



e-News

No.14

September 2010

International Association for the Protection of Intellectual Property
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AIPPI Bureau

Report on the AIPLA-FICPI Colloquium The patent offices backlog crisis

On June 17 and 18 2010, FICPI and AIPLA held a joint colloquium in Edinburgh, Scotland on the backlog in the patent offices around the world. It was attended by a little more than 50 participants. The quality and profile of the participants was extraordinary. Leading representatives of the national and international IP offices met with the leading representatives of IP associations and IP owner associations.

The first session of the first day dealt with Scope, Sources, and Economic Consequences of the Backlog Problem.

Government and user representatives presented their individual views of the development of the backlog issue and whether or not it constitutes a problem or crisis. The general consensus was that all IP offices have a certain stock of applications which does not necessarily have to be considered as a backlog. There are, however, offices with a substantial and increasing number of pending applications which grows into a backlog of several years and thus constitutes a real problem. A recent study performed by the UK IPO estimates a damage of several billion US-\$ for the IP owners due to the backlog.

Representatives of leading IP owners identified the economic consequences to not only affect the applicants but to have a substantial impact on third parties. Pending unexamined patent applications create legal uncertainty which may block decisions to invest into a certain technology.

The title of the second session was "Impediments to Solutions". AIPPI's Secretary General pointed out that the lack of work sharing is the major impediment to solving the backlog issue. One of the reasons for insufficient work sharing between the international offices is a substantial lack of harmonisation. As long as the substantive requirements for patent protection and the patent examination proceedings are not similar in the different examining offices we will not see sufficient use of the work results of one office by the other offices.

The Administrator for External Affairs in the USPTO very openly addressed the issues identified within the USPTO as the major impediments. She agreed that work sharing and harmonisation are major issues and she announced that under the new director of the USPTO these aspects will be given an increased attention. Insufficient staff was also considered to be one of the impediments. The USPTO must ascertain that its income is not diverted into non-patent expenses and also consider a new fee structure to improve the backlog situation.

She emphasised that the best solution is probably not a "one size fits all" approach. The USPTO currently investigates a three track examination strategy with one high speed track where an increased, cost covering examination fee will trigger immediate examination of a patent. Of course, this scheme has yet to be shaped as prohibitive fees may exclude SME from choosing the fast track. The USPTO tries to find an approach that enables all applicants to follow the high speed track if needed.

Representatives of Business Europe, JPAA and major applicants were conscious of industry and applicants being a part of the problem but that substantial extensive filing strategies are sometimes required in order to acquire best protection for a specific field of technology.

Leading officials from JPO, KIPO, SIPO and INPI identified co-operation and work sharing as the major tool for addressing backlog issues and explained the progress in the field of the Patent Prosecution Highway and in mutual use of work results, mainly search results.

The corporate perspective was presented in Session 3 by representatives from General Electric, Microsoft, Eli Lilly and Unilever. They focused on the problems created by backlogs. It was interesting to see that even the strongest patent holders' main concerns with respect to the backlog were the negative effects of pending and unexamined patent applications on them as third parties.

The final session of the first day focused on the interrelationship with other issues, in particular patent quality. Representatives of IP offices and applicants jointly describe the negative effects of excessive work loads on the quality of patent examination.

A WIPO representative reports on a recent, significant success in finding general acceptance for the PCT roadmap. It is to be expected that further harmonisation within the PCT will lead to increased work sharing. Representatives from IP associations agree that PCT is written as a perfect tool for harmonisation and work sharing if used correctly.

The second day of the seminar started with a critical review of proposed strategies, in particular billing strategies, for changing the users' behaviour.

Speakers from the JPO and academia focused on the influence of fee structures on the number of applications in one patent family, the number of claims and applicants behaviour in the examination proceedings. The statistical analysis reflects the typical deadline driven behaviour of applicants and makes it clear that a prolongation of the examination procedure by a few months is generally not a problem for the applicants.

Speakers from epi and IPO explain that applicants accept increased procedural fees up to a certain limit if the additional fees are used to improve the speed or quality of examination and the income is not diverted into other governmental spendings.

The second session of the day considers practice restrictions to control filings to limit the number of family applications. FICPI's Past-President reports on the increased number of election requirements issued by the USPTO. In a number of cases, the election requirements did not seem to be justified by an actual lack of unity. Excessive election requirements may increase the amount of fees collected for granting a given variety of claims but also make the examination procedure more ineffective. The USPTO seems to be responsive and to cautiously change the system in order to discourage unjustified election requirements.

CIPA strongly criticises the new EPO rules on divisional applications and 'raising the bar' as being counter productive. The new rules restricting the time for filing divisional applications will force the applicants to file more divisional applications as a measure of precaution at an early stage. In September this year, the EPO will be swamped with divisional applications. The new rules restricting the scope of the examination proceedings will generate additional divisional applications. It seems that the EPO has acted before properly analysing the situation and in the attempt to reduce the misuse of the rules on divisional applications has created much more problems than it has solved.

In the 4th session deferred examination, multi-track (high speed track and low speed track) examination as well as alternatives to the patent system, such as utility models, unregistered design rights and unexamined patents are discussed in a podium discussion. Deferred examination may initially reduce the pressure on the examiners but will considerably increase legal uncertainty of third parties. The negative effects of unexamined rights on third parties are very critically mentioned.

In the final sessions, the solution strategies

- Work sharing (PPH, SHARE, TRIWAY, NEW ROUTE)
- Supplemental Searching and Reliance on Outside Searches
- Harmonization

are reiterated and discussed by representatives by the IP5 offices EPO, JPO, KIPO, SIPO and USPTO.

A considerable consensus exists between the participants concerning the existence and negative effects of backlog, especially on third parties and the solution strategies (work sharing and harmonisation). However, the seminar was only attended by applicants and IP Office representatives from the IP5 countries. It is to be hoped that the positive developments in the PCT workgroup of WIPO will considerably increase the level of harmonisation and work sharing in the near future.

A Patent Prosecution Highway Seminar was held in the afternoon of the second day.

(Secretary General of AIPPI)

AIPPI Committees

Q199 Client Privilege in IP Professional Advice

"The committee of Q199 (Michael Dowling, Steven Garland, and Wouter Pors) reports on the results of the Q199 Questionnaire as follows.

The committee received 47 Responses. The results of the Responses have been epitomised and analysed by the committee. They will be more fully reported to AIPPI by the Chairman both to the Bureau and ExCo in the lead up to, and at, the AIPPI Congress in Paris.

Did you know that 96% of the Responders are from countries which provide protection of IP professional advice against forcible disclosure?

Did you know that 73% of those say that the protection so provided is inadequate?

How is this problem to be remedied? The SCP process seems to be stalled short of mandating WIPO to study remedies. Why is this so particularly when the protection is provided by most of the Member States but apparently falls short of being adequate?

Come to Paris and have your say on these matters when they are reported in more detail and discussed in the ExCo!"

(Report by Michael Dowling, Chairman of Q199)

Forthcoming Events

AIPPI World Congress 2010 Final Programme

The final programme of the Paris Congress as well as the Congress calendar can be found [here](#).

(AIPPI General Secretariat)

AIPPI World Congress 2010 in Paris Working Questions

This year's Working Programme for the Paris Congress has again enjoyed a great interest of our National and Regional Groups in sending in their reports. We have received between 36 and 42 reports per question which is an excellent turnout.

The Reporter General and his team are in the final stage of their work on the Summary Reports. These reports which are the basis for our Draft Resolutions will be distributed within the Working Committees shortly. The Chairs of the Working Committees will then prepare a first Draft Resolution and share this with the members of their committees for comments so that the discussion in the Working Committee on Sunday October 3 will deal with a second draft already.

Be alert! Watch out for the mails to come from the Working Committee Chairs! More news on this on the website shortly!

(Article by Jochen Bühling, Reporter General of AIPPI)

AIPPI World Congress 2010 in Paris Social events update.

(AIPPI General Secretariat)

AIPPI World Congress 2010 in Paris Women in IP

(AIPPI General Secretariat)

AIPPI World Congress 2010 in Paris Secretaries & Treasurers meeting

All Secretaries and Treasurers of AIPPI National and Regional Groups of AIPPI are invited to attend the forthcoming Secretaries and Treasurers meeting to be held on Sunday, 3rd October 2010 from 11.00 - 12.30 at the Palais des Congrès in Paris. The meeting is intended to be an effective platform for discussion of issues arising within the Groups and between the Groups and the General Secretariat Team.

The attendance to this meeting is mandatory for all Secretaries and Treasurers.

(AIPPI General Secretariat)

AIPPI World Congress 2010 in Paris General Assembly agenda

(AIPPI General Secretariat)

AIPPI USA Annual Meeting and International IP Forum

Ambassador East Hotel, 1301 North State Parkway, Chicago, USA, November 7 - 8, 2010

(USA AIPPI Group)

AIPPI Lapland Symposium 2011

Levi Summit Conference Center, Lapland, Finland, March 31 - April 2, 2011

(Finnish AIPPI Group)

National Groups**May 8 to 10, 2010 Asian Intellectual Property Conference was held in Busan, the Republic of Korea**

2010 Asian IP International Conference, held at Westin Chosun Beach Hotel in Busan, the republic of Korea on May 7 to May 11 under supervision of AIPPI-Korea, concluded in great success. At this conference, approximately 300 IP experts from 37 countries around the world participated and three different conferences were held at the same time; i) Bureau Meeting, ii) 2010 AIPPI Trilateral Meeting among three AIPPI countries in North East Asia, and iii) 2010 Asian IP International Conference.

AIPPI-Korea, established in 1969 as a Korean Chapter of the AIPPI, has provided a perfect forum for the leading figures in Korean Intellectual Property field.

Following 2009 Dalian Meeting, 2010 AIPPI Trilateral Meeting, which held in May 7 to 8, 2010, before the beginning of the ASIAN IP Conference, was the 9th meeting among China, Japan, and Korea. Address by Thierry Mollet-Viéville, President of AIPPI and Kwan Ho Shin, Acting president of AIPPI-Korea opened the meeting and delegates from each country have delivered presentations regarding the IP agenda of this year, had time for debates, and built ties not only through meetings but also through excursions, networking reception, and the other social events. As a working level networking meeting, about 70 people gathered to discuss following two agenda: i) Comparison of Patent Inventive Step, ii) The latest trend of IP issues in each countries. The Trilateral Meeting was ended with the announcement that the next meeting would be held in July 15, 2011, in the vicinity of Yokohama, Japan. The Asian IP Conference, consisted of 8 sessions, including "International IP Trend", "Patent Pool and Standards", "IP Commercialization", "University-Industry Collaboration", and etc., was started with the keynote speech on "AIPPI and IP protection " delivered by Machael J. Brunner, secretary general of AIPPI and Stephan Freischem, deputy secretary general of AIPPI, and twenty-one globally well-known experts in intellectual property field made presentations and held debates.

One of the outstanding features of the conference was that there were many speakers among Bureau members, including Thierry Mollet-Viéville, president of AIPPI, Jochen Bühling, reporter general of AIPPI, Shoichi Okuyama, assistant reporter general of AIPPI, and so on, since it was held together with a Bureau meeting, in which 15 Bureau members participated. "International Patent Exhaustion" was presented by Thierry Mollet-Viéville, "Patent Infringement

Procedures based on Standards-relevant Patent” was delivered by Jochen Bühling, and, in particular, Shoichi Okuyama, explained “Agriculture, Fishery and Intellectual Property”, which was a very unique topic and specially prepared for this conference. In addition, there were other participants sharing their view in regard to IP issues in each region, such as recent developments in patent enforcement in China, by Wang Zhengfa, former director of the World Intellectual Property Organization, “Trademarks and designs in European Union” by Dariusz Szeleper, deputy reporter general of AIPPI. Aside from sessions, many social events provided to the participants. In particular, on the evening of May 9 (Sunday), Bureau of AIPPI invited guests including Peter Huntsman, president of FICPI, Michael Dowling, past president of AIPPI, Alain Gallochat, chair of nominating committee, and members of 2012 Incheon Organizing Committee to have networking meeting on a boat in the scenic view of Busan Bay and moved to Nurimaru APEC House (historical place as a venue for APEC Summit 2005) in Dongbaek Island to hold a wonderful dinner meeting.

The Conference ended with Industrial inspection tour to POSCO (Pohang Iron and Steel Company), one of the top 5 iron and steel companies in the world and excursion to temples and historical monuments in ancient capital city of Gyeongju. We believe that this conference would build more networks among IP experts around the world and that it would be the cornerstone of the successful operation of the forthcoming 2012 AIPPI 43rd Incheon Congress.

(Secretariat of 2012 Incheon Congress Organizing Committee)

Argentinean PTO imposes new time restrictions for filing voluntary divisional patent applications

On July 7, 2010 Resolution 147 by which the PTO established substantial changes in the prior practice for filing voluntary divisional patent applications, particularly regarding time limits, was published in the Official Gazette.

Until the Resolution entered into force, on July 15, 2010, the filing of divisional patent applications on a voluntary basis was allowed so long as the parent application from which the divisional was being carved out had not been granted.

But as from now onwards, according to Article 1 and 6 of the cited Resolution, applicants will only have the chance of dividing their applications on a voluntary basis up to the date on which the basic examination report is issued. This implies a considerable shortening of the time frame previously available for filing voluntary divisional applications.

The PTO has also established that any divisional application non-complying with Article 1, that is to say, filed after the applicant has been served notice of the basic examination report, will be rejected “in limine” unless it obeys to a request of division issued by an Examiner.

As stated, and as can be derived from the above, the cited Resolution introduces substantial modifications to the practice previously observed on the matter.

Further, the Resolution raises certain legal issues such as whether same will be applicable to all applications including those already pending before the PTO as of the date in which it was published in the Official Gazette or only to those applications filed after said publication took place. This latter issue has not been clearly established by the text of Resolution 147.

Also, it must be noticed that the cited Resolution has come as a surprise as same has not been previously discussed with the Argentine Association of Industrial Property Agents. Its issuance appears to have been motivated by the increasing number of divisional applications filed in the last years, as is stated in the whereas clauses of the Resolution.

The matter has been analyzed by the Argentine Association of Industrial Property Agents which, in a letter to the President of the PTO, has requested the repeal of the Resolution.

Up to date no reaction has been received from the PTO.

(Gastón Richelet, Argentinean Group Reporter)

Seminar of the international union for the protection of new varieties of plants (UPOV) on DUS testing

The International Union for The Protection of New Varieties of Plants (UPOV) organised a seminar on DUS testing to be held in Geneva on March 18 to 20, 2010. The purpose of the conference was to provide information and discuss aspects of the examination of plant breeding results, for which plant variety protection is applied, with the competent national or supranational offices such as the Community Plant Variety Office. In view of this purpose, the seminar addressed not only Examiners of the plant variety offices involved in the examination of breeding results with regard to whether they fulfil protection requirements but also, in particular, breeders and their legal representatives, giving them the opportunity to better understand how the examination systems based on the UPOV Agreement 1991 work, simultaneously, providing them the opportunity to raise issues of concern.

The abbreviation DUS stands for distinctness, uniformity and stability, the material protection requirements to be fulfilled for a new breeding result in order to obtain plant variety protection according to the UPOV system. The competent offices examine whether such protection requirements are given, by cultivating plants of the new variety apart from the plants of varieties of the same species chosen by the examination office for comparison reasons. The basis of such examinations performed by the offices of Member States to the UPOV Convention 1991 is the "General Introduction to the Examination of Distinctness, Uniformity and Stability and the development of harmonised descriptions of new varieties of plants" as well as the so-called "Technical Guidelines" for certain varieties, based on this General Introduction and being the result of working groups composed of examiners of the national offices granting plant variety rights.

The program commenced on March 18, 2010 with an introduction by Mr. Peter Button, the Technical Director and appointed Vice Secretary-General of UPOV, pertaining to the structure of arrangements between UPOV and the examination offices of the Member States, followed by an introduction on how this works in practice with Australia, France, Japan, Switzerland and the European Union.

After a discussion on that subject, the opportunity was given to the International Community of Breeders of Asexually Reproduced Ornamental and Fruit-Tree Varieties (CIOFORA) and the International Seed Federation (ISF) to put forward breeders' perspectives on the DUS testing. Representatives of these two organisations emphasised the need for standardised examination rules applicable worldwide in order to ensure that the rights granted not only give sufficient scope of protection with regard to new breeding results but also, in particular, ensure that a granted right will survive any validity contests in the framework of infringement actions.

In the late afternoon of the first seminar day, an introduction was given regarding the role of the so-called "Technical Committees" and "Technical Working Groups" in developing and providing guidance on DUS testing, followed by brief introductions by the Japanese, Dutch, Polish, Korean and Spanish representatives concerning their DUS training programs for their examiners.

The first conference day was concluded by an introduction of the UPOV's new database GENIE. The database provides comprehensive information about plant variety protection in those States which are UPOV-Members, on the collaboration of the national offices, on existing examination guidelines for various genera and species (actually the name of the database is derived from GENera and specIEs). Moreover, it allows interested parties, in particular breeders and their legal representatives, to conduct searches among applied for and protected varieties in all Member States to the UPOV system.

The second conference day offered three subjects, namely (Guidance for the DUS Examination), "Management of Variety Collections" and how the administration of such collections is organised in various Member States. The first part offered, in addition to the general introduction by Mr. Peter Button, practical samples on how UPOV guidelines are transformed into proceedings in Brazil, the European Union and the Russian Federation. As UPOV guidelines do not exist for all varieties, the breeders and their legal representatives as well as the examiners of the various national examination offices need to know how the DUS examination is to be performed if such examination guidelines do not exist. Representatives of the Community Plant Variety Office, of the Australian Plant Variety Office and of the Institution responsible for the technical examination in The Netherlands provided an insight into how the DUS testing is organised and performed in the absence of Test Guidelines.

The second and third subject of day two, namely how variety collections have to be set up and how they should be maintained, was more of interest to examiners than to breeders and their legal representatives. As new varieties must be examined by comparison trials, the examination office has to ensure that material of known varieties is available for use in comparison trials. The extent of the availability which will be ensured in practice was explained by representatives from Canada, France, Germany, Mexico and The Netherlands.

The seminar concluded on day 3 with introductions and representations from various national offices in relation to how descriptions of characteristics of varieties are elaborated and how they will be used in the examination proceedings. Of particular interest for applicants and their legal advisors was learning about the practices in Argentina, Australia, Canada, France and the United States of America regarding variety descriptions provided by the breeder. While certain offices do not entirely rely on such descriptions, the United States, not knowing technical examination, relies entirely on the correctness of the plant variety description provided by the applicant. For this reason, the US law provides for severe legal consequences if the breeder's description was intentionally incorrect, as known from other US IP protection systems, such as patent or trademark law.

While a major part of the conference was highly technical and related to details of examination proceedings, mainly addressing examiners, the conference was, nevertheless, very helpful and informative for breeders and legal advisors to better understand the difficulties involved in examination proceedings due to the variability of living material in comparison to dead material being the subject of patent examination. The conference offered, i.a., a basis for exchanging concerns on the tendency being observed – in particular in the European Union – that more and more characteristics will be included in the examination process, leading to narrow scope of protection and in the long run questioning the justification of expenditures for obtaining rights, which ultimately do not offer the scope of protection breeders need to safeguard their investments in the breeding of new varieties.

(Dr. Gert Würtenberger, German National Group)