

Endemic Problem in US National Stage Filings of PCT Applications

By Rick Neifeld, Neifeld IP Law

I. Introduction

This article is directed to the specific area of practice and procedure before the United States Patent and Trademark Office (USPTO), which is United States (US) national stage filing in a Patent Cooperation Treaty (PCT) international application. This article identifies an endemic problem with the USPTO's response to US national stage filings. That is the erroneous issuance of Notices indicating a US national stage filing in a PCT application is defective. This problem is a cause for concern to patent practitioners because, for one thing, the issuance of such a Notice calls into question the competence of the practitioner in the eyes of their client. For another, there is a substantial amount of unnecessary time and effort devoted to generating and responding to such Notices.

One goal of this article is to provide patent practitioners an easy reference to explain to their clients, why they should not be concerned when the USPTO issues an erroneous Notice that their US national stage filing is defective. This article explains that this kind of erroneous Notice is a result of an endemic USPTO problem, and not due to any deficiency on the part of the practitioner.

II. PCT Summary

The PCT provides advantages to patent filers by enabling a single filing (a PCT international application) to be accorded the benefit in each PCT member country of the single filing of the PCT application in any one PCT member country. That single filing forestalls, for at least 30 months, the requirement to actually file a copy of the PCT application and pay the corresponding national filing fees and formal documents (and national agents's fees) in all PCT member countries.

If the PCT applicant wants a patent in some particular PCT member country, then prior to the 30 month date, the PCT applicant must comply with the "national stage" filing requirements. Typically, those requirements include paying filing fees, providing a copy of the PCT application to the particular PCT member state's patent office, filing documents signed by the applicant or inventor, and providing certain bibliographic information.

III. US National Stage Entry Summary

In the US, PCT national stage filing is governed by national statutory law and corresponding regulations issued by the USPTO. The US law is specified in 35 USC 351 to 376. The corresponding USPTO regulations are specified in 37 CFR 1.491 to 499. The Manual of Patent Examining Procedure (MPEP) provides guidance on complying with these laws and regulations in MPEP 1893.01 to 1893.03.

IV. Issues and Generic Problems

Given the guidance, one might think that US national stage filing is straightforward. That

is not the case. There are details related to things like translations, claims fees, application fees, priority documents, document filing format, and document description. There details regarding which documents qualify for bibliographic data entry. Consequently, the USPTO's official file for one US national stage filing may look very different from the corresponding file for another US national stage filing.

After a patent practitioner effects a US national stage filing, a USPTO employee conducts a formal review of the filing. One additional detail is that this review may be delayed until after 30 month period. This delay is because the USPTO is not obliged under the PCT to review US national stage filings prior to the termination of the 30 month period.

However, the PCT national filing is eventually reviewed by a USPTO employee, who determines if the application complies with the formal requirements for US national stage entry. That employee prepares a Notice relating to the review. In many cases the Notice confirms the filing complies with all formal requirements and that the application has entered the US national stage. However, in many cases the Notice identifies incomplete formal requirements and requires additional filings and fees.

Patent practitioners have indicated that about twenty percent of those Notices are erroneous. That is the things those erroneous Notices identify as incomplete or defective US national stage filings that are not in fact incomplete or defective. Instead, those Notices are a result of the USPTO employee making errors in their review.

I have received such erroneous Notices. My normal response to such a Notice involves a detailed review of my national stage filing to determine the source of the error and how to respond to correct the error, or how to respond upon concluding that there was no error in the filing and instead the Notice is in error. And then filing a formal written response to the Notice. Because of the uncertainty in this process and the delay and possibility of loss of rights due to a defective response, I normally also telephone the USPTO's PCT Help Desk and ask the official that answers to check and confirm my findings and conclusions.

On March 16, 2021, after receiving such a Notice in one US national stage filing, and after concluding that the requirements in the Notice were erroneous, and after having an official at the USPTO's PCT Help Desk also conclude that the requirements in the Notice were erroneous, I posted an email to a list service that is dedicated to discussing issues relating to PCT applications. See <https://www.oppedahl.com/pct/>

My email had subject line: "371 Formalities Notices, is this a generic problem, or is it just me?"

My email stated:

Colleagues:

On 3/5/2021, I received a FORM PCT/DO/E0/905 (371 Formalities Notice), in a 371 filing.

On 3/6/2021, I filed a response to the Notice traversing the requirements in the Notice.

Today, I conferred with the official now manning the USPTO PCT Help Desk. After 26 minutes of review and discussions, that official found nothing wrong with the 371 case and agreed that the response to the Notice properly

addressed the requirements raised in the Notice. OK, two hours has been spent on my end in review, response, reporting and conferring with the USPTO. Assuming the USPTO PCT Help Desk official and I are correct and the person that generated the notice is incorrect, then all of our collective time has been wasted. I question whether or not this is an isolated incident. Sure, anyone can have a bad day and make a mistake and issue an erroneous Notice once in a blue moon. But if its more than that, we should know and take some form of collective action.

I copy in below the elements of the Notice and my response. If you have seen similar erroneous requirements in the last year or so of 371 national stage entries, please respond, so we can determine whether or not this is an isolated incident.

1. The Notice stated that:

Translation of the application into English. Note a processing fee will be required if submitted later than 30 months from the priority date.

o Translation of the application into English. The current translation of the application into English is defective as described below. Note a processing fee will be required if submitted later than 30 months from the priority date.

o The text in the drawings has not been properly translated."

On 3/6/2021, I filed a response to those assertions stating in relevant part:

In response, the applicant traverses this requirement because it is based upon an incorrect factual conclusion that there is non English language text in the drawings filed.

All text in the drawings filed 2018-11-21 and identified in in the IFW by the document description "2018-11-21 Drawings-only black and white line drawings" contain only English language text.

Moreover, the Notice does not specify in which drawing page or which figure the reviewer identifies non English language text and since that text is not visible to the undersigned, the Notice is also traversed on the grounds that it is a violation of the administrative procedures act and requirements for notice, see 5 USC 706 generally."

2. The Notice stated:

"Properly executed inventor's oath or declaration for the following inventor(s) has not been submitted: K***-*** LEE."

[Name characters partially replaced with "*" to protect privacy.]

On 3/6/2021, I filed a response to those assertions stating in relevant part:

In response, the applicant traverses this requirement because it is based upon an incorrect factual conclusion that a properly executed inventor declaration was not submitted for K***-*** LEE. The IFW for this application shows that on 01-29-2020 in the document identified in the IFW as "2020-01-29 Oath or Declaration filed" was filed in the IFW. That document is signed and dated by K***-*** LEE, and that this document is titled "Assignment and Inventor Declaration For a Patent Application," identifies the application as PTC/KR2017/00**** filed May 25, 2016, which complies with 37 CFR 1.63(a). 37 CFR 1.63(b) information is not required in "2020-01-29 Oath or Declaration filed" because filed "application data sheet in accordance with §1.76" provided the 1.63(b) information. See the ADS identified in the IFW as "2019-02-10 Application Data Sheet", page 1. Pursuant to 1.76(c), there was no earlier ADS, and pursuant to 1.76(d), there was no inconsistent information supplied at any time.

Moreover, since the Notice does not refer to the "2020-01-29 Oath or Declaration filed" or provide any reasons why it is not a Properly executed inventor's oath or declaration and instead states that such a declaration has not been submitted, the Notice is also traversed on the grounds that it is a violation of the administrative procedures act and requirements for notice, see 5 USC 706 generally." ." [Name and PCT application number characters partially replaced with "*" to protect privacy.]

Carl Oppedahl is a prominent patent attorney, and Carl is known to be a PCT expert and lecturer in the PCT treaty.

On 3/17/2021, Carl responded to my email post with his post, stating the following.

In general, we find that the accuracy rate for Forms PCT/DO/EO/905 from the USPTO is only about 20%.

In general we find that in about 80% of cases, we are forced to file a request for a corrected Notice of Acceptance.

The mistakes that we see frequently made by the DO/EO/US people include:

- getting wrong the date on which we provided the inventor declarations.
- missing the fact that we filed an Express Request.

- getting wrong the date on which we provided a translation into English.
- overlooking that the inventor declarations were provided years earlier at the time the PCT application was filed in the first place.

These kinds of mistakes are not victimless. They can among other things make a difference in the amount of Patent Term Adjustment that we receive down the line.

There was a long stretch of years during which the DO/EO/US people were bouncing inventor declarations due to the family name being first on the document and the given name being second on the document, and the DO/EO/US person would play dumb and pretend not to understand that in many Asian cultures, the "first name" is the family name and the "second name" is the given name. The DO/EO/US person, playing dumb about this cultural fact, would bounce the declaration because supposedly it failed to match the ADS's listing of "first name" and "last name". But in the past year or so, we have not seen this particular category of playing dumb on the part of the DO/EO/US people.

One thing that is unfortunate is that we keep seeing the same USPTO employee names over and over again on the defective Notices of Acceptance. The same USPTO employees keep making the same kinds of mistakes over and over and over again. There is clearly very little effort being made to track the mistakes on a management level nor is there much effort being made to retrain the employees to get them to be more careful.

Each Notice of Acceptance lists a particular employee name and a particular direct telephone number. In this respect the situation is less bad than the various Notices from OPAP in 111a cases, where you never really learn who signed the Notice and you never have even a remote chance of speaking with the signer of the Notice. So with the Notices of Acceptance, you might think that you could phone up the particular USPTO person who signed the Notice and gently suggest what they need to do differently in the future. Nope. Most of these people don't answer their phones, and don't respond to voice mail messages. The ones who do answer their phones seem generally impervious to any notion of doing better next time.

In our case we do sometimes do as you did, phoning up the PCT Help Desk, and then what happens is a PCT Help Desk person drops an email to somebody in the DO/EO/US area and eventually it usually gets straightened out. In the past couple of years our more common practice has been to prepare and file a word processor document spelling out what the DO/EO/US person got wrong and what needs fixing. This burns up a lot of our time, but usually it burns up less of our time than conducting a lengthy phone call with a person at the PCT Help Desk.

There is, of course, no Document Description for indexing a request for a corrected Notice of Acceptance. I guess that for the USPTO to go to the trouble of creating such a Document Description this would require renegotiating a labor

contract or something, and it would have the big drawback of admitting that DO/EO/US ever makes a mistake. So we usually index it as Request for Corrected Filing Receipt even though the Filing Receipt in the case may well not have any mistake in it.

In other words, Carl's experience confirms my experience that the USPTO issues erroneous Notice when initially examining US national stage filings for compliance with US national stage filing requirements in a substantial fraction of such filings. And Carl quantifies the error rate at about twenty percent.

V. Summary

Evidence from two PCT practitioners (myself and Mr. Oppedahl) indicates that there is a endemic problem in US national stage filings of PCT applications. Specifically in a substantial fraction of such filings, estimated at 20 percent, the USPTO issues a Notice that erroneously indicates that the national stage filing is erroneous.

Y:\Library\LAW\FirmPublicationsAndPresentationsAndLectureMaterials\RickNeifeld\articles\E endemic Problem in US National Stage Filings of PCT Applications.wpd