

How to Use PPH to Expedite Prosecution in China

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Thanks to the trend of internationalized spread of patent portfolio, it is increasingly common for applicants to file more and more applications for patents in several countries/regions. As a result, the filings in all countries/regions are tremendously piling up, but the examination resources can not match with the increase of the filings, causing tremendous backlog globally. While the patent laws and patent examiners belong to their respective nations, the Patent Offices in various countries/regions are not obviously divided in the basic principles and vital concepts of the patent law (such as novelty, inventive step and practical applicability). Therefore, the PPH (Patent Prosecution Highway)

has come into being to save on the examination resources, avoid duplicated work, improve examination efficiency, and clear-up patent backlog.

The PPH was first developed in 2006 by the Japanese Patent Office (JPO) and the U.S. Patent and Trademark Office (USPTO). Since launching a bilateral PPH pilot project with Japan on 1 November 2011, the State Intellectual Property Office (SIPO) has initiated bilateral PPH pilot projects, one after another, with the U.S.A., Germany, the Republic of Korea, Russia, Finland, Denmark, Mexico, Austria, Poland, Canada, Singapore, Spain, and Portugal, and is going to officially start a bilateral PPH pilot project with the United King-

dom on 1 July 2014. On top of all this, the world's five major Patent Offices (the EPO, JPO, KJO, SIPO and USPTO) have reached a multilateral agreement, and launched the IP5 PPH pilot project for a three-year period. According to the SIPO's statistic data, since the PPH was launched in November 2011, the number of PPH requests with the SIPO has been steadily increasing. By the end of December 2013, a total of 4,386 regular PPH requests and 1,216 PCT-PPH requests have been received. Generally speaking, PPH represents a global trend of patent prosecution. It is expected that China will build PPH with more countries/regions in the days to come.

I. Essential concepts of PPH

PPH means that the Office of First Filing (OFF) admits that at least one or more claims of the filed invention are patentable, and the OFF's work may be acquired by an Office of Second Filing (OSF) if the subsequent filing meets certain conditions, with the claims in the first and second filed applications sufficiently matching or corresponding to one another, the applicant may, based on the OFF's examination results, request an OSF to expedite the prosecution of the subsequent filing.

The PPH is essentially a mechanism to expedite prosecution based on an OSF's use of an OFF's search and examination results to reduce, to an extent, the OSF's work load. The advantages of PPH includes, among other things, advanced treatment of applications, earlier receipt of the first

Office Action, fewer Office Actions issued, lowered prosecution costs and earlier grant of patents so as to obtain more consistent claims in various countries/regions to facilitate enforcement or exercise of the patent rights.

As Fig.1 shows, there are two basic models for the conventional bilateral PPH requests: regular PPH (including the Paris Convention and PCT routes or channels), and PCT-PPH. In the regular two PPH routes, an applicant files a PPH request with an OSF by using an OFF's domestic work results; with PCT-PPH, an applicant uses an OFF's WO/ISA or WO/IPEA or IPER to file a PPH request with an OSF. Besides, there is a relatively special model, namely the PPH MOTTAINAI¹ project, a multilateral PPH agreement on deeper cooperation, breaking through the "first-to-file principle to help applicants with grant of patents in one country and expedite prosecution in many other countries/regions. In essence, the IP5 PPH is such a PPH MOTTAINAI project.

II. Filing PPH request with SIPO, main contents of bilateral PPH, and changes in IP5 PPH

The bilateral PPH between China and the 14 countries, though different in some details, are substantially the same in basic contents; hence they are explained by taking the CN-US PPH as an example. By comparison, there are quite a lot of changes in the IP5 PPH, especially in the understanding or

interpretation of OFF and OSF, which are worth attention from applicants and their attorneys.

1. Main contents of bilateral PPH

Sufficient attention must be paid to three aspects of bilateral PPH: understanding of corresponding application, sufficient correspondence or match between the claims of a Chinese application and its corresponding application, and the Request Form and submission of documents.

1) Understanding of corresponding application

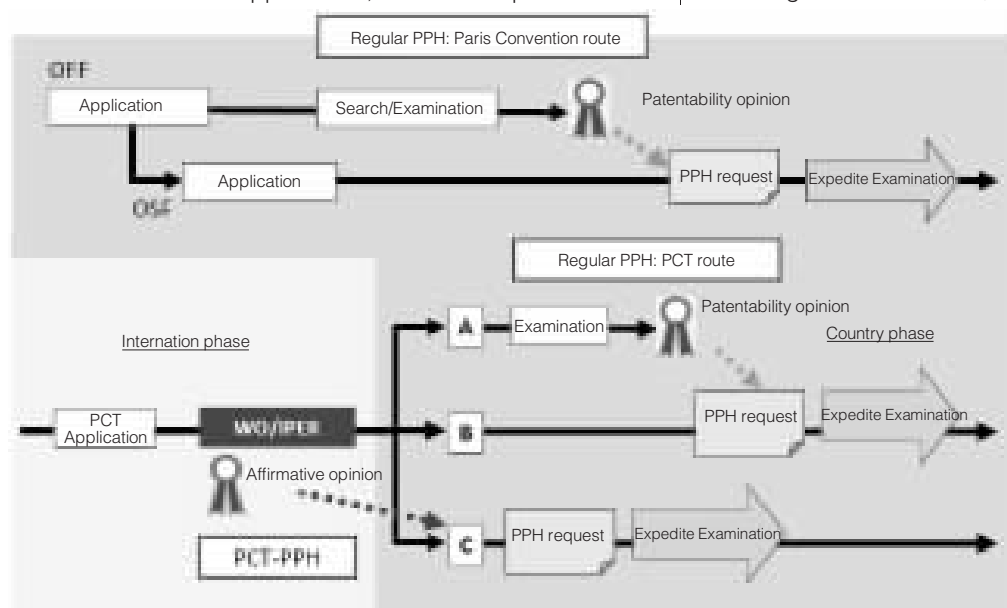


Fig.1 Basic model of PPH

Regarding a Chinese application requesting PPH made with the SIPO, the Procedures to file a request to the SIPO for Patent Prosecution Highway Pilot Program between the SIPO and the USPTO (the “CN-US PPH Procedure” for short) requests that there be at least one corresponding application in the USPTO, which contains one or more claims the USPTO considers patentable. The CN-US PPH Procedure, based on the relationship between a corresponding application of the USPTO as an OFF and an application with the SIPO as an OSF, sets forth the specific provisions regarding the allowables and disallowables².

According to the CN-US PPH Procedure, a US corresponding application must be the first filing, that is, there should not be a corresponding application of a third country, or it does not meet the PPH request requirement. For this reason, the First Filing in the OFF is strictly understood as the first filing. However, the CN-US PPH Procedure does not strictly require that the Chinese filing be a second filing. In other words, there may exist a filing of another country between a U.S. corresponding application and a Chinese application (but the U.S. corresponding application and the Chinese application need to be directly associated with each other, for example, the latter requires the priority of the former. Alternatively, indirect relationship between the two is established through another US filing or Chinese filing or a PCT filing that does not request priority); hence the Second Filing in an OSF is broadly construed: it is allowable as long as it is after the first filing, without stringently requiring that it be a second filing.

Within the framework of a bilateral PPH, if an application is first filed with a patent office of a third country, the priority of a US application is based on it. Then, even if the U.S. application is found patentable upon examination, it is not a qualified corresponding application in China, and a PPH request should not be filed based on it. Along this line of thinking, it is even more impossible to file a PPH request for an application first filed in China based on the examination results of the corresponding U.S. application which was filed after the CN filing but granted a patent in the U.S. first.

2) Sufficient correspondence of claims

Sufficient correspondence of claims is one of the fundamental elements for involvement in a PPH project. When the claims of an application with the OSF sufficiently correspond to those with an OFF, the OFF's examination results are sufficiently meaningful reference to the OSF's prosecution³, and an applicant may request to expedite prosecution

of the application with OSF based on the OFF's examination results.

To be specific, the SIPO requires that the two parties' claims cover the same or similar scope, or the claims of the Chinese application cover a scope smaller than the corresponding claims filed with the OFF, which means that, compared with the claims of the latter, to the claims of the Chinese application have been added with features supported by the description and/or claims. The added features should be kept literally consistent with the description and/or claims as much as possible, and in the correspondence table, should be specified from which lines, paragraphs and on which pages of the corresponding application the specific contents of the added technical features come from to help examiners to verify them.

As an OSF, the SIPO requires that a Chinese application involved in the PPH project strictly match its corresponding OFF application for the reason that before a SIPO application enters the PPH to be examined by the substantive examination department, an examiner responsible for PPH in the preliminary examination department first examines the PPH request and “sufficient correspondence of the claims”, and the PPH examiner would not, nor is it necessary for him to, deeply analyse the invention as to its substance. Therefore, ensuring that the claims of a Chinese application and those of the corresponding claims highly, literally match each other will help examiners examine their sufficient correspondence, and help the applicants have their PPH requests approved. For example, an applicant should keep the preamble of the corresponding claims exactly identical. As the preamble of the claims defines the category (product or process) of an invention and its related specific product or process, if it is not the same as the preamble of corresponding claims, examiners have reason to believe that the scope of the two applications lacks sufficient correspondence even if the other features outlined in the claims are identical.

To ensure sufficient correspondence of the claims, an applicant, before (or when) filing his PPH request, possibly needs to amend the claims. It needs to be noted that the PPH project does not give an applicant an extra chance to make amendment on his own, that is, an applicant's amendment should meet the provision of Rule 51, paragraph one, of the Implementing Regulations of the Patent Law that when an applicant for a patent for invention requests for examination as to substance, and within the time limit of three months after the receipt of a notification that the application has en-

tered into the examination as to substance, he or it may amend the application for a patent for invention on his or its own initiative. If an applicant misses the chance to make amendment, any amendment he makes to the claims on his own on the ground of request to enter his application in the PPH would not be accepted by the SIPO, and, correspondingly, his PPH request would not be approved.

3) Request Form and submission of documents

Where a granted US filing is a qualified corresponding application, the claims thereof meet the sufficient correspondence requirement, and the Chinese application also satisfies the relevant conditions (disclosed and having entered the substantive examination phase⁴, but no Office Action received⁵), the applicant may file a PPH request by way of filing with the SIPO the Request Form for entering the PPH.

The Request Form covers four parts: i) description of the Chinese application to enter the CN-US PPH (showing the Application Number, name of the applicant and title of the invention); ii) description of the requested PPH (regular PPH or PCT-PPH); iii) description of the corresponding US application (showing the application number/patent number, name of the examination authority of the corresponding application, and its relationship with the Chinese application); and iv) a list of appended documents.

It needs to be specially noted that the first three parts should describe, clearly and in detail, the relations between the Chinese application and the corresponding US application, and needs to reveal the information of the relevant application to help examiners to verify them. For example, if a USPTO granted/patented US application is one on which the priority of a Chinese application is based, and the one requested to enter the PPH project is a divisional application of the Chinese application⁶, the applicant needs to clearly describe the relationship of the three applications in his description of the relationship, and reveal the number of the Chinese application (or the publication number or the patent number).

Documents put in the List of Appended Documents in the forth part of the Request Form are the appendixes an applicant needs to submit, including a copy and translation of the claims of the corresponding application; a copy and translation of the Office Action; a copy of the cited documents in the Office Action of the corresponding application; and the claim correspondence table. The appended documents are used to explain to the SIPO the history of substantive examination or prosecution of the corresponding US ap-

plication and the relevant information in the prosecution, including all the Office Actions issued by the USPTO concerning the substantive examination of the corresponding US application, and the time of issuance thereof, and the documents cited in the prosecution of the US application. This information serves as important reference helping to expedite the SIPO's prosecution of the Chinese application; hence SIPO has made strict requirements on the completeness and accuracy of the revealed information. For example, an applicant needs to list each and every Office Action of the corresponding application, including, besides the Non-Final Rejection, Final Rejection and Notification of Allowance and Fees Due mentioned in the CN-US PPH Procedure, Election or Restriction Requirements, relevant observations/notification in the phase of appeal, and the certification of Correction concerning rectification of errors in the claims after the patent grant was published. That is, the applicant should list, in the part of the Request Form, all the Office Actions and notifications on the examination of or change in the substantial contents in the amended claims of the corresponding application for reference by the subsequent examiners.

Additionally, applicants should see to it that the titles of cited documents are fully and correctly filled in. There are three kinds of forms revealing cited documents in the prosecution history of a corresponding US application: List of References Cited by the Examiner (Table 892), List of References Cited by Applicant and Considered by the Examiner (Table 1449) and "Information Disclosure Statement (Table IDS). All documents in these Lists and Statement accepted by the USPTO examiners⁷, including the US patent/application, foreign patents/applications and non-patent documents, must be listed in the Request Form for the examiner's reference. If the corresponding US application was published, the above documents would be listed in the part of "Reference Cited" on the first page of the published text, and an applicant may fill in the Form according to the published text for the sake of efficiency and accuracy.

During the examination of a PPH request, the applicant needs only to submit non-patent documents relating to specific Office Actions or reasons for patent grant; he does not have to file the patent documents, nor any cited documents that are used as reference, but did not constitute the ground for rejection. For this matter, in fact, the cited documents an applicant is required to submit as appendixes are very limited. It needs to be specially noted, however, that while these documents are not to be submitted to make things conve-

nient for applicants, the applicants should clearly list them in the Request Form.

A copy of the Office Actions of a corresponding application can be downloaded on the Public PAIR of the USPTO⁹. It needs to be noted that the Office Actions an applicant needs to submit cover documents, including not only the texts of the Office Actions, but also all documents appended thereto.

2. New changes brought about by IP5 PPH

1) Broader understanding of corresponding application

According to the conventional PPH examination principle, an OFF filing should be a first filing; an OSF can only use an OFF's work results, not those by a third country; and an OSF filing should not be earlier than an OFF filing.

However, Procedures to File a Request to the SIPO for Participation in the IP5 Patent Prosecution Highway (IP5 PPH) Pilot Programme (the IP5 PPH Procedure for short) has broken through the principle that an OFF filing should be a first filing, and set the understanding of OFF and OSF free from the literal constrictions so gives the green light to first filings from a third country and banned by the former bilateral PPH: even if an IP5 peer's filing is not a first filing, that is, there exists a third country's corresponding application before it, this does not limit the application of PPH⁹; even the SIPO can act as an OFF, and a Chinese application meets the requirements on request for expedited prosecution so long as an IP5 peer's application was first granted a patent¹⁰. This shows that the IP5 PPH broadly interprets OFF and OSF, and OFF is no longer literally restricted by "first" and "filing", and OSF, of course, is not limited to OSF; the two now become the "first examination office" and "subsequent examination office" in temporal sequence.

Due to the non-existence of the above two bans, within the IP5 PPH framework, an applicant may, after filing in any country, file corresponding applications in the IP5 peer countries with their priority based on the filing in the first country. If the applications are found, upon examination, patentable and different in scope of protection in more than two peer countries, the applicant may file, with the SIPO, a PPH request based on the prosecution or examination results of either country, and it may be expected that this will become common practice. After filing in China, an applicant may also make corresponding filing in other IP5 peer countries claiming priority based on the Chinese filing. So long as one of the IP5 peer countries finds it patentable upon examination, the applicant may request the SIPO to expedite the

prosecution on this basis. Considering the different speed of prosecution, this practice is of positive, realistic significance to Chinese applicants planning to file for patent overseas.

Besides, if an application is found patentable upon examination in the IP5 peer countries, it does not affect use of the IP5 PPH even if it was granted a patent by a non-IP5 third country. Of course, in case like this, the applicant may still use a bilateral PPH to expedite the prosecution. Anyway, the emergence of the IP5 PPH has given applicants more choices to act more flexibly to expedite prosecution of their Chinese applications.

2) More convenient formalities

While requesting to expedite prosecution under the IP5 PPH project, an applicant is also required to submit the Request Form and the relevant appendixes. Compared with that used in a bilateral PPH project, the Request Form does not obviously vary much, but he needs to submit fewer appendixes. As aforementioned, under a bilateral PPH project, an applicant needs to submit four appendixes while under the IP5 PPH project, an applicant does not have to submit the former two (a copy or translation of the claims of the corresponding application and a copy or translation of the Office Action) unless the SIPO otherwise specially requires them, if they are accessible in the systems of documents of the other four offices (such as USPTO and Public PAIR). However, it needs to be noted that even if it is not necessary to submit some documents, the titles thereof must be clearly filled in the Request Form.

III. Recommendations to applicants and patent attorneys

For all applicants and patent attorneys, PPH is something relatively new in China, so it is more probable for errors to arise in examination. According to the statistics, the rate for first PPH requests approved before the SIPO was once lower than 30%; by the end of August 2013, the average rate had reached 60.65%. Therefore, to make it possible for applicants to have their PPH requests to be smoothly approved, these writers would like to make the recommendations as to the following for their reference:

1) When both bilateral PPH and IP5 PPH co-exist, first choose the latter as it applies to a wider range of filings and there are easier formalities to be gone through.

2) Make good use of the chances for making amendments on one's own initiative before filing a PPH request to

ensure sufficient correspondence or matching of the claims.

3) Carefulness is of particular importance. The various items in PPH, except amending the claims to meet the requirement on sufficient correspondence thereof, generally do not involve substantive matters; hence, attention must be paid to details to ensure the accuracy of all the items in the forms and in transmission of the appendices.

4) After receipt of a notification on grant of patent from a foreign country, it is not advisable to rashly file a PPH request in China; it is better to do so after publication of the text of the granted patent because submitting fewer documents and filling less items in forms makes error less probable, and leads to higher rate of successful approval.

5) Once a PPH request is rejected, contact the examiner as soon as possible to accurately identify what issues are involved and how to address them to ensure success by making use of the second chance or opportunity available.

6) Clear understanding of the nature of PPH is required. In China, the PPH is only a mechanism to expedite prosecution, and it does not guarantee patent grant. After passing through the PPH, examiners of the substantive examination department will go on to examine such substantive matters as amendment that go beyond the original disclosure, support by description, lack of clarity or essential technical features, and sometimes cite references to challenge novelty and/or inventive step.

7) Filing request with the SIPO for involvement in the PPH pilot project does not require payment of any official fees. The project, based on the international cooperation agreement SIPO has concluded with its counterparts of some other countries, is designed to reduce its workload, and, meanwhile, to make things convenient for international applicants to expedite prosecution. To date, the PPH pilot projects are yet to be incorporated in the Patent Law, the Implementing Regulations of the Patent Law and the Guidelines for Patent Examination. Accordingly, if an applicant's PPH request is not finally approved (he has only two chances to file PPH request), administrative or judicial remedies are now not available: he can neither request for administrative reconsideration, nor sue for judicial review.

IV. Conclusion

“OFF” and “OSF” are two vital PPH concepts. The scope of application of PPH depends very much on how to understand them and their relationship. The comparison

made between the bilateral PPH and IP5 PPH here in this article shows that the latter has broken through the literal meaning of OFF and OSF, which is more conducive to achieving the initial aim of the designed PPH system. In addition, this article has made some recommendations based on the PPH examination and agency practice with a hope to help foreign applicants and Chinese patent attorneys to more effectively use PPH to accelerate prosecution of their applications in China, and better promote the global spread of their patent portfolio. ■

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¹ “MOTTAINAT” is a Japanese word, meaning “sorry for something not being made sufficient use of due to its internal complexity”.

² For detail see the CN-US PPH Procedure, what are allowed include Figs. A, B, C, F, G, H, I, J, K and L of Appendix I and Figs. A, A', A'', B, C, D, E1 and E2 of Appendix II; what are not allowed are Figs. D and E of Appendix I.

³ The work results of an OFF serve only as reference for the SIPO's examination, and cannot decide its examination results, that is, the SIPO does not guarantee patent grant.

⁴ The applicant may, while requesting the substantive examination, file a PPH request. Of course, by then the Chinese application had been published.

⁵ It refers to an Office Action in its broad sense, meaning any Office Actions issued during the substantive examination, including Office Actions relevant to a divisional application or PCT Notifications on Corrected Translation.

⁶ See Fig. G of Appendix I of the CN-US PPH Procedure.

⁷ Sometimes, a US examiner, when preparing Form 1449, would delete some cited documents as a result of an error in the applicant's filled form or due to the extremely low relevance of the documents. Documents deleted by a US examiner do not need to be listed.

⁸ If the corresponding application is not published, the patent attorney needs to invite the applicant to provide the relevant documents and submit them to the SIPO.

⁹ See Figs. I and J of Appendix I of the CN-US PPH Procedure.

¹⁰ See Figs. E, F and G of Appendix I of the CN-US PPH Procedure.