

Standing Committee on the Law of Patents

Comments by Hungary on Circular C.8261

Circular C.8261, under item "Quality of Patents", invites Member States to submit information on work-sharing programs among patent offices and the use of external information for search and examination.

The comments of the Hungarian Intellectual Property Office (HIPO) are the following.

Information on work-sharing programs

In the modern global economy many companies and some individual applicants have a growing need to acquire patent protection for the same invention in a number of different countries. This may require separate patent applications be filed with in many different national intellectual property offices, each considering the patent application independently of the others. With this in mind, the HIPO investigated the possibility of international collaboration with other national IP offices to enable national offices to exploit relevant work already conducted by other IP offices.

The HIPO is a participant of the **Patent Prosecution Highway (PPH) program** and is a party to bilateral PPH agreements with the IP Offices of Japan, Finland, Austria, the United States, the Republic of Korea and Portugal.

The PPH agreements enable patent offices to exchange information and provide applicants with fast-track patent examination procedures to obtain corresponding patents faster and more efficiently. Through these agreements, a patent applicant can request accelerated processing at the Office of second filing, if the claims in a corresponding application filed with that office have already been allowed by the Office of first filing. The PPH agreements also permit each office to make use of the work previously done by the other office and reduce duplication. Thus, the PPH reduces examination workload and improves patent quality.

It shall be noted that the IP office of second filing is not obliged to accept the opinion of the IP office of first filing and that the IP office of second filing is responsible only for its own decisions. At our Office substantive examination of patent applications is conducted based on the Hungarian patent law and examination guidelines.

Utilization of external search and examination reports

Within the framework of the PPH Program, as far as the Hungarian IP Office is concerned, the search and examination reports are not utilized in the classical manner (the IP Office of second filing is not bound by the opinion of the IP Office of first filing) but they implicitly serve as a tool for retrieving information.

At HIPO the high quality of search is ensured since search in databases enabling access to PCT minimum documentation is compulsory for our patent examiners. This work is realized through the EPOQUE and STN systems. The national patent database shall also be consulted

in all cases (e-search). We also have access to sites of different national offices where *inspection of files* can be realized and search and examination reports can be downloaded.

Usability of external search and examination reports may vary due to divergence of law practices and different assessment of partially amended claims. Although a lot of useful information can be retrieved from these documents, the professional opinion of the Hungarian patent examiner has priority when examining documents submitted in the national procedure.

We are also of the view that language constitutes the biggest challenge to the use of foreign search and examination work. Nevertheless search reports can be used in almost every case since they are produced in a standardized format, so relevant information can be retrieved.

We consider usability of external search and examination reports as a very important issue in the context of patent quality. Hence we support the proposal by Denmark (SCP/17/7) to gather more information on how do national offices use foreign search and examination reports, what are the benefits and what kind of challenges do offices face with.

Quality Management System in the Hungarian IP Office

In 2010 the HIPO, in accordance with its mid-term institutional development strategy, as a condition of high level official and service activities and of the participation in international patent work sharing, made a decision on certifying its quality management system to ISO 9001:2008 standard. Based on the successful audit carried out under the most recognised and most accepted UKAS accreditation system, the certification was issued by "System & Services Certification" accredited certifying unit of SGS according to which the HIPO is certified to ISO 9001:2008 standard as from January 2011.

The HIPO maintains and continually improves its systems according to the requirements of the standards in order to provide quality and secure services to its customers.

The scope of the quality management system includes the patent examinations and procedures under the competence of the Office, state activities concerning documentation and procedures, and services provided within the basic activities of the Office.

Within the framework of the quality management system the maintaining and continuing development of the search and examination capacity, the quality of administrative patent processes and operation issues play a key role. The quality of patent granting process is monitored and evaluated through check and evaluation points and the system provides the opportunity for users to express their views relating to the quality of the work done by the Office and the quality of the results such as the issued patents as well.

The HIPO has the human resources and proper tools for providing ISO certificated services (such as search and examination) to other offices.

General views and suggestions

The Hungarian IP Office supports the proposal submitted by the United States (SCP/19/4) that the Member States of WIPO collaborate in exploring ways to increase the usefulness of work-

sharing programs among patent offices and identify the possible tools that could facilitate these activities. We welcome the ideas of setting up an inventory of work-sharing programs and conducting workshops where the benefits of work-sharing programs can be evaluated.

Widening the possibilities of the PPH Program could be helpful as well and we very much support the information exchange relating this issue. We think it is inevitable to conduct workshops on the effective implementation of work sharing programs.

Concerning novelty search it would presumably be useful to improve the sites dedicated to inspection of files.

Provisions of Act XXXII of 1995 on patent attorneys concerning confidentiality of communications between clients and their patent advisors

Obligations of a patent attorney

Article 13

(1) A patent attorney is obliged to act to the best of his knowledge, conscientiously, observing the law in the affairs entrusted to him, to keep the prescriptions of the Code of Conduct of Patent Attorneys and to show conduct worthy of the patent attorney profession.

(2) In the course of his proceedings before a court or other authority, a patent attorney shall prove his identity by a card bearing his photo and issued by the Chamber.

Article 15

(1) A patent attorney – in the absence of a provision of law to the contrary – shall be under secrecy obligation with respect to all facts and data that come to his knowledge in connection with his activity as patent attorney; this obligation shall remain even after the termination of his activity as patent attorney.

(2) The secrecy obligation shall extend to those documents of patent attorney that contain facts and data subject to patent attorney secrecy. In the course of the administrative examination at the patent attorney, the patent attorney shall not disclose the documents and data concerning his client, but he cannot obstruct the procedure of the authority.

(3) The client and his successor in title may grant exemption from the secrecy obligation.

(4) The secrecy obligation shall extend to individual patent attorneys and their employees, patent attorneys' office and their employees, patent attorneys' partnership and their employees, Hungarian Chamber of Patent Attorneys and its officers and employees.

Rules of the representation of clients

Article 16

(1) A patent attorney representing clients [Article 6(1)] shall not accept any order from third parties against his client, and against his former client only in the event of the order not being in connection with the previously handled affair of his former client.

(2) A patent attorney is not obliged to accept an order; if he declines an order, the client must be notified immediately.

(3) A patent attorney may denounce the accepted order in writing at any time, with the effect from the fifteenth day after notice to the client; the patent attorney is also obliged to take all steps necessary for safeguarding the rights and legitimate interests of the client during the period of denunciation.

(4) The client may limit the order at any time or may denounce it with immediate effect.

(5) In addition to the case of denouciation, the order shall terminate by performance of the order, and the death of the client or the dissolution of the client legal person without successor in title.

(6) In case of the death of the client or the dissolution of the client legal person without successor in title, the patent attorney shall immediately notify the persons known to him who may have rights or obligations relating to the order; the foregoing and the denouciation of the order by either party shall be notified by the patent attorney to the court or other authority before which the procedure is in course.

Article 19

(1) At the request of the client the patent attorney shall be obliged to give an acknowledgement of receipt of the documents received from the client, and to return the originals on termination of the order, unless they were enclosed to a document filed with a court or with another authority.

(2) The patent attorney shall not be obliged to give out the letter of commission, his drafts, the brief, the power of attorney, the documents containing the instructions of the client, the letters addressed to him by the client in the case, the copies of documents already delivered or sent to the client, and the quittance or receipt of payments effected on behalf of the client, as well as other documents certifying the legality of his acts; at the request and at the expenses of the client he shall, however, be obliged to provide copies thereof.

(3) The patent attorney shall be obliged to treat any sums or values received on behalf of the client as deposit, and to notify the client immediately thereof.

(4) The patent attorney may recover the amount of claims due to him by virtue of patent attorney's fees, lumpsum costs and disbursements, respectively, by setting it against the sums received; he shall be obliged to notify his client in writing of his exercising the right of set-off.

Financial liability

Article 21

(1) For the damages caused to the client in connection with the patent attorney's order, the individual patent attorney, the patent attorneys' office and the patent attorneys' partnership is liable under the provisions of the Civil Code.

(2) To the financial liability of a patent attorney being a member of a patent attorneys' office or of a patent attorneys' partnership, the provisions of the statutes and those of the memorandum of association, respectively, and to the financial liability of an individual patent attorney, a patent attorney being an employee of a patent attorneys' office or of a patent attorneys' partnership, the provisions of the Labour Code shall be decisive.

Disciplinary responsibility

Article 22

(1) A patent attorney commits a disciplinary offence, if

- (a) culpably violates his obligations deriving from his activity as patent attorney, determined by legislation or the Code of Conduct, or
- (b) his delinquent behaviour being outside the activity as patent attorney impairs the authority of patent attorneys.

(2) The disciplinary punishments that may be imposed on a patent attorney committing a disciplinary offence are as follows:

- (a) reprimand,
- (b) severe censure,
- (c) fine,
- (d) exclusion from the Chamber.

(3) The maximum amount of the fine imposed may be ten times more than the basic salary of public servants. The fine shall be paid to the Chamber.

(4) The disciplinary offence shall be considered according to the provisions of law and disciplinary regulation effective at the time of the commitment. If the provisions of law and disciplinary regulation effective at the time of consideration of the disciplinary offence cause milder consideration, those shall be applied.