

Adjusting the Order of Multinational Examinations for Valid Patents & Cost Reduction



Aki Ryuka

Japanese Patent Attorney
Attorney at Law, California, U.S.A.

August, 2021

This information is provided for general informational purposes only, and is not intended as legal advice. Because every case is unique, readers should not take any action, or refrain from acting based on this information without first consulting their own attorneys. The law is constantly developing, and this information may not be updated with each and every development. The mere presentation of this information does not create an attorney-client relationship with RYUKA IP Law Firm. RYUKA IP Law Firm specifically and wholly disclaims liability for this information.

Recently, US patents are often found invalid by IPR.

What is the problem?

Problem: Examiners search prior art mainly in one language

USPTO cannot find **Japanese / Korean** prior art well.

JPO cannot find **Korean / Chinese** prior art well.

After a patent is issued, **new prior art** is often found
by other IP5 (EP, JP, CN, KR)

Later examined patents tend to be valid more (ex. JP v. US)

If examined in Japan first: JP references are discovered.

→ Claims are amended considering JP references.

Then, examined in the US: US references are discovered.

→ Claims are amended, considering JP & US references

→ **Valid US patent**

US references were not considered in JP

→ **Invalid JP patent**

Same in vice versa, if examined in the US first.

Order of IP5 examinations is important !

Then, how to decide the order of the examinations among IP5?

Example: Valid JP Patent (JP exam. at the end) or Valid US Patent (US exam. at the end)?

We need to consider:

- **importance** of the validity in each country
- importance of **pendency**
- whether leaving a **continuation/divisional**
- **flexibilities for amending issued patents**

Patented claims can be easily limited at the JPO and EPO

	PTO Procedures	Claim Limitations	Period	Attorney & Office Fees (US\$)	Damages go back to:
JP	Correction Trial	More liberal than after final OA	3 mos.	1K to 3K *1 + office fee: 1.5K	Original Issue Date
EP	Central Limitation	Same as examination	6 to 9 mos.	2K to 5K *2 + office fee: 1.44K	
KR	Correction Trial	Limitation by features from spec. is often denied ∴ new objects	6 to 12 mos.	1K to 2K + office fee: 0.5K	Original Issue Date
CN	In nullity action	Only by element(s) taken from other claim			
US	Ex Parte Re-Exam.	Same as examination	1 year +	20K to 80K + office: 12.6K (6.3K if streamlined) *1	Reissue & Notice Date

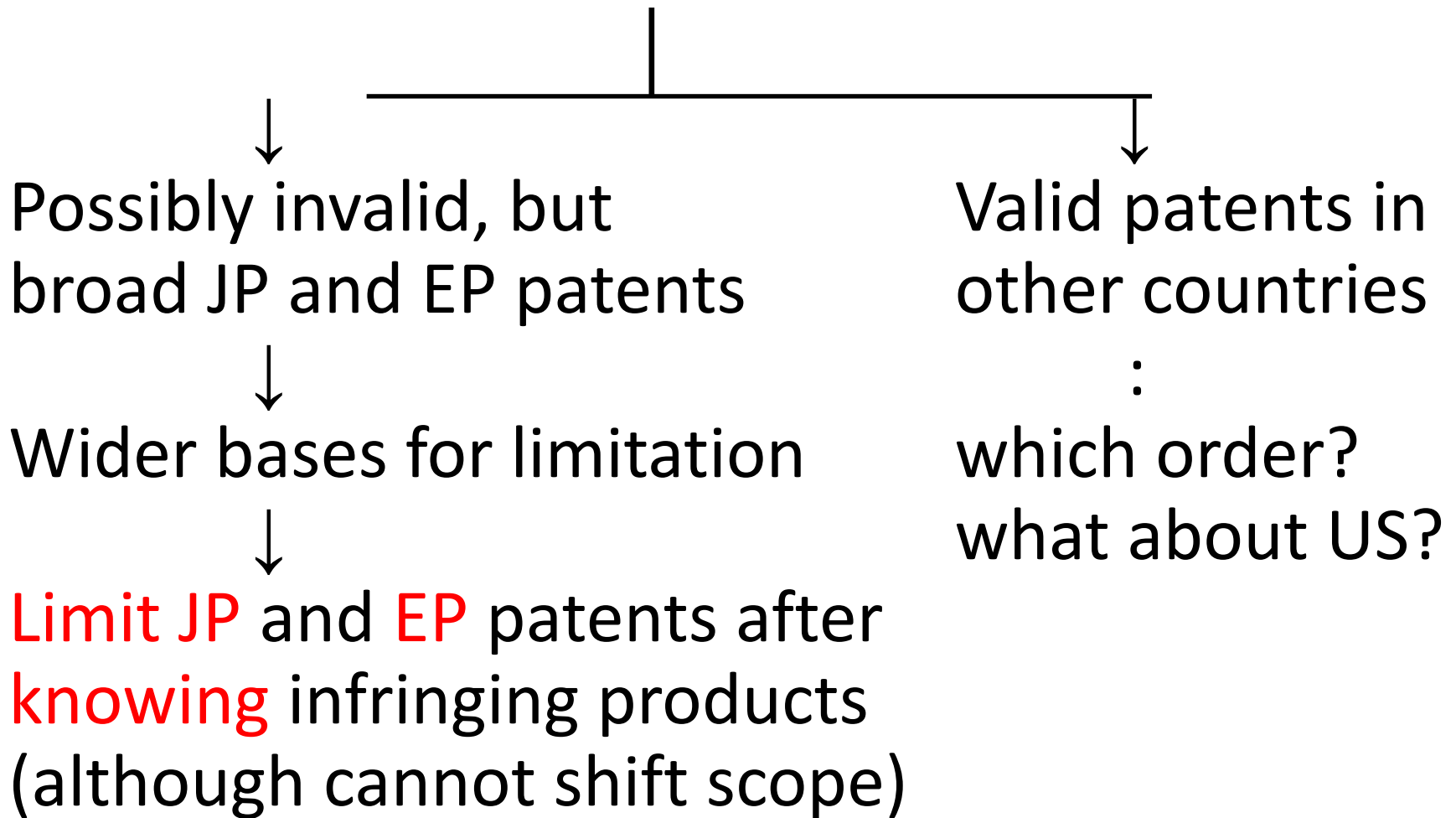
*1 Assumed: large entity, 20 claims and 1 US\$ = JPY 109 (as of Aug, 2021)

*2 Including claim translations and official publication fees

Accelerations of Examinations are easy in JP and EP, even without PPH

	Typical Attorney Fees (US\$)	Office Fees (US\$)	Typical Periods to the First OA
JP	400, if prior art is available	0	3-4 months
EP	200 (PACE) (10-15% applications)	0	3 months

Accelerating JP and EP examinations



Under the AIA/IPR, US applications should be examined later

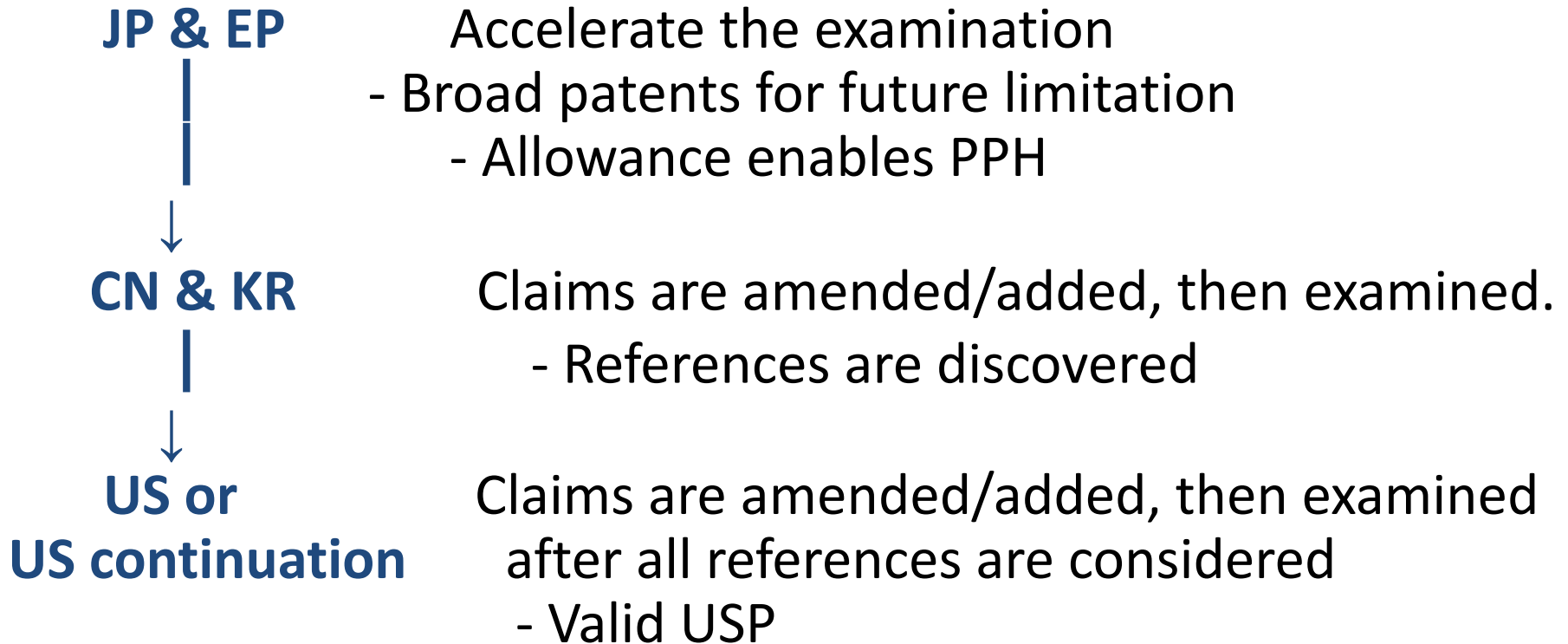
	Pre AIA: Re-Examination	AIA: IPR
Period	Long ⇒ Courts did not wait	Quick ⇒ Courts wait
Standard for Invalidity	Courts: Higher ⇒ Assumed patent valid and infringement was affirmed	IPR: Lower ⇒ All claims have been invalidated in over 1/3 of IPR cases.*
Valuable patents	Broad patents: Later found citations were less important	Valid patents: Later found citations are crucial
US examinations should be	Prior to other examinations	After other examinations

Sep. 16, 2012 - Sep. 30, 2018

Including those dismissed, denied, decided, and adverse judgement was requested

https://www.uspto.gov/sites/default/files/documents/trial_statistics_20180930a.pdf

Having **US** or **US continuation** application examined at the **end**



How to be examined: JP,EP → CN,KR → US, if filed at the same time

JP	Accelerate examination: Allowance/Decision: 9 mos.
EP	Waive Rule 162 and Request PACE



CN	Request normal exam, Allowance/Decision: 22 mos.
KR	Request normal exam, Allowance/Decision: 10 mos.



US	Respond to the US 1st OA, 1st OA: 13.5 mos. (average)
----	--

Time periods are averages in 2019.

Table 4.3 on pp 68, [2019+IP5+Statistics+Report_chapter4_activities_rev2.pdf](#) (fiveipoffices.org)

When filing via PCT, then?

Utilizing:

International Search, and
Early entries

International Search by EPO saves fees, if entering EPO

(US\$)

International Search Authorities (ISA)	Available Receiving Offices	PCT Search Fee in English (A)	Reductions			Total fee, when entering the country of ISA A-(B+C+D)
			In National Phase (B)	Annuity with agent fee (C)	IDS in US (E)	
EPO	EP, JP, US	2,100			0	- 300
Supplemental International Search by EPO	Any	2,100	- 1,300 in EP	- 1,100	- 300	- 600 Office actions are also reduced
KR	KR, US	1,100	- 200 in KR	0	0	900
JP	JP, US	1,200	- 400 in JP	0	0	800
cf. US	US	2,100	- 400 in US	0	0	1,700

Rounded at US\$100. Assumed: 15 claims (3 ind.), Large Entity, 5th maintenance fee of EU820 is avoided.
As of Aug, 2021 (Gray portions are as of Mar, 2017)

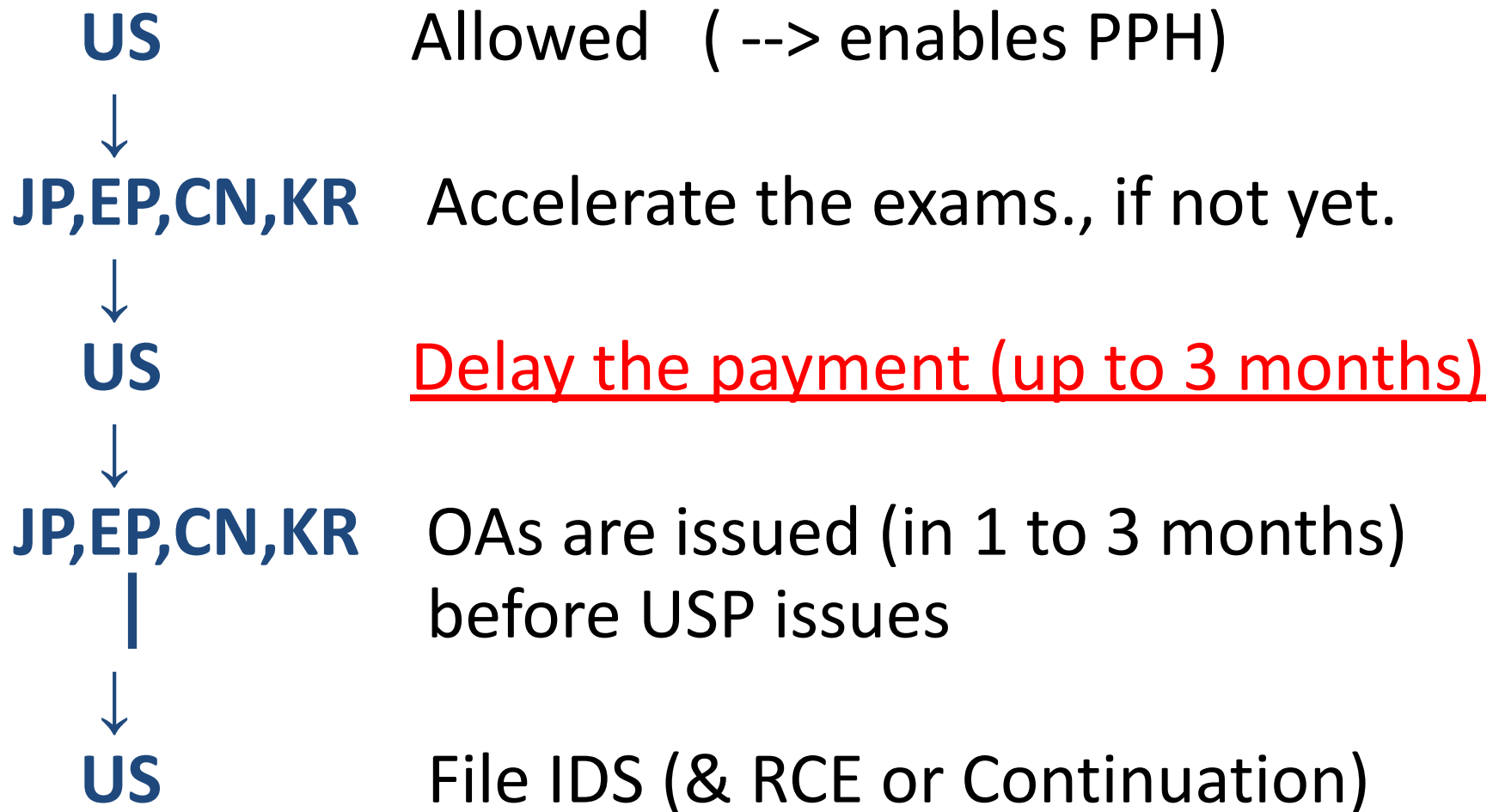
CN/KR often complete examinations before US first OA, if entered earlier/same time

JP	Enter ASAP and request the examination Allowance/Decision: 12 from Priority + 14* = 26 months
EP	Request (Supplemental) International Search. If not positive, a. Enter ASAP and request PACE or b. Request International Pre. Exam., if ISA=EPO
⇓	
CN	Enter after 20 m from priority, amend after 24 m from priority Allowance/Decision: 20 + 6 + 22 = 48 months (average)
KR	Enter after 30 m from priority, Allowance/Decision: 30 + 10 = 40 months (average)
⇓	
US	1st OA: 30 + 13.5* = 43.5 months (average)

* the same as slide 11

What shall we do, if US application is allowed earlier?

If US application is allowed earlier?



PPH to OA (PACE to OA at EPO)

JP	EP	CN	KR
2.5	3	NA	2.5

months

<https://www.jpo.go.jp/toppage/pph-portal-j/statistics.html>

Includes PCT-PPH

Average from July 2020 to December 2020

Is it impossible at all to obtain
valid patents in US, CN and KR?

For valid US, CN, and KR patents ⇒ Synchronize Prosecution

JP and EP Obtaining allowance or positive report



CN, KR Defer the request for examination



US OA is issued



CN, KR Accelerate examinations (w/ PPH)



US Delay the response (up to 6 months)



CN, KR OAs are issued (in 2 to 3 months)



US, CN, KR Respond to all OAs considering all references

Effects of the Synchronized Prosecution

- Strong patents that are difficult to invalidate
- Time and money are saved, because multiple responses are made by a single analysis
- Improved consistencies of responses and claims

What about non-IP5?

Traditional cost reduction strategies

Patent Offices	Influential Offices
Thailand, Malaysia, Vietnam, Indonesia	Japan, Singapore when using ASPEC
India	Japan, EPO
Canada, Mexico, Australia, Philippine	US
Brazil	EPO

Claims are amended as allowed in the influential offices, and that fact is explained.

⇒ **Very few office actions for the inventive step**

Global Dossier is quickly spreading among the examiners

Global dossier: Prosecution histories and citations in IP5 (KR, US, CN, EP, JP) can be easily viewed at a single Website in English !

Examiners around the world will see Global Dossier.

→ More, same office actions

→ More, same responses (**Waste of money**)

Global Dossier has made it difficult to obtain patents

Exemplary Effects

① Malaysian claims were amended as allowed in JP.



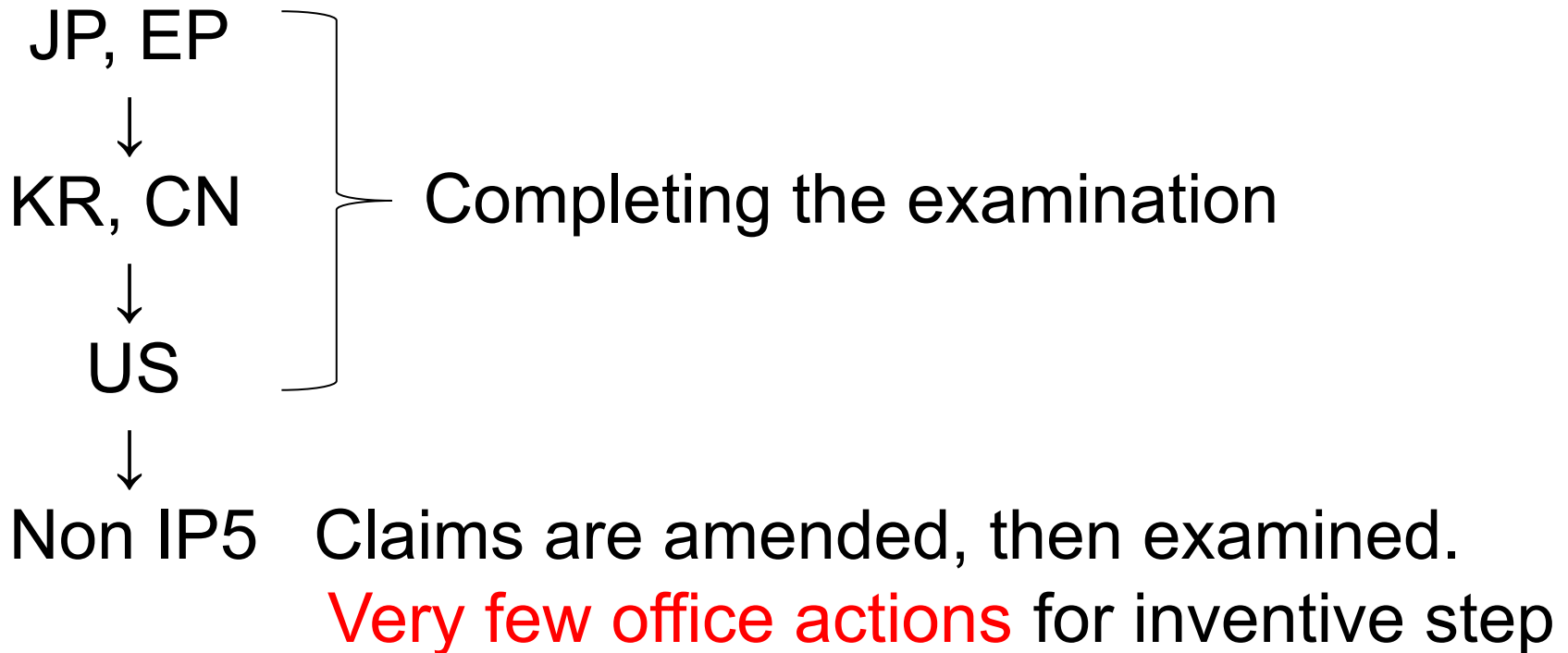
② USPTO found a new reference and claims were more limited.



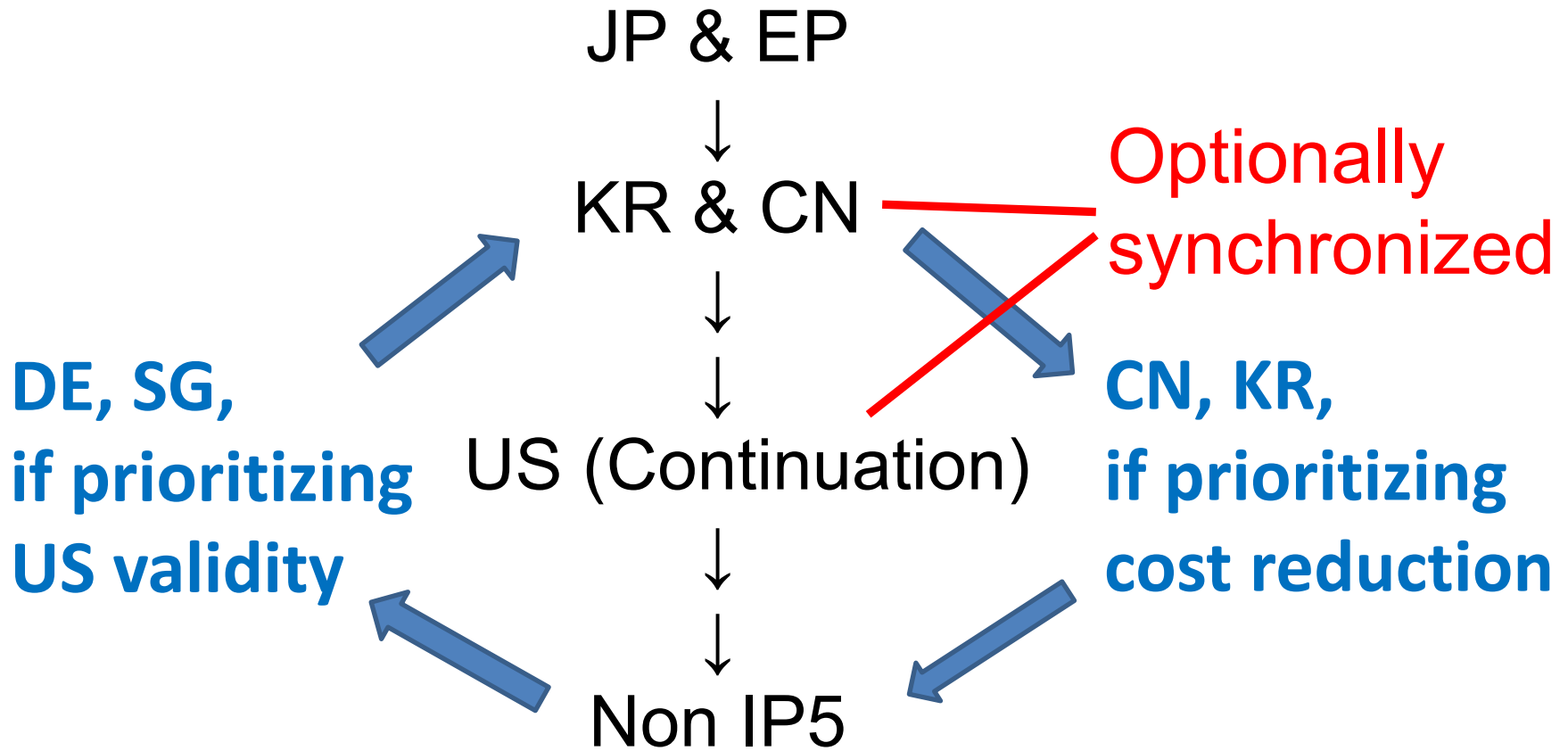
③ Malaysian Patent Office rejected the application using the US new reference.

Utilizing Global Dossier positively

-- Sequential Prosecution --



Balancing Cost Reduction v. US Validities



Thank you

about us:

Celebrated 20th year in 2018.

39 attorneys, 120 in total

They say:

Rising Star in Japan IP, ILASA

Top 5 Japan Patent Firm, Asia IP

Top 10 Japan Trademark Firm, Asia IP

Top 20 Japan Patent Firm, MIP

Top 20 Japan Trademark Firm, MIP

We commit to proactive communication, which leads to deeper understanding of our clients and creative processes.



Back Up Data:

PCT Search Substantial Fees

(Local Currencies)

ISA	PCT Search Fees in English (A)	National Search & Exam Fees via Same PTO as ISA (NS)	National Search & Exam Fees via other four ISAs (NO)	Reduction in National Phase (B = NO – NS)	Substantial fee for PCT Search when entering the country of the ISA (A – B)
JP	JPY 156K	119K (83,000 + 2,400/claim)	178K (124,000 + 3,600/claim)	59K in JP 9,677 in CN	JPY 97K
EP	EUR 1,775	EUR 1,825 (0 search + 1825 exam)	EUR 2,935 (1,300 search + 1,635 exam)	1110 in EP 68 in KR 75 in CN	EUR 665
EP-SIS A	EUR 1915				EUR 805
cf. US	USD 2,180	840 (120 search + 720 exam)	1,200 (480 search + 720 exam)	360 in US	US\$ 1,820
cf. KR	KRW 1,200K	562K (143K + 4K/claim) x 0.7	803K (*0.9 via EP-ISA) (143K + 44K/claim)	241K in KR	KW 959K
cf. CN	CNY 2,100	2,500	2,500 (x 0.8 via EP,JP-ISA)	0	CNY 2,100

As of Aug 2021 (Gray portions are as of August, 2015)
Assuming:
15 claims (3 ind.), Large Entity

Sources: www.wipo.int/

www.wipo.int/export/sites/www/pct/en/fees.pdf, pg. 4-5
[pct/guide/en/gdvol2/annexes/kr.pdf](http://www.wipo.int/pct/guide/en/gdvol2/annexes/kr.pdf) pg.3-4
[pct/guide/en/gdvol2/annexes/us.pdf](http://www.wipo.int/pct/guide/en/gdvol2/annexes/us.pdf) pg.4-5

[pct/guide/en/gdvol2/annexes/ep.pdf](http://www.wipo.int/pct/guide/en/gdvol2/annexes/ep.pdf) pg.4-5
[pct/guide/en/gdvol2/annexes/jp.pdf](http://www.wipo.int/pct/guide/en/gdvol2/annexes/jp.pdf) pg.3 & AnnexJP.I,pg.1
[pct/guide/en/gdvol2/annexes/cn.pdf](http://www.wipo.int/pct/guide/en/gdvol2/annexes/cn.pdf) pg.4

	Average Period for disposition	Additional Period in PCT Stage	Total Period	5th Annuity (EUR)	Typical Agent Fee for Annuity	Total for 5 th Year
EP	3 years	1.5 years	4.5 years (5th Year)	850	150	1000

Assuming 30 month entry waiving Rule 161/162 EPC Source: <http://www.epo.org/law-practice/legal-texts/html/epc/2013/e/article2.html#2>

JP & KR Office Fees in the PCT Stage

Patent Offices	Language	Transmittal Fee (A)	International Search Fee (B)	Preliminary Examination Fee (C)
KR	Korean	KRW 45,000	USD 389	KRW 450,000
	English		USD 1,036	
KR (Filing) / JP (Search)	Japanese	JPY 10,000	USD 662	JPY 26,000
JP	English		USD 1,476	JPY 58,000

Same in International Filing Fee USD 1367

Source: <http://www.wipo.int/export/sites/www/pct/en/fees.pdf>