

## United States Comments and Proposals for PLT Documents for SCP/3

### Comments on Articles 1-13

Article 1(v) – Comment only: Note, the phrase “means permitted by the Office” provides a basis for Contracting Parties to refuse a filing date for applications filed by means other than those “permitted by the Office.” This issue also arises in the context of Article 4. The United States supports a more user-friendly approach in which a filing date would be accorded for anything received and, then, a notice to comply with those “means permitted by the Office” would be sent.

Article 1(vii) – Proposal: This definition for the concept of “recording” is acceptable. However, we would like to reiterate an issue raised on the margins of the last SCP meeting, viz., that “recordal” is not a word. It is our understanding that this issue was raised and resolved in the Diplomatic Conference for the Geneva Act of the Hague Agreement by changing the term “recordal” to “recording.” We would like to propose a change to this provision, along the lines of that adopted in the Geneva Act of the Hague, with corresponding changes throughout the articles and rules.

Article 1(xiv) – Comment only: The distinction, in terms of the applicability of this treaty to various procedures before an Office, made in the last sentence of note 1.13 is not convincing. The notes should not make any such distinctions to the extent that those distinctions do not readily flow from the plain meaning of the provision in question.

Article 2(1)(a)(ii) – Comment only: The second sentence of note 2.05 should be revised to reflect the fact that even though divisional applications are excluded by virtue of paragraph (1)(a)(i), they are included by virtue of paragraph (1)(a)(ii).

Article 2 – Comments on Notes - In notes 2.05 and 2.06, the issue of “conversion applications” arises. However, it is not clear whether those applications, once converted, are applications to which the treaty applies. The IB should clarify this issue.

Article 4 – Comment only: The United States strongly supports the retention of the phrase “no later than” throughout Article 4; with the corresponding deletion of the brackets around the phrase. We have consistently advocated an interpretation of this Article as setting forth maximum requirements for the grant of a filing date; i.e., that Contracting Parties could provide a filing date upon the receipt of fewer than all of the components enumerated in Article 4(1). The retention of the “no later than” language would accomplish this. Even if the bracketed phrase is not retained, we would interpret the provision to permit us to grant a filing date with fewer than the enumerated components; this is a freedom we have by virtue of the Paris Convention and we should not constrain ourselves by an interpretation of this provision that is contrary to the manner in which other provisions are being interpreted, i.e. as maximum provisions. The first sentence of note 4.07 requires an interpretation of this provision that is contrary to the manner in which other provisions are interpreted, i.e., as maximums. That note

also conflicts with note 4.12, which clearly acknowledges the freedoms we currently have and would continue to have under the Paris Convention.

Article 4(4)(b) – Comment only: The “if the application then wished to proceed ...” clause in note 4.20 appears contrary to the discretionary nature of this provision. This provision does not mandate that an application “be regarded as not having been filed.” That is, this provision does not mandate that an application be re-filed if the requirements referred to are not complied with. Rather, an Office could await the completion of an application, regardless of when completed, and assign a filing date upon completion.

Article 4(7) – Proposal: The United States would like to propose the insertion of “made upon the filing of the application” after “reference” to ensure that this provision operates only upon application filing. It is important that this provision not be subject to an interpretation that it could operate at any time after the filing date. Otherwise, an Office would have no recourse to exclude new matter.

Article 5(1) Proposal: The United States appreciates the efforts of the IB to resolve the ever elusive issue of what constitutes the “form or content” of an application. To that end, the analysis presented in document SCP/3/4 and the proposals in this document are helpful. However, the United States cannot support the proposed structure of paragraph (1)(a) of Article 5 because it attempts to bring together requirements that may be imposed with freedoms that Contracting Parties may have; it would be better to place “freedoms” in a separate paragraph.. The IB’s proposal implies that all of the requirements of Article 27(2) are part and parcel of the “form or contents” of an application, as that phrase is used in Article 27(1). The United States cannot agree to that interpretation. A plain reading of the two sections indicates that all of the items enumerated in Article 27(2), et seq., are not related to the discussion of the “form or contents” of an application in Article 27(1). A review of the notes from the “Records ...” of the PCT does not shed any further light on this issue. Accordingly, the United States would like to propose the following alternative language for paragraph (1)(a):

-- (1) [Form or Contents of Application] (a) Except where otherwise provided for by this Treaty or prescribed in the Regulations, and subject to paragraph (6), a Contracting Party shall not require compliance with any requirement relating to the form or contents of an application different from or additional to the requirements relating to the form or contents which are provided for in respect of international applications under the Patent Cooperation Treaty. --

Additionally, to address the issues raised by draft paragraph (1)(a)(ii) and (1)(c), the United States feels that those issues are of such significance that they should be included elsewhere in Article 5 or in a separate article, as follows:

--Article 5(1)(c) (or elsewhere) [National Requirements] Except as otherwise provided for by this Treaty or prescribed in the Regulations, nothing in this treaty is intended to be construed as prescribing anything that would limit the freedom of a Contracting Party to prescribe:

(i) any requirements of substantive national law;

(ii) any requirements which, under the Patent Cooperation Treaty, may be provided for under the national law once the processing of the international application has started in the designated Office.--

On a related matter, a slight change to note 5.04 is warranted. The clause relating to government contracting should read “indications relating to an invention that was or is being produced under a United States of America government contract.”

Article 5(1)(c) – Proposal: If the above language is not accepted, we would like to suggest a slight amendment, viz., that the phrase “substantive conditions of patentability” be changed to “requirements of substantive patent law.” This suggested language more closely tracks the pertinent language in the “Records ...” of the PCT Diplomatic Conference reproduced at note 5.03.

Article 5(2) – Proposal: The deletion of the term “mandatory” is acceptable. The United States would like to propose the deletion of “(a),” that the phrase “, as prescribed in the Regulations” be inserted after the second occurrence of “Contracting Party” and that subparagraph (b) be moved to the regulations. It is likely that acceptable request forms, especially a modified PCT request form, will evolve to the extent that the provisions (i) through (iii) will no longer be applicable or necessary. There is no need to cast these provisions in the permanency of an article.

Comments on notes to Article 5 - Among others, note 5.04 is important to the United States. As the notes are redrafted to take into account documents SCP/3/4 and SCP/3/7, it is important that this note survives. Further, the consistency of notes 5.12 and 7.18 is questioned. The IB should clarify this issue. As previously noted, the United States supports a user-friendly approach in which a filing date would always be granted for any application received, by whatever means.

Article 6 – Comment only: The United States strongly supports this Article, especially paragraph (2). In regard to paragraph (2), as previously noted, we support maximized exceptions to mandatory representation and the removal of all brackets and the retention of the bracketed language.

Article 7(1) – Comment only: While paragraph (1) has been adopted, there is now some question as to the need for the phrase “means permitted by the Office” in Article 4(1) in light of the exception for the establishment of a filing date herein. The previously raised apparent inconsistency of notes 5.12 and 7.18 applies here as well.

Article 7(4) – Comment only: The United States would like clarification that this provision does not prejudice our ability to address the issue of signature forgeries and deal with them accordingly. It is important that Contracting Parties retain the freedom to inquire into the genuineness of signatures. A clarification in a note would be acceptable.

Article 7(6) – Comment only: While we have struggled with the issue of addresses for correspondence and legal service and have now reached an understanding on the matter, the issue of what constitutes an “address” remains. It may be appropriate to provide a

definition for the term “address” in Article 1 that would be sufficiently broad to accommodate electronic filing and would include the concepts of, e.g., “communication protocols” and “phone numbers.” At the least, it is important that (iii), above, embrace the types of addresses that may be encountered in the context of electronic filing.

Article 8(1) – Comment only: This provision is acceptable. A possible issue arises as to whether, in Article 4(1)(a)(ii), the “indications ... allowing the applicant to be contacted by the Office” are encompassed by this provision. See our last comment concerning “address”.

Article 10 – Comment only: With the exception of paragraph (6), the United States supports this article. See the comments below for paragraph (6).

Article 10(6) – Comment only: With a clarification of the operation of the rule relating to the exclusion of extensions on extensions, the United States could support this provision.

Article 12(1)(iv) – Comment only: We support a modification of note 12.05 to indicate that the entire period of delay up to the filing of a request for relief, not just the failure to comply with a time limit, must be shown to have been unavoidable or unintentional. While the change to this provision is acceptable, the note is ambiguous.

Article 13(1) – Proposal: The United States does not support the discretionary nature of this provision; the “may” should be changed to “shall.” There is nothing in the report from the last session that supports the change and, as changed, the “if ...” provision makes no sense as a Contracting Party is not obliged to make the correction even if the itemized requirements are complied with.

#### Comments and Proposals on Articles relating to Final and Administrative Clauses

Article 14 - With the expectation that some accommodation of the notes will be made in the Diplomatic Conference or in the IB’s publication of the final text of the treaty with the notes, this article, subject further to the comments below, is acceptable.

Article 14(2) - This provision should be included in or repeated in Article 16(2) insofar as it addresses the tasks of the Assembly. Further, this provision sets forth that the Assembly may amend the Regulations and shall determine the conditions for the entry into force of each amendment. Although the Assembly should have the authority to amend the regulations, the conditions for the entry into force of each amendment should be specified in the Treaty.

Article 15 - The IB should clarify whether this Article should make reference to the TRIPs Agreement. Article 2(1) of the Geneva Act of the Hague Agreement makes such a reference and a corresponding reference here may be necessary, at the least, for national treatment and MFN purposes.

Article 16(1)(a) - This provision should be amended by adding “consisting of those Contracting Parties that have ratified or acceded to this treaty” after “Assembly.” Article

16(1) establishes the Assembly by stating that Contracting Parties shall have an Assembly but it is not clear who are the members of the Assembly. Because the membership in Assembly should be limited to those Contracting Parties that have ratified or acceded to this Act, this clarification should be incorporated in the treaty.

Article 16(1)(b) - This provision should be amended by adding “in the Assembly” after “represented” and adding the following new sentence: “Each delegate may represent only one Contracting Party.”

The incorporation of the expression “in the Assembly” is solely for purposes of clarification and is adopted from the Geneva Act of the Hague Agreement. (Article 21(1)(b)). In order to prevent a delegate from representing more than one Contracting Party, a limitation to this effect should be incorporated in the Article. The concept that “each delegate may represent only one Contracting Party” is also present in the Geneva Act of the Hague Agreement. (Article 21(1)(b)). For these reasons, we support the incorporation of similar language.

Article 16(1)(c) - The second sentence of paragraph (c) should be deleted. The granting of financial assistance to facilitate the participation of certain Contracting Parties is unnecessary. A corresponding provision was deleted from the draft Geneva Act of the Hague.

Article 16(5) - Although Article 16 sets forth provisions relating to voting in the Assembly, there are no provisions relating to quorum and majorities. Instead, the treaty states that the Assembly shall establish “the requirements of a quorum and, subject to the provisions of this Treaty and Regulations, the required majority for the various kinds of decisions.”

This is problematic for several reasons. First, the requirements of a quorum and the required majority for taking various decisions should be specified in the Treaty and not decided later on by the Assembly. The reason for this is that Assembly may make decisions, without the consent of the all of the Contracting Parties, on critical issues such as the establishment of a quorum, that will bind all Contracting Parties. Although at first blush, the establishment of quorum requirements appears to be a purely administrative matter, quorum procedures often address significant issues, such as the allocation of voting rights. As a result, to avoid a future conflict regarding the participation of Contracting Parties in the establishment of a quorum, we would prefer that such requirements are spelled out in the draft treaty.

In particular, we propose the following:

In paragraph (5), delete “the requirements of a quorum and ... decisions.”

On the issue of a quorum, add the following new paragraph:

(6) [Quorum] One-half of the members of the Assembly which are States shall constitute a quorum.

This language corresponds to that in Article 21 of the Geneva Act of the Hague Agreement. In addition, the Assembly may also provide a vehicle for making decisions if the required quorum is not established. For example, the Geneva Act of the Hague

Agreement provides that the Assembly may make decisions if the number of the members of the Assembly, which are States, have the right to vote, and is less than ½ but equal to or more than 1/3 of the members of the Assembly which are States and have the right to vote. Again, participation in this avenue for taking decisions in the Assembly hinges on whether a Contracting Party has a right to vote. Given the inextricable link to the allocation of voting rights, any procedure or requirement relating to the establishment of a quorum should be specified in the treaty itself and not by the Assembly, especially when it is unclear what majority is required to adopt such quorum requirements.

Lastly, another new paragraph (7) should be added to address the issue of majorities. The required majority for various kinds of decisions should be specifically recited in the treaty and not left in the hands of the Assembly. One obvious problem is what majority is required to decide what the various majorities will be. In previous treaties, namely the Geneva Act of the Hague, the majorities and the quorum requirements are set forth in the treaty. To avoid potential confusion and chaos, we advise that these matters be set forth in the PLT.

Article 19(2) - The United States does not support the inclusion of (i); a narrowed (ii) is sufficient for the matter in issue. It appears that (i) is included to accommodate the European Community. However, the EC does not grant patents, and until it does, it should not be eligible to become party to the Treaty as an IGO. Item (ii) should be narrowed to exclude the ability of a “Common Office” from becoming party to the Treaty.

Article 19(3) - In paragraph 3, the recitation of IGOs is unacceptable. This paragraph is unnecessary and should be deleted.

Article 20 - In keeping with the comments made concerning Article 19, this Article should end after “Article 19”; there is no reason to enumerate these IGOs.

Article 21(2) - Although the treaty sets forth the effective dates of ratifications and accession this date is based upon the date on which the State or IGO has deposited its instrument of ratification or accession. There may be several circumstances where a State is a member of an IGO or a Common Office that although that State deposited its instrument on a certain date because that State does not have an Office for processing and obtaining patent protection, that State is not bound until the IGO or Common Office has deposited its instrument of ratification. For this reason, we believe that the treaty should include provisions to address this situation. Model language is available in the Geneva Act of the Hague Agreement—Article 27.

Additionally, a provision should be added to accommodate the issue of signing of the treaty as follows:

[Signature] This Act shall remain open at the headquarters for one year after its deposit.

Article 21bis(1) - The United States does not fully support the approach in this provision. We support a more comprehensive provision that addresses: applications pending on the date referred-to, applications filed on or after that date, patents in force on that date, patents granted on or after that date, and lapsed patents and abandoned applications that would be eligible for reinstatement by virtue of Article 12. If these additional items are accommodated, the title of this Article should be changed accordingly.

Article 21bis(2) - The second sentence in note 26.03 would be important in our implementation. While we would like the beneficial aspects of this treaty to embrace as many applications as possible that might exist in backlogs throughout the world, we acknowledge that there will be a need for Contracting Parties to be able to make a distinction in the applicability of a given provision if certain procedures are in progress.

Article 22 - This Article should include a time by which declarations may/must be made. The corresponding provision of the Geneva Act of the Hague should be referenced.

#### Comments and Proposals on the Rules

Rule 7(1) – In keeping with our position on Article 6(2), we strongly support maximizing exceptions to mandatory representation whether in the Article or in the rule. We support the retention of all bracketed language and the deletion of the brackets.

Rule 8(1) – We support the 10 year sunset clause in this provision. A question remains as to why this provision is bracketed.

Rule 9(6) – The United States supports the terms “process” as opposed to “means” to accommodate certification authorities or other entities that may carry out certifications.

Rule 12(2) – With respect to paragraph (2), the IB should be requested to clarify whether “two months from” is intended to encompass both “before” and “after” the “date of the expiration of the unextended time limit” to accommodate the practices in Europe and the United States, and elsewhere. The notes do not address this issue.

On a more significant issue, the United States would also like to suggest the inclusion of a sentence in the rule or a note that would provide Contracting Parties the freedom to delineate the circumstances for which extensions could be requested “before” vs. “after” the expiration of an unextended time limit. The following language is proposed:

“A Contracting Party shall be free to specify when, before or after expiration of the unextended time limit, the types of circumstances for which each type of extension would apply.”

Rule 12(3)(ii) – This provision should be slightly modified by inserting “for relief” after request and “a request for reinstatement under Article” before “12(1).”

Rule 12(3)(vii) – We support the deletion of item (vii); upon the receipt of such a request for an extension, we would discontinue expedited or accelerated processing. The

extension, itself, should not be precluded as circumstances may arise that require applicants to escape the rigors of expedited or accelerated processing.

Rule 14(2)(ii) – We may want to suggest the insertion of “notice by the Office or” before “removal.” However, in view of the nature in which this provision operates and the fact that we may be more generous, it may not be necessary to make this suggestion. This provision is intended to cover current practice in Europe.

Rule 14(3)(ii) – We support the deletion of the bracketed language; we do not support an exception for the payment of maintenance fees.

Rule 14(3)(iii) – We support the deletion of the bracketed language as the IB has not yet made a case for the retention of the references to Articles 10 and 11. It does not appear to make sense to make a reference to Article 10(1).

Rule 14(3)(v) and (vi) – We do not support the exceptions in (v) and (vi); in both instances, the effect of the exclusions is too harsh on applicants and patentees.

Rule 15(5)(b)(ii) - The United States does not support the formulation in subparagraph (ii). The time limit for submitting a copy of the earlier application should be triggered by a notice set by the Office and only in those circumstances where the document is material to patentability or where the application is otherwise in condition for grant.

Rule 17(2) - The United States supports the deletion of the brackets and the retention of the bracketed language.

Rule 22(1) - While we agree to the general concept in the above language, we prefer a positive statement as follows:

“Amendment of Rule 8(1) and the present Rule shall require that all Contracting Parties vote in favor of the proposed amendment.”

Further, we do not see the need for the phrase “having the right to vote in the Assembly.” To the extent the phrase is included to exclude IGOs, we do not see a need to exclude IGOs on these matters.