

Accelerating examination of your patent application

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Owing to backlogs at the patent office of some countries there can be a wait of up to six years to examine a patent application. This delay can have serious ramifications for commercialisation and may mean that by the time the patent has granted, the technology being protected is yesterday's news. We examine the ways in which you can jump the examination queue and get that patent granted pronto.

After filing a patent application at a national patent office, the application is generally examined to assess whether it meets a number of patentability criteria. The main criteria are novelty (the invention has not been published or used before) and inventive step (the invention is not obvious). The time taken from filing a patent application at a national patent office to having the patent granted is called the patent pendency.

The patent pendency varies from country to country from about one month (for a "convention" application in New Zealand) to about six years (for a national phase application in Brazil). The average pendency for the major patent jurisdictions, i.e., US, Europe, Japan, Australia is about three years. By requesting accelerated examination this pendency can be reduced to about six months.

Why accelerate examination?

A patent applicant will generally be keen to commercialise their invention. Without an indication of patentability, there is uncertainty about what technology the patent will cover (if any). After examination in even one jurisdiction, patent filing strategy and financial strategy can be formulated with more certainty and the likelihood of success in other jurisdictions is more predictable.

As long as the examination finds the invention to be patentable, earlier examination also potentially leads to earlier grant of a patent. This can have knock-on advantages as follows:

- It provides the ability to license/sell/enforce the patent,
- There may be increased investor confidence in granted patent compared to applications,
- Release of investor finance may be dependent on patent(s) being granted,
- Patent assets may be used to increase company value or as leverage during business transactions.

Why not to accelerate examination?

Until a patent is granted, there is uncertainty about the final monopoly the government may grant. This uncertainty can discourage competitors, which may be beneficial to a growing business, especially if the protection you actually expect to be granted is fairly narrow. Other reasons to

delay examination include where the applicant may need more time to develop the invention, or may wish to align the patent claims with the actual product to be sold.

Also, there is the cost issue. Some countries levy a fee for accelerating examination and all costs associated with examination, grant and renewal (official fees and attorney fees) are brought forward which may be undesirable. This is especially true for start-up companies in the early stages of commercialisation where funds are tight.

How to accelerate examination

There are four main routes to obtain accelerated examination in most countries:

1. Request accelerated examination at the national patent office.
2. *Green technology* request for expedited examination.
3. Patent Prosecution Highway (PPH).
4. PCT Patent Prosecution Highway (PCT-PPH).

The method that you choose will depend on your patent protection strategy, the nature of the invention and the place where the application has been filed.

1. Request to Patent Office

This method has the advantage that it does not rely on the application having been previously examined at another patent office (which methods 3 and 4 do). However, restrictions on eligibility for accelerated examination are present in many countries. For example, the United States Patent and Trademark Office (USPTO) normally requires the applicant to carry out and provide details of a pre-examination search and analyses the patentability of each patent claim. There are also limits on the number of patent claims that can be included. These requirements can be costly and may unnecessarily narrow the scope of protection afforded by the patent. In late 2011, the USPTO brought in a separate *Prioritized Examination* option which is considerably less cumbersome than the standard accelerated examination procedure. However, this Prioritized Examination procedure costs US\$4800 to pursue, which is a major drawback for some applicants.

The patent offices of Australia, Europe and Canada are much more relaxed and will allow requests for accelerated examination without any difficulty. Unusually, the Intellectual Property Office of New Zealand (IPONZ) will only allow accelerated examination to occur if there are "good and substantial reasons", such as suspected infringement. This is a fairly high bar to set but is perhaps justified by the generally efficient examination process of IPONZ as a whole.

2. Green technology request for accelerated examination

Several national patent offices offer accelerated examination if the invention is a *green* technology. Australia, Canada, the UK, China, Japan, South Korea and Brazil have green technology accelerated examination programmes with varying requirements.

This option is obviously limited by the technology of the invention. There is no firm agreement between the patent offices as to what exactly constitutes *green*. The Canadian IP Office considers that the patent application must *relate to technology the commercialization of which would help to resolve or mitigate environmental impacts or conserve the natural environment and resources*. The UK IP Office simply requests a statement on why the application is *environmentally friendly* while the JPO goes to the other extreme of requiring that the invention *has an energy-saving effect and contributes to CO₂ reduction*. While some technologies, e.g., a novel wind turbine, would clearly be eligible, for border-line *green* technology, e.g., a new, lighter polymer material that, if used in cars, would increase fuel efficiency eligibility should be assessed on a country-by-country basis.

3. Patent prosecution highway (PPH)

The PPH is a series of bi-lateral agreements between national patent offices to rely on the previous examination search of an overseas office. The aim of the PPH agreements is to reduce office workload by not replicating the examination efforts of other patent offices with a high quality standard. The ultimate goal is to decrease pendency of patent applications.

Generally, if a patent claim has been accepted by one of the selected patent offices, let's call it Office A, a PPH request can be made to a second patent office (Office B). Office B will then allow the application to jump the examination queue and will rely on Office A's patentability search and examination when conducting their own examination.

The patent claims submitted to Office B must correspond with claims allowed by Office A to be eligible for accelerated examination. Often, documentary evidence showing that Office A has accepted the claims will also be required.

Examination will still be conducted by Office B and issues may be raised on the basis of local law or different interpretation of prior art documents. Therefore the PPH process isn't a sure-fire way to get your patent accepted in another country, but it does reduce the time taken to examine it.

Countries that have at least one PPH agreement with another country include Australia, Austria, Denmark, Europe, Singapore, Finland, Russia, Hungary, Spain, Mexico, Portugal, Sweden, Israel, Nordic Patent Institute, Taiwan, Norway, China, Iceland, Philippines, Japan, the United States, the UK, Canada and Germany. The PPH cannot be used between all of these countries in all circumstances and new agreements are being formed all the time between existing and new countries.

The PPH programme has been a great step forward in international patent office co-operation; it has the potential to significantly reduce waiting times and ease the time (and expense) of obtaining granted patents. The programme is especially useful for applicants with a relatively broad market who wish to obtain protection in a number of countries.

4. Patent Co-operation Treaty Patent Prosecution Highway (PCT-PPH)

A patent applicant is normally provided with 12 months in which to file overseas applications after the filing of their initial application. Filing a PCT application (before 12 months is up) provides a further 18 months to decide on which countries to make further applications (referred to as *national phase* applications).

As part of the PCT application process an international search is carried out by an International Searching Authority (ISA). In reality, the ISA is a national patent office with high quality standards and a good breadth and depth of examiner expertise in different areas of technology. The PCT application does not confer any patent rights (i.e., it is not a granted patent) but it does provide a means to delay the decision of which countries to file in (the national phase applications). The international search provides an indication of whether a patent will be granted once it is filed in each separate country. Even though an international search has been carried out, most countries in which a national phase application is filed will carry out their own search and examination to decide whether to grant a patent in that country.

The PCT-PPH is a series of agreements between ISAs and national offices whereby the national offices accelerate national phase examination and make use of the patentability search of the ISA. To be eligible to accelerate your national phase application using the PCT-PPH, at least one claim must be deemed novel, inventive and industrially applicable by the examiner of the ISA.

IP Australia (the Australian patent office) is often the preferred ISA for New Zealand PCT applicants owing to the efficient and thorough examination they carry out and the lower fees than some other ISAs. However, IP Australia only has a PCT-PPH agreement with the USPTO. This means there is no option to accelerate your national phase application in a country other than the US using the PCT-PPH. A way around this obstacle is to request that the ISA is the USPTO.

Again, the national patent office accelerating the application will not automatically accept the opinion of the ISA, although a favourable opinion can never hurt.

A word on IP strategy for NZ-based applicants

If you know that you would like to accelerate examination of your patent application, consider filing your first (priority) application in the US; this opens up far more possibilities for using the PPH. Also, when filing a PCT application, consider using the USPTO as the ISA. This

opens up opportunities to accelerate examination in far more countries than if IP Australia is used.

Finally, let your patent attorney know as early as possible that you wish to accelerate examination. This will enable them to tailor the filing strategy to suit your needs.

If you have any queries regarding intellectual property related matters (including patents, trademarks, copyright or licensing), please contact:

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