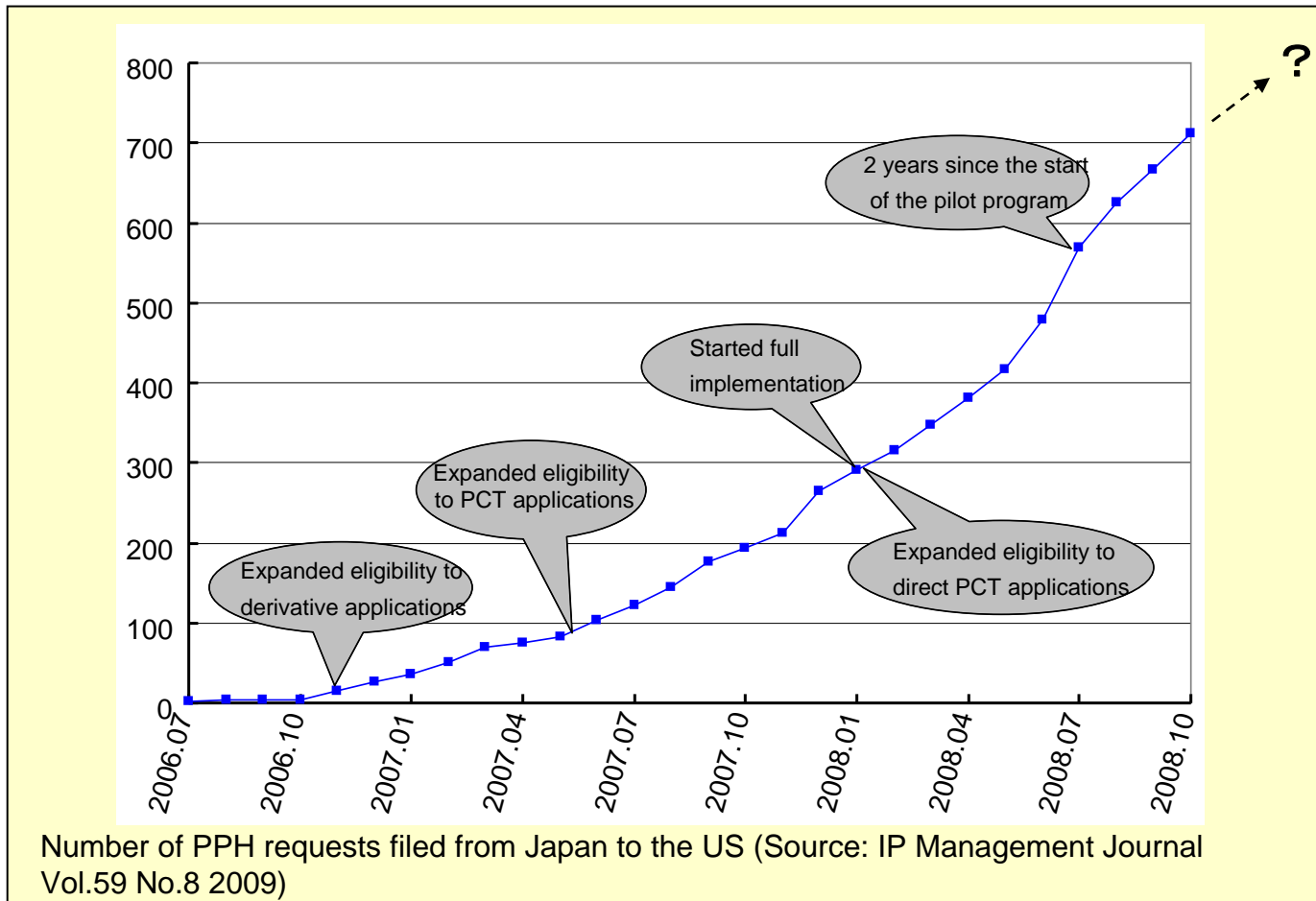
Monthly Journal:  
"IP Management"





# 1. Introduction: History of PPH and Japanese users' response to PPH

From concept and pilot program to full implementation – The number of PPH requests is steadily increasing each year



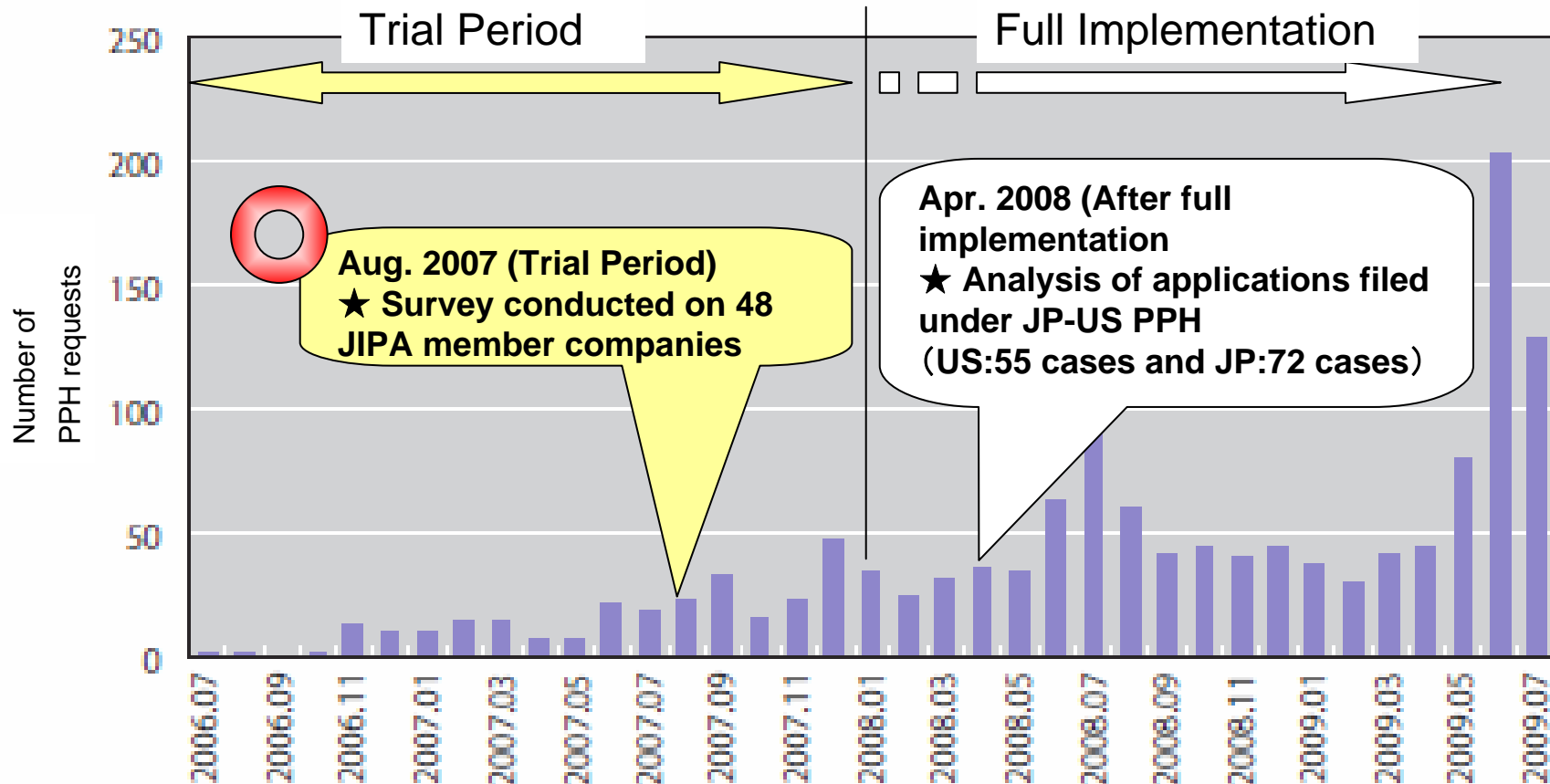
What impression did Japanese users have at first and how did they respond toward PPH?





## 2. Study and Analysis Made by JIPA Expert Committees

Surveys on usage of PPH were led by The First Patent Committee and The Second International Affairs Committee



Number of PPH requests filed from Japan to the US (Source: Journal of Patent Office Society No.255 2009.11.16)





## 2-1. Summary of 2007 Survey (Questions)

Background: The First Patent Committee conducted the survey in order to learn the situation of usage of JP-US PPH Pilot Program after a lapse of one year since its start in July 2006 (at the time the program was initially scheduled to end)

Survey Period: August 2007

Subjects: 48 JIPA member companies (23 electronic companies, 16 chemical companies, and 9 machinery companies)

- Topic of Survey Questions

**For the companies using the PPH (13 companies):**

- (1) Advantages of using the program
- (2) Disadvantages of using the program
- (3) Comments on the program or usage of the program

**For the companies that are not using the PPH (35 companies):**

- (1) The concerns that prevent you from using the program
- (2) Improvements that should be made for using the program

(Refer to “Survey on the Usage of Patent Prosecution Highway” on the IP Management Journal Vol.58 No.2 2008 for details.)

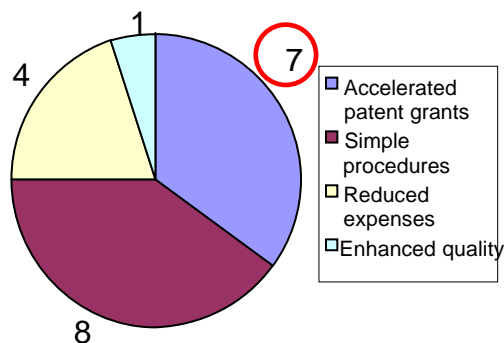




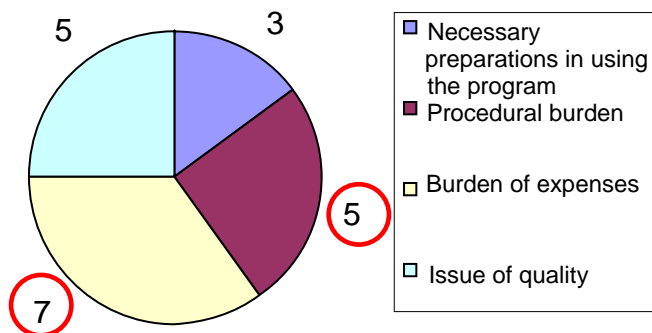
## 2-1. Summary of 2007 Survey (Results)

(1) Responses by companies that have used the PPH (multiple responses from 13/48 co.)

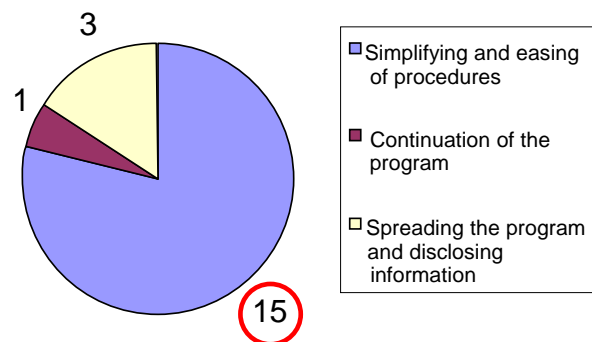
(1) Advantages of using PPH



(2) Disadvantages of using PPH



(3) Comments on PPH or usage of PPH



Disadvantages of using the PPH (at that time):

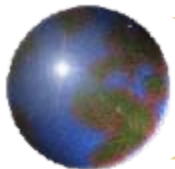
- i. Procedural burden – Amending all of the claims for OSF
- ii. Burden of expenses – Translation of documents and explanation regarding correspondence of claims

Requests (at that time):

- i. Simplifying and easing of procedures – Relaxing the requirement of claims being of the same scope (ex. Only independent claims should be required in such a manner.)
- ii. Relaxing the time limit for filing PPH requests – Accept it even after start of examinations

Some of the users were trying out the program to grasp the effects and issues of the program.

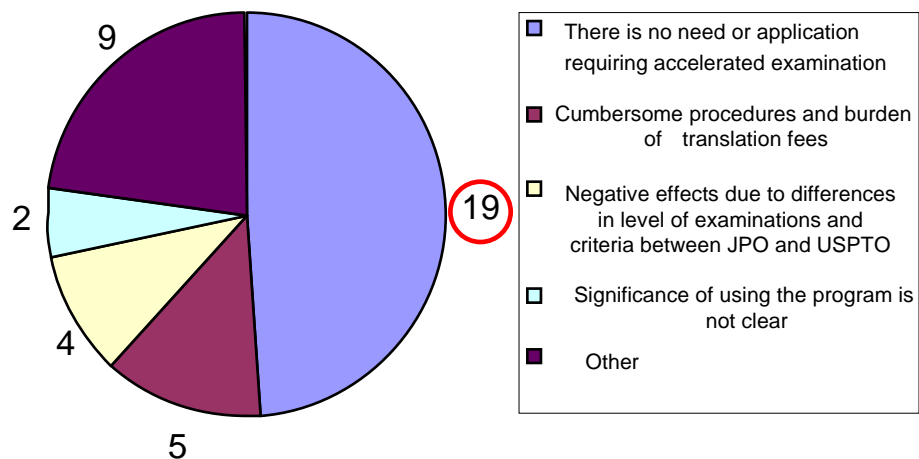




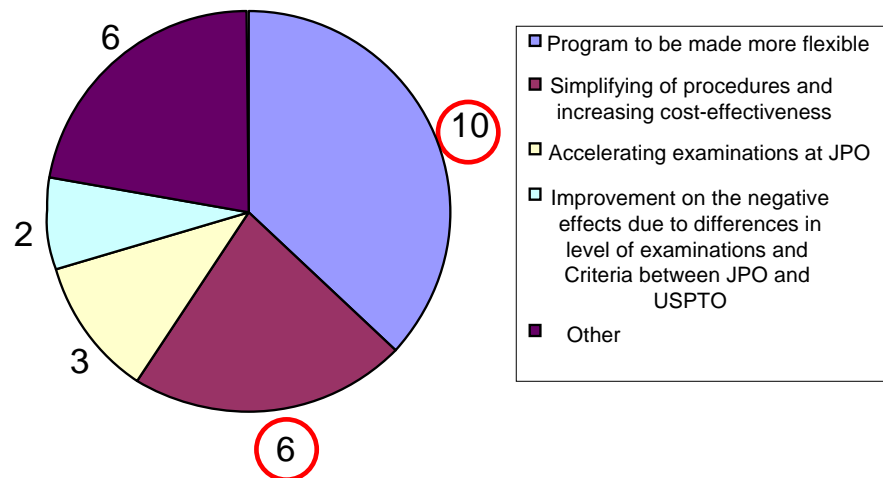
## 2-1. Summary of 2007 Survey (Results)

### (2) Responses by companies that have not used the PPH (multiple responses from 35/48 co.)

#### (1) The concerns that prevent you from using the program



#### (2) Improvements that should be made for using the program

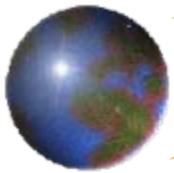


Reasons for not using the PPH (at that time): The top reason was **no need for accelerated examinations**.  
 Requests (at that time): i. Simplifying of procedures and increasing cost-effectiveness, and ii. Relaxing the requirement for using the program

It became apparent that for users whose needs for accelerated patent grants were low, under the circumstances where validity other than “accelerated patent grants” were not clear, additional procedural burden (including translation) and increase in expenses prevented them from using the PPH.

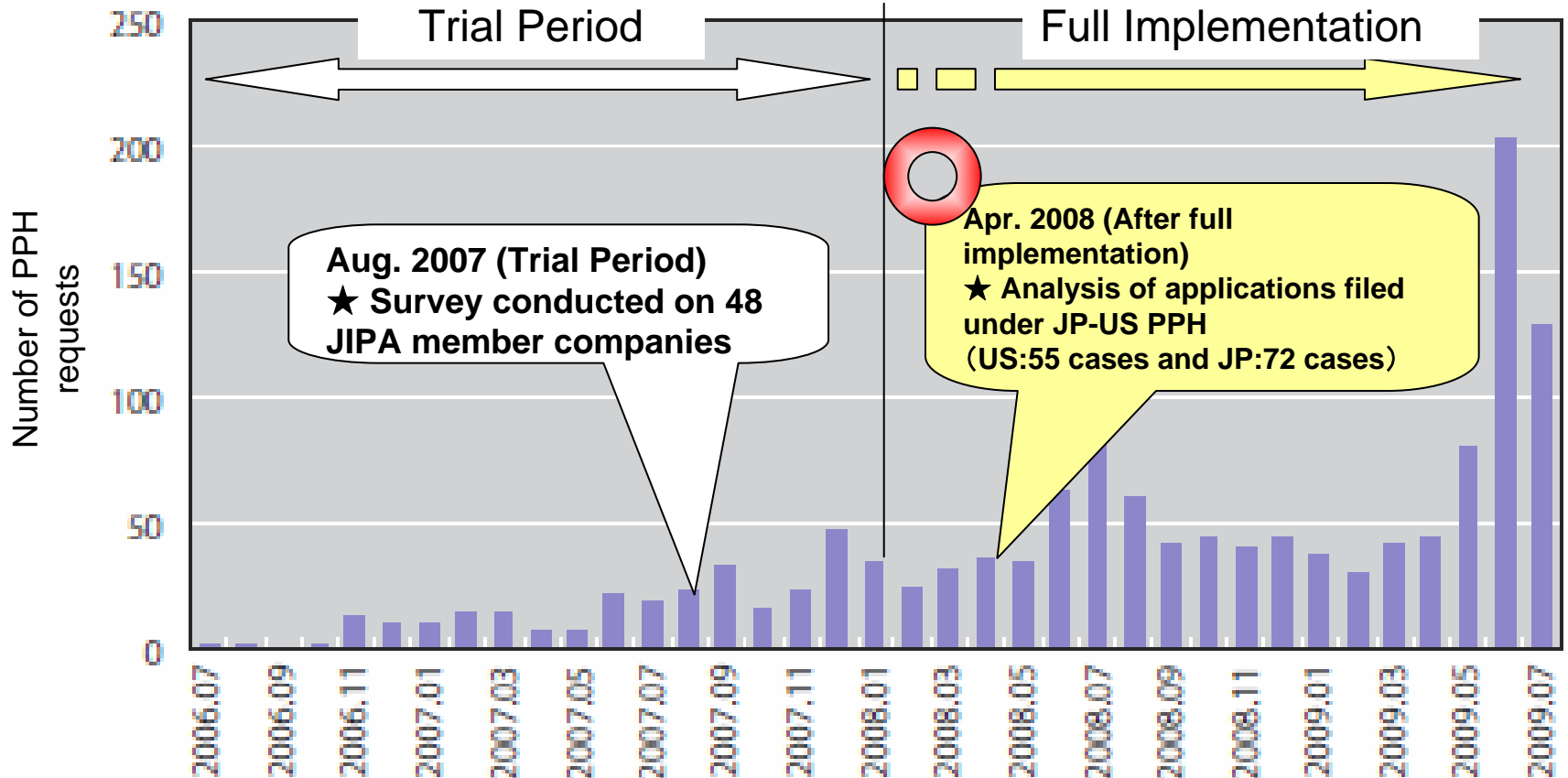
(Refer to “Survey on the Usage of Patent Prosecution Highway” on the IP Management Journal Vol.58 No.2 2008 for details.)





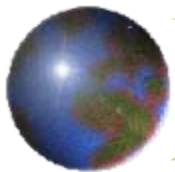
## 2. Study and Analysis Made by JIPA Expert Committees

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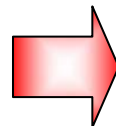
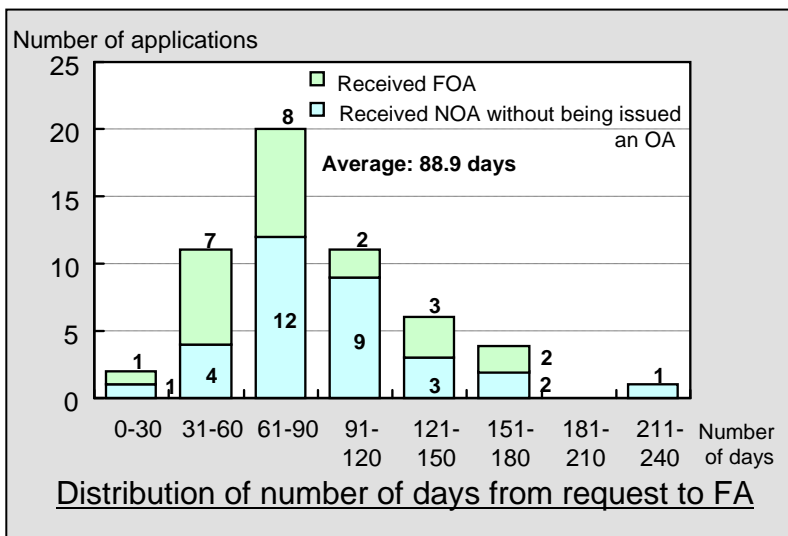


## 2-2. Analysis of US Patent Registrations through PPH (1)

Background: The Second International Affairs Committee conducted a follow-up survey on US applications that requested PPH during the pilot program since **it was difficult to obtain statistical data of the usage and validity** before JP-US PPH was fully implemented in Jan. 2008 following the trial period started in July 2006.

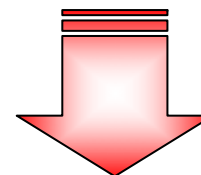
Time when PPH requests were made: From July 2006 to Jan. 2008 (During the trial period)

Subject: 55 confirmed US patent registrations as of April 2008



PPH request to FA: 88.9 days (3 mo.)  
 ⇔ Overall avg. (Filing to FA) 25.6 mo.

PPH request to NOA: 150 days (5 mo.)  
 ⇔ Overall avg. (Pendency) 32.2 mo.



Confirmed validity of accelerated patent grants

Despite the limited number of samples, was able to quantitatively grasp the validity of “accelerated patent grants” through PPH





## 2-2. Analysis of US Patent Registrations through PPH (2)

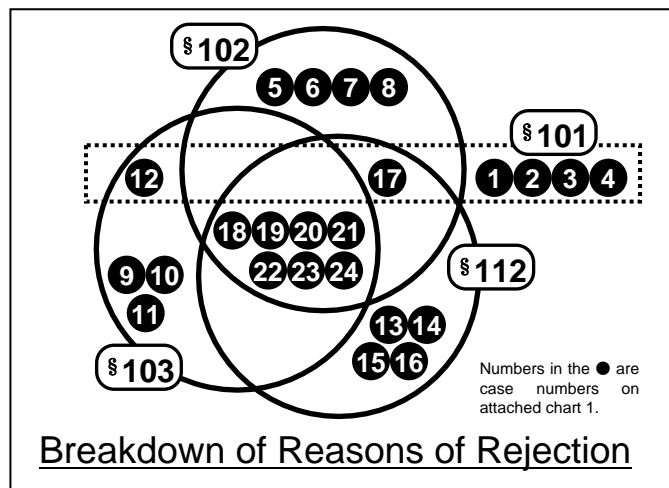
Initially many users' expectation for using PPH was "to obtain US patents with no OA's"

### Number of Office Actions sent before registration

No. of OA	No. of Cases	Rate	Avg. number of OA
0	31	56.0%	0.47
1	22	40.0%	
2	2	3.6%	

Validity other than "acceleration"

Although the number of OA decreased, only about 50% of the cases are registered on the first attempt.

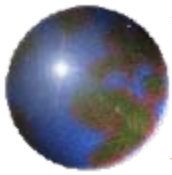


### Breakdown of Reasons of Rejection

- § 101: Patentable subject matter
- § 102: Novelty (including 102(e))
- § 103: Non-obviousness
- § 112: Description requirements

Despite the limited number of samples, validity other than "acceleration" and points of concern were brought to light.





### 3. Voice of JIPA member companies for the current use of PPH

~ 2010 Hearing for Member Companies of JIPA Committees on Patent #1 and International #2~

Background: In order to grasp the current usage situation of PPH, an impromptu hearing was conducted on companies of The First Patent Committee and The Second International Affairs Committee via e-mail.

Hearing Period: Mid-June 2010 (For about two weeks)

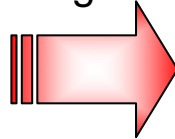
Responses: 11 companies (6 electronic and machinery companies and 5 pharmaceutical and chemical companies)

2007  
PPH Survey

2008  
Analysis of Patent  
Registrations Through



Any  
changes?



• Contents of the hearing  
Current situation of usage of the PPH program  
by the companies and their candid views on  
the program:

1. Counterpart country (not limited to the US)
2. Issues that were improved
3. Issues that should be improved
4. Any other comments



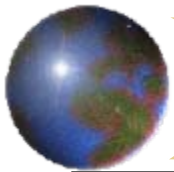
### 3. Voice of JIPA member companies for the current use of PPH ~ 2010 Hearing for Member Companies of JIPA Committees on Patent #1 and International #2~

#### (1) Issues that were improved (regarding USPTO)

- Submission of certain documents were exempted.
- PCT applications became eligible to participate in the PPH.
- Fee for the petition to participate in the PPH was eliminated.

**Issues where same responses were received  
from multiple companies (hereinafter the same)**

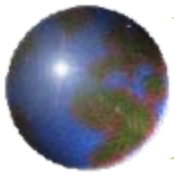
***Thank you !***



### 3. Voice of JIPA member companies for the current use of PPH ~ 2010 Hearing for Member Companies of JIPA Committees on Patent #1 and International #2~

#### (2) Requests for improvement (for the US)

- To shorten the FA period, etc.
  - ~ Some cases where it takes more than 6 months to grant PPH request, where an FA is not issued within 6 months/one year, etc.
- To further exempt document submissions
  - ~ To exempt those documents which are available for the USPTO through the Dossier System etc.
- To clarify the meaning of “sufficient correspondence” between claims, and review of implementation of the requirement after the start of examination
  - ~ “sufficiently correspond” “non-responsive reply” (to be mentioned later)
- To ease the time limit for requesting for the PPH
  - ~ To accept PPH request after the start of examination
  - / To provide information for users to know the start time of examination
- Other
  - ~ There were some cases entering into regular examination process without any decision on PPH request.

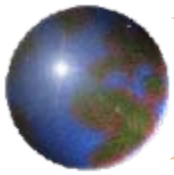


### 3. Voice of JIPA member companies for the current use of PPH

~ 2010 Hearing for Member Companies of JIPA Committees on Patent #1 and International #2~

#### (3) Requests for improvement (Not only for the US but PPH in general)

- To further fulfill PPH portal site statistics
- To expand the number of eligible countries for PPH(PCT-PPH)  
~ Especially in China (which has no accelerated examination system for foreign users)
- To unify the standard of requirements and formats needed for making a PPH request
- Other  
~ Frequent citation of new prior documents in German at DPMA, etc.



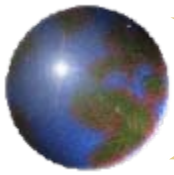
### 3. Voice of JIPA member companies for the current use of PPH ~ 2010 Hearing for Member Companies of JIPA Committees on Patent #1 and International #2~

(4) There are still a number of companies which have hardly used the PPH;

- Needs for obtaining rights via accelerated examination are low; and
- Procedural burdens for utilizing the PPH such as drafting PPH request papers and also different irregular management from the usual processing are required.







## 4. Suggestions to Japanese users for the current use of PPH

Suggestions for the effective use of PPH inferred from previous investigation and hearing

### ● General method for using PPH

With some opinions that the PPH is an effective means for obtaining rights earlier, can reduce the attorney cost by cutting down the number of OA's to deal with, and also effectively prevent estoppels from occurring within the family,

⇒ It is one of the cost-merit factors how to coordinate with attorneys both at home and abroad. (Empirical know-how accumulation → Judging claim identity, avoiding inadequacies in filing an application, etc.)

### ● Examination in the OSF

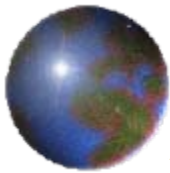
Care for dependent claim set: Independent claims are not the only examination target.

Rejection caused by different legislation: ex. JP29-2 ⇔ US § 102(e)

**Translation and description requirements**

**Non-responsive amendment**





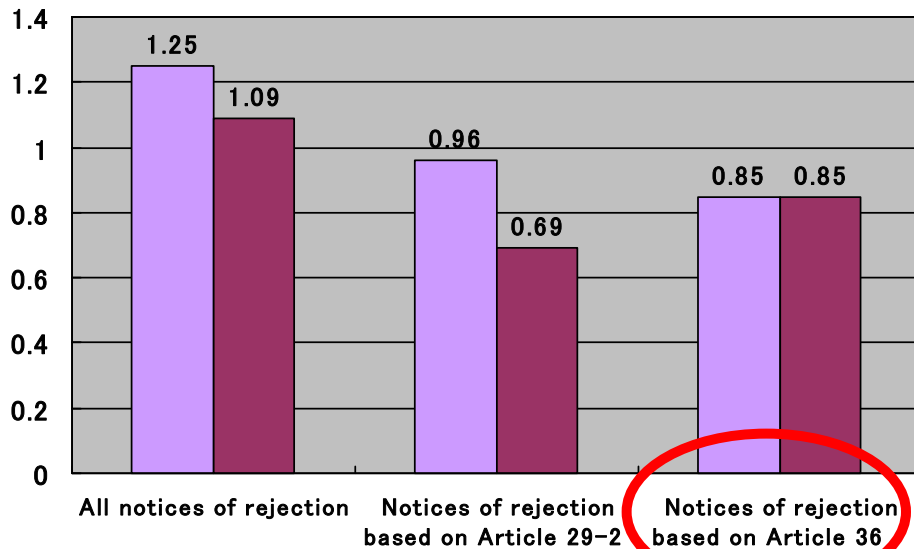
# (Reference) Why doesn't the PPH enable "registration on the first attempt"?

Reasons: OA (reasons for rejection) includes not only "novelty/non-obviousness" but others.

## US→JP (JPO information)

Average number of issuing times of notices of rejection at JPO\*

■ Applications based on US applications with priority claim  
■ US-Japan PPH applications



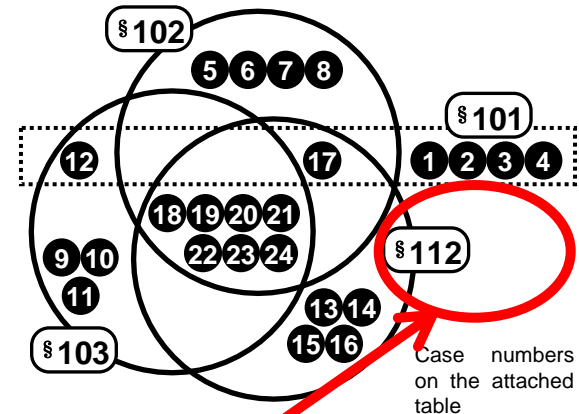
(Source: JIPA Kanto Division Data, 27 Oct. 2009)

## JP→US (JIPA investigation)

55 cases for investigation, which requested for the PPH during a trial period (July 2006 ~ January 2008) and have been registered before April 2008.

Out of 55 cases:

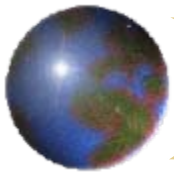
- 31(56.4%) were registered on the first attempt.
- 24(43.6%) received OA (substantive).



Caused by translation?

"Newly cited document" + "Different legislation" + "Inadequate description" at the OSF (USPTO)

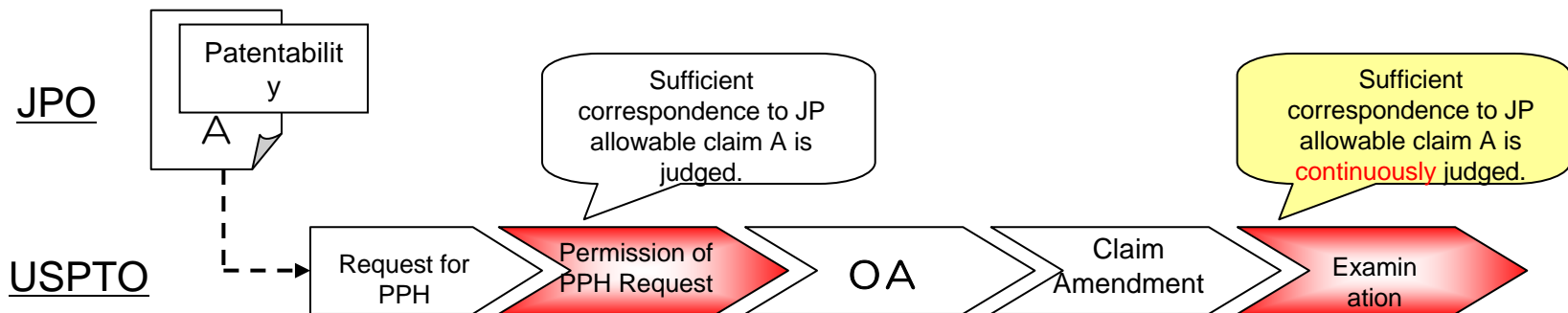


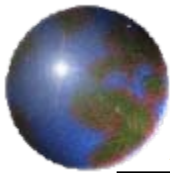


# (Reference) “Non-responsive reply” in the PPH

The requirement of “sufficient correspondence between US application claims and Japanese allowable claims” at the time of requesting for the PPH application can be **continuously applied** to during the examination process **after** obtaining permission of the request (especially after the Office Action). (Notice Regarding Full Implementation of Patent Prosecution Highway Program between the United States Patent and Trademark Office and the Japan Patent Office < signed 28 Dec 2007>)

During the substantive examination process after obtaining permission of the PPH request, an **amendment** to overcome a rejection is **dismissed** and considered as a “non-responsive reply” if an examiner judges that the amendment “does not sufficiently correspond to Japanese allowable claims”. (Granting a right after CL amendment is by a continuous application after cancelling the application concerned.)



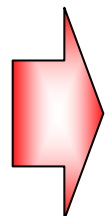


# 5. Discussions at Trilateral User Meetings

JIPA, IPO, AIPLA, BE

**A Trilateral User Meeting** is held every year since 2003 among Japan/US/Europe user organizations in order to enhance the harmonization of the international patent system by bringing the voice of user organizations in the world together in one based on the JIPA proposal. Introduction of common application format etc. is a part of activity results.

Addressed to Trilateral Office Heads  
Expressing expectation and request in terms of the possibility of PPH



**Recent discussions on PPH**  
(The 13<sup>th</sup> meeting held on June 2, 2010 in USA)  
“At this meeting, discussions were made focusing on the harmonization of searches and examinations continuously from the last meeting. . . . Another discussions were made on the Trilateral user cooperation concerning the PPH system under which the working-level collaboration among Trilateral offices is expected to be enhanced. Through the opinion exchanges among users, there was made a request common to each user at the Trilateral offices.”

([http://www.jipa.or.jp/katsudou/kokusai\\_katsudou/13trilateral.htm](http://www.jipa.or.jp/katsudou/kokusai_katsudou/13trilateral.htm))

**Sharing information on the Trilateral PPH practical conditions and tasks ⇒ Also in Europe and the US, there are many requests common to Japanese users.**

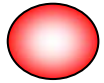


-世界から期待され、世界をリードするJIPA -  
Creating IP Vision for the World



## 6. Expectations to IP Offices from Japanese Users

Corresponding to the needs for “cost reduction” by lessening procedure burdens in addition to the needs for obtaining rights “earlier.”



### Improvements to PPH Procedures

- Admitting machine translation among each office, applicants should not be required to submit any translation in the case where the OSF is able to use a machine translation system through a network like the AIPN.

- It is expected to clarify the definition of “sufficiently corresponding” in Claim correspondence, a PPH requirement, and to aim at unification among each office (by showing examples if possible) .

- In the case where the claims does no longer sufficiently correspond to the original PPH claims as the result of claim amendment after the start of substantial examination, the examination condition should be returned to the regular one by cancelling the state of accelerated examination.





## 6. Expectations to IP Offices from Japanese Users

### **Information and Data Dissemination**

- Each office is expected to maintain detailed data and statistics regarding the PPH program in order for users to be able to use them. Then, users will be able to evaluate the range of advantages of utilizing the PPH and each user will be able to work out effective measures for the use.

### **Uniformity of PPH Rules and Procedures**

- It is highly expected to unify PPH rules and procedures at the PPH member offices as much as possible (including fees and forms).

- Each Office could disclose PPH application error cases.

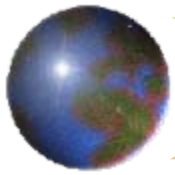




## 6. Expectations to IP Offices from Japanese Users

### PCT-PPH

- Users welcome the PCT-PPH system and expect its effects. Other nations including newly emerging countries are expected to join the system in the future.
- Regarding the quality of search results of each office, the OFF and OSF are expected to share feedback information on prior art after the completion of the PPH procedures.



## 7. Conclusion

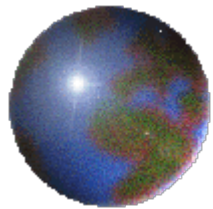
The PPH is the system which is still under developing process.

While expecting further improvement of practices and expansion of the number of eligible countries from each office,

users should probably understand the latest system practices and work out an effective and practical method according to each business strategy of the users.







*JIPA being expected from and leading the world*

*Creating IP Vision for the World*

Thank you for your kind attention.