

Mr. James E. Rogan
Under Secretary of Commerce for Intellectual Property
and
Director of the United States Patent and Trademark Office
Washington, D.C. 20231
United States of America

September 2, 2002

Re. Opinions and Comments on the 21st Century Strategic Plan of USPTO*

Dear Mr. Rogan,

On behalf of the Japanese Intellectual Property Association (JIPA), I am pleased to present our views relating to the 21st Century Strategic Plan of the United States Patent and Trademark Office (USPTO). The JIPA is a non-profit and non-governmental intellectual property users' organization with more than eight hundred (800) entities as members. Since the members of the JIPA have historically filed a substantial number of U.S. patent applications, we hope to have considerable influence regarding the vision of the USPTO.

We congratulate the USPTO for clarifying its target regarding the examination period in order to reduce the overall patent application pendency period and that its action plan is finalized with regard to certain aspects. However, from the view point of a foreign patent applicant, we believe the "4-Track Examination" plan has particular drawbacks for the foreign applicant. Therefore, we are respectfully stating our opinions and comments below.

1. Practical Problem of the "4-Track Examination"

Though the USPTO gives four (4) channels to file a U.S. patent application, the actual channel of a foreign patent applicant such as a Japanese company will be effectively limited to track 1, related to a search report provided by a CSS such as the Japanese Patent Office (JPO), and Track 3, related to an allowance of the JPO. In order to obtain a search report and/or an allowance of the JPO, the issue of deferred examination, that is, the period allowed for requesting examination becomes very important. Furthermore, since foreign patent offices, including the JPO, use a language other than English, non-English language references such as Japanese language references may be cited. Therefore, translation costs associated with the references and the time necessary to translate the references is a serious issue.

1-1. Problem relating to Track 3

In the case of a foreign patent applicant wishing to use Track 3, the foreign patent office, such as the JPO, should complete the substantive examination by the time the applicant requests the examination before the USPTO. Since many foreign offices have a work load similar to the USPTO, it may be practically difficult for the foreign office to conclude its examination within a period of eighteen (18) months. Accordingly, the JIPA wishes to change the timing for submitting the JPO's allowance. For example, three (3) months after the JPO issues the allowance. Additionally, in the event the JPO rejects the Japanese patent application when the applicant has selected Track 3, the JIPA hopes that the applicant has a right to switch from Track 3 to Track 1 and use the JPO's search report.

The JIPA believes the deferred examination period should be a period for the applicant to

* "CHIZAI KANRI" (Intellectual Property Management) Vol.52, No.10, pp.1609-1611 (2002)

consider whether there is an actual need to obtain the exclusive right. This means that the period of eighteen (18) months is not enough, and the JIPA believes a longer period such as thirty-six (36) months is more appropriate. In the event the longer period is adopted, the JIPA thinks every U.S. patent application should be laid open in order to avoid so called "submarine" patents. The JIPA also believes a third party should have a right to request examination in order to reduce the third party's risk caused by the longer period of uncertainty.

1-2. Common problems relating both to Track 1 and Track 3

If a foreign applicant selects Track 1 as well as Track 3, designates the foreign patent office as the CSS, the foreign patent office, such as the JPO, will usually cite Japanese documents and produce official papers in Japanese so that the USPTO will need translations in order to use the search result as well as the examination result. The JIPA, accordingly, is concerned that the translation costs are the responsibility of the applicant. The JIPA would like the USPTO and/or the foreign patent office, such as the JPO, to perform all translations and absorb any translation costs. In the event the applicant has to translate, the JIPA hopes that the applicant can use a machine translation authorized by the USPTO and/or the JPO and avoid any problems related to inequitable conduct which may potentially be caused by unintentional translation errors.

1-3. Problem relating to Track 1

The JIPA would like to see a system to keep the search fee of qualified CSS within a reasonable range. In order to keep the search fee reasonable, the JIPA would like the USPTO to decide the official search fee, or instead of the applicant, the USPTO could ask the CSS to search so that the applicant pays the search fee to the CSS through the USPTO.

2. Duty of Disclosure

When the same invention is filed before the USPTO and a foreign patent office, such as the JPO and/or the EPO, especially when the applicant selects Track 1 and uses the JPO and/or EPO as a CSS, the patent prosecution in the foreign patent office occasionally precedes the examination before the USPTO. Under the current rule, the applicant has the duty to disclose the prosecution of the foreign patent application to the USPTO. However, the JIPA proposes shifting the duty from the applicant to the USPTO and/or the foreign patent office because the patent examiners of the USPTO and/or the foreign patent offices can easily transmit and accept such information.

3. Conclusion

As described above, JIPA would like to change the "4-Track Examination" to make it more user friendly for foreign patent applicants. Thank you for your consideration.

It would be appreciated if you would consider the above opinions and comments.

Yours very truly,

Masahiro Ezaki
President
Japan Intellectual Property Association