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# HOW THE PATENT HARMONIZATION TREATY WILL CO-EXIST WITH THE PATENT COOPERATION TREATY AND THE EFFECTS AND ADVANTAGES IN HARMONIZING THE TWO TREATIES

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## INTRODUCTION

Patent Harmonization is currently one of most discussed topics in Patent Law.<sup>1</sup> The existing Patent Cooperation Treaty ("PCT")<sup>2</sup> succeeded in unifying patent filing procedures to the extent that a single filed PCT patent application is effective in filing the application in multiple patent offices. The proposed Patent Law Treaty ("PLT")<sup>3</sup> aims to harmonize<sup>4</sup> national<sup>5</sup> patent law on an interna-

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1. For other discussions concerning the patent harmonization effort, see William J. Brunet, *Impact of Patent Harmonization Treaty on Drafting and Prosecuting U.S. and Foreign Patent Application*, 319 PLI/PAT 177 (1991); William T. Fryer, III, *Patent Law Harmonization Treaty Decision is Not Far Off — What Course Should the U.S. Take?: A Review of the Current Situation and Alternatives*, 30 IDEA 309 (1990); Karen M. Curesky, *International Patent Harmonization Through W.I.P.O.: An Analysis of the U.S. Proposal to Adopt a "First-To-File" Patent System*, 21 LPIB 289 (1989).

2. Patent Cooperation Treaty, June 19, 1970, 28 U.S.T. 7645, T.I.A.S. No. 8733 [hereinafter PCT].

3. *Draft Treaty Supplementing the Paris Convention for the Protection of Industrial Property as Far as Patent are Concerned (Patent Law Treaty)*, W.I.P.O., Doc. PLT/DC/3 (Dec. 21, 1990) [hereinafter PLT], reprinted in *Records of the Diplomatic Conference for the Conclusion of a Treaty Supplementing the Paris Convention as Far as Patents are Concerned*, W.I.P.O., Diplomatic Conference, pt. 1, at 11-53 (1991)[hereinafter *Records*].

tional scale. Enactment of the proposed PLT will not conflict with the current PCT because the two treaties would govern different stages in the processing of a PCT patent application. However, enactment of the PLT and harmonization of the PCT with the PLT could change the character of the PCT from essentially being a patent application filing procedure into something starting to resemble a unified patent examining and granting procedure. Such harmonization could result in a considerable reduction of the current duplication of search and examination efforts by the patent office and the duplication of prosecution efforts by the applicant.<sup>6</sup>

This Article provides an overview of how the PLT would interface with the PCT and analyzes the effects and advantages of harmonizing the two treaties. Part I of this Article explains the different purposes of the enacted PCT and the proposed PLT, and why the two treaties could co-exist without a conflict. Part II discusses the advantages of harmonizing the two treaties. Part III outlines the areas of the PCT and the PLT that will be affected by a possible harmonization of the two treaties. Finally, Part IV comments upon the areas of the PCT that will not be affected by a possible harmonization of the two treaties.

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4. "Generally speaking, 'harmonization' of legal systems refers to coordinating the various rules of law . . . to the point where they express common, minimum principles." R. Carl Moy, *Patent Harmonization Protectionism and Legislation*, JPTOS, Nov. 1992, at 777, n.1. In contrast, "unification" means the use of the same laws and regulations in each legal system. *Id.*

In Europe, there is a trend from individual national patent law to harmonization and from harmonization to unification of patent laws. A similar worldwide trend can be observed which started with the enactment of the PCT and which led to the proposed PLT.

5. Throughout this Article the term "national" stands for national as well as regional. Hence, "national patent law" stands for national as well as regional patent law.

6. According to the former president of the European Patent Office, Dr. Johannes van Benthem, if the European Patent Office, Japanese Patent Office and United States Patent Office would recognize each other's search and examination results, the workload of the European and United States Patent Offices would be reduced by 40%. Dr. Johannes Bob van Benthem, *Europaisches Patentsystem und Weltpatentsystem [European Patent System and the World Patent System]*, 1990-No. 9 GRUR INTERNATIONAL, 684, 688 (1990). The potential decrease in the workload at the Japanese Patent Office is not clear since the claim requirements are different, but certainly the reduction would be substantial. *Id.*

Enactment of the PLT, since it would make it easier to obtain and enforce worldwide patent rights, very likely would result in an increase of patent applications. Such an increase in patent applications would further increase the already existing backlog of unexamined patent applications at the major patent offices. However, harmonizing the PCT with the PLT—which could change the PCT into something starting to resemble an examining and granting procedure—might be the means to handle such an increase in patent applications.

I. THE PURPOSES OF THE PCT AND THE PLT:  
HOW THEY CAN CO-EXIST

The PCT was enacted in 1970 to establish a basic PCT application format that is acceptable to all patent offices of the contracting states,<sup>7</sup> and to facilitate the effective filing of patent applications at designated patent offices<sup>8</sup> using a single PCT application<sup>9</sup> filed in any one of these patent offices. The PCT also provides for a mandatory PCT search<sup>10</sup> and an optional PCT examination.<sup>11</sup> The non-binding results of the PCT search and the PCT examination are communicated to the relevant patent offices.<sup>12</sup>

The purpose of requiring a mandatory PCT search and offering an optional PCT examination is two-fold. First, to reduce the duplication of search and examination efforts by the various patent offices for the same PCT application and to reduce the corresponding prosecution efforts by applicants.<sup>13</sup> Second, it gives applicants an opportunity to analyze the prior art and to evaluate patentability before proceeding further with the prosecution.<sup>14</sup>

The design of the PCT enables contracting states to participate irrespective of their substantive patent law by dividing the prosecution procedure for a PCT application into two phases:<sup>15</sup> an interna-

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7. All states which are a party to the PCT are called "contracting states." PCT, *supra* note 2, art. 1(1). As of May 3, 1993, there were fifty-eight contracting states. WIPO Press Release PCT/66 (May 3, 1993). Recently China decided to join the PCT and plans to be a member as of January 1, 1994. See 75 J. PAT. TRADEMARK OFF. SOC'Y 354 (1993) (noting accession of China to PCT).

8. The patent office for which a PCT application is filed is called a "designated office." PCT, *supra* note 2, art. 2(XIII).

9. The PCT uses the expression "international application" for an application filed under the PCT in contrast to a "national application" filed under national or regional filing procedure. PCT, *supra* note 2, art. 2(VI, VII). To avoid any possible confusion, an application filed under the PCT is referred to in this Article as a PCT application.

Similarly, the PCT uses the expressions "International Search" for a search performed under the PCT, and "International Preliminary Examination" for an examination performed under the PCT. PCT, *supra* note 2, arts. 15, 31. In order to avoid possible confusion, an "International Search" and an "International Preliminary Examination" are referred to in this Article as PCT Search and PCT Examination, respectively.

10. PCT, *supra* note 2, art. 15(1).

11. *Id.* art. 31(1).

12. The PCT search report is communicated to each designated office. PCT, *supra* note 2, art. 20. The PCT examination report is only communicated to each "elected office." PCT, *supra* note 2, art. 36.

13. H. Rep. No. 94-592, 94th Cong., 1st Sess. 2 (1975) (stating that the PCT seeks to reduce "the duplication of effort involved, both for applicants and national Patent Offices, in the filing and processing of patent applications for the same invention in different countries").

14. *Id.*

15. 30 PCT GAZETTE 14029 (1992)(stating that "[t]he procedure through which an international application proceeds. . . comprises two clearly separated basic stages").

tional phase and a national phase. The international phase consists of the actual PCT application filing, the PCT search, and the PCT examination. The international phase is governed by the PCT provisions and is administered by the World Intellectual Property Organization ("WIPO").<sup>16</sup> The national phase consists of the prosecution of the PCT application at the various designated patent offices according to their individual national law. The individual patent offices are free to decide whether to consider the results obtained by the PCT search and the PCT examination.<sup>17</sup>

Hence, the PCT's provisions apply only at the international phase and have no effect at the national phase except for the procedural requirement that a proper PCT application is a valid application for entering the national phase.<sup>18</sup> Hence, the PCT is purely procedural for a PCT application entering the national phase. In contrast, the PLT aims mainly to harmonize substantive patent law at the national level and therefore would affect a PCT application only at the national phase. Hence, since the PCT and PLT provisions apply at different phases in the processing of a PCT application, the PLT would not *per se* affect the PCT.

## II. THE EFFECTS AND ADVANTAGES OF HARMONIZING THE TWO TREATIES

The PCT has proven to be very successful in establishing an accepted basic application format and as an effective unified filing procedure.<sup>19</sup> However, the PCT has been less successful in avoiding or reducing the duplication of prosecution efforts or giving a reliable indication of patentability.<sup>20</sup> Each patent office is free to decide whether to consider the results of the PCT search and PCT examination.<sup>21</sup> In practice, patent offices almost always conduct a new

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16. Administrative tasks concerning the PCT and the PLT are performed by the International Bureau. PCT, *supra* note 2, art. 55(1); PLT *supra* note 3, art. 28(1). The International Bureau is part of the World Intellectual Property Organization (WIPO). The Director General of WIPO is also the "chief executive" for both the PCT and the PLT. PCT *supra* note 2, art. 55(3); PLT *supra* note 3, art. 28(2).

17. "The ultimate decision whether to grant a patent lies in each of the designated states . . . The international search is not binding for the designated patent offices nor is the preliminary international examination binding for the elected patent offices." WORLD INTELLECTUAL PROPERTY GUIDEBOOK, FEDERAL REPUBLIC OF GERMANY, AUSTRIA, SWITZERLAND GER 2-163 (Bernd Ruster ed. 1991) [hereinafter WORLD INTELLECTUAL PROPERTY GUIDEBOOK].

18. PCT, *supra* note 4, art. 27(1), (5).

19. See 75 J. PAT. TRADEMARK OFF. SOC'Y 354, 356 (1993) (noting the almost exponential increase in PCT applications since its enactment).

20. Nevertheless, the number of requests by applicants for a PCT examination has increased more than ten-fold during the last five years. In 1992, 15,051 requests for a PCT examination were made. *Id.* at 359.

21. WORLD INTELLECTUAL PROPERTY GUIDEBOOK, *supra* note 17, at GER 2-163.

search at the national phase, even if only on a limited scale, and do not give much consideration to the PCT examination results.<sup>22</sup> One reason for this may be due to the difference between the PCT provisions applied at the international phase and the various national patent laws applied at the national phase.<sup>23</sup> It follows that if the national patent laws and the PCT were harmonized, then the relevant patent offices would give more consideration to the results obtained by the PCT search and PCT examination.

WIPO and the major patent offices have made significant efforts to exchange prior art documentation and to harmonize classification of the prior art. The tri-lateral discussions between the European, Japanese, and United States Patent Offices indicate that a closer cooperation is possible and would be mutually beneficial.<sup>24</sup> These developments prompted WIPO to propose a so-called "super PCT search and examination."<sup>25</sup> At the search level for this "super PCT," the proposal recommends a combined search report prepared jointly by the European, Japanese, and United States Patent Offices which would be binding on all three patent offices.<sup>26</sup> However, if the national patent laws and the PCT are harmonized, it should be possible to ensure that a PCT search report by a single patent office would satisfy subsequent patent offices' novelty search standards.<sup>27</sup> Hence, no additional novelty search should normally be necessary at a later national stage.<sup>28</sup>

Furthermore, since the content of a novelty search affects the outcome of a substantive examination,<sup>29</sup> a PCT examination performed with such a novelty search report should have a much wider acceptance. If the national patent laws and the PCT are harmonized, then such a PCT examination should have a similar analysis

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22. Bentham, *supra* note 6, at 688.

23. Another reason is the variation in the quality of the performed PCT search and PCT examination depending upon who does the search and examination. Cf. Harold Wegner, *Patent Simplification Sans Patent Fraud*, 20 AIPLA Q.J. 221, 222 (1992).

24. Bentham, *supra* note 6, at 689.

25. Arpad Bogsch, WIPO Director General, Address at the Federation of Industrial Property Attorneys (FICPI) World Congress (1991).

26. *Id.*

27. Specifically, a harmonized search procedure with a unitarian quality standard would be required. Bentham, *supra* note 6, at 689.

28. The European Patent Office already gives a PCT search report, where the Swedish or the Austrian Patent Office was the International Searching Authority, full credit and does not require a supplementary European search at its national stage. EUROPEAN PATENT OFFICE, GUIDELINES FOR EXAMINATION IN THE EUROPEAN PATENT OFFICE, Part B, ch. III, p. 9 (1992) [hereinafter GUIDELINES].

29. Bentham, *supra* note 6, at 688 (stating that the quality of the international search influences to a large extent the quality of the international examination).

and outcome as examinations at the national phase.<sup>30</sup> Hence, it would be conceivable that patent offices might require only a minor supplementary examination at a later national phase.<sup>31</sup> For example, the European Patent Office already gives full credit at its national phase to a PCT search if performed by the European Patent Office.<sup>32</sup> Also, if the European Patent Office performed the PCT examination, then it requires only a limited examination at its national phase.<sup>33</sup>

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30. Presuming, of course, that in addition to enacting the PLT, all contracting parties of the PLT will actually implement the PLT in such a way as to be harmonious with other contracting parties implementations.

Factors which make harmonious implementation of patent laws difficult are the different purposes and conceptual approaches of the various patent systems. The purpose of the United States patent system is to protect the inventor. Samson Helfgott, *Cultural Differences Between the U.S. and Japanese Patent Systems*, 72 J.P.T.O.S. 231, 232 (1990). In contrast, the purpose of the Japanese system is to support industry and to foster innovations between competing industries. *Id.* at 234. The United States patent system has a "contractual approach." *Id.* at 232. If the invention is found patentable by the Patent Office, then the applicant has the option to allow the patent to issue thereby disclosing the invention to the public. *Id.* at 232-33. In return for his disclosure, the applicant obtains exclusive rights for 17 years for the claimed invention. *Id.* If the invention is found not to be patentable by the Patent Office or the applicant is not satisfied with the scope of allowable claims or decides otherwise against patent protection, the applicant may then withdraw the patent application without a public disclosure. *Id.* In contrast, the Japanese patent system is primarily used by the Japanese industry for defensive purposes. *Id.* at 235. The purpose in filing a patent application is not to obtain exclusive patent rights for the broadest claims possible in order to exclude others. *Cf. id.* at 235. Rather, its purpose is to obtain patent protection for a particular inventive embodiment in order to allow the applicant to continue to practice it in case a competitor later develops the same inventive embodiment. *Id.* The purpose and approach of the European patent systems falls somewhere in between that of the United States and the Japanese. *Cf. id.* at 236-37.

31. A supplementary examination also gives the designated patent offices an opportunity to perform a supplementary search if necessary.

For example, according to the GUIDELINES FOR EXAMINATION IN THE EUROPEAN PATENT OFFICE:

the examiner [at the examination stage] will need to make a 'topping-up' search for conflicting European applications. . . because as a general rule the search files in the Search Division will not be complete in respect of such material at the time the main search is made . . . . A systematic additional search will sometimes be required . . . either because the first search was an incomplete one or because the search division has not searched a particular part of the application because of objection of lack of unity of invention. . . or because the claims have been so amended that their scope is no longer covered by the original search. It might also arise exceptionally if the applicant resiles from an acknowledgment of prior art . . . or if the examiner believes that material relevant to obviousness might be found in technical fields not taken into account during the search.

GUIDELINES, *supra* note 28, Part C, ch. VI, p. 77.

32. *Id.* Part B, ch. III, p. 8.

33. This is apparent from the relevant GUIDELINES, *supra* note 27, Part E, ch. X, p. 42-43:

Where the European Patent Office was the International Preliminary Examining Authority, the (PCT) examination will normally have been car-

Such harmonization of national patent laws and the PCT might even allow the patent office which performs the PCT search and PCT examination to forego the supplementary examination at its national phase in order to grant a patent. In this scenario, the PCT actually would be a patent granting procedure. For example, the PCT is already such an integral part of European Patent Office procedure<sup>34</sup> that in a situation where the European Patent Office is a designated patent office and is the International Searching and Examination Authority, the PCT is almost an examination and granting procedure for a European patent. If, in addition, the PCT and the EPC (European Patent Convention) provisions were fully harmonized then the PCT virtually would be an examination and granting procedure for a European patent.<sup>35</sup>

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ried out by the examiner responsible for examining the related Euro-PCT application [at the national phase in the European Patent Office] . . . . Normally, the documents which are indicated in the [PCT] examination report as forming the basis for that report will also form the basis for the substantive [national phase] examination in the European Patent Office . . . . [The PCT examination] report is to be regarded as an opinion for purposes of examination. Such an opinion may be departed from if new facts relevant to assessing patentability are in evidence (e.g. further documents have been cited, as might happen in a supplementary European search report, or if evidence is produced of unexpected effects) or where the substantive patentability requirements under the PCT and EPC are different.

Since only a limited examination is required for the PCT application, "[t]he examination fee is reduced by 50% if the EPO, acting as an International Preliminary Examining Authority, has already drawn up an International Preliminary examination report for the same application (Rule 104b(6); EPC, Art. 12(2)R Fees)." EUROPEAN PATENT OFFICE, SUPPLEMENT NO. 1 TO OFFICIAL JOURNAL No. 12 (1992).

34. One well known commentator stated, "In fact, the EPC and PCT are to a large extent, tailored with a view towards each other." WORLD INTELLECTUAL PROPERTY GUIDEBOOK, *supra* note 17, at 2-163. According to Arpad Bogisch:

Another reason for the long period (almost eight years) between the adoption and the entry into force of the PCT was the desire of some Western European countries that operations under the PCT should not start before operations under the European Patent Convention started . . . . This is why the PCT came into effect only in 1978.

Arpad Bogisch, *Brief History of the First 25 Years of WIPO*, INDUS. PROPERTY, Dec. 1992, at 328.

One might wonder whether the inter-relationship of operations and time of enactment between the EPC and PCT will find their mirror image in the inter-relationship of operation and time of enactment between the CPC (Community Patent Convention) and PLT?

35. This becomes obvious from the relevant "GUIDELINES FOR EXAMINATION IN THE EUROPEAN PATENT OFFICE" as reproduced in the previous footnotes. If the PCT search was also performed by the EPO, then no supplementary search report is required at the national phase. *Id.* Part B, ch. III, at 8. Hence, all the relevant prior art will have been considered for the PCT examination. Also, if the substantive patentability requirements under the PCT and EPC are fully harmonized, then it seems obvious that the examiner who was also responsible for the corresponding PCT examination considering the same prior art will come to the same conclusion as to patentability at the national stage.



The close interrelationship between the PCT and the EPC results in efficient processing of a PCT application in the European Patent Office. Enactment of the proposed PLT and harmonizing the PCT with the PLT could also result in the efficient processing of a PCT application on a worldwide basis. Such harmonization could make it possible that individual patent offices would only require a supplementary examination at their national phase.<sup>36</sup>

### III. AREAS OF THE PCT WHICH WOULD BE AFFECTED BY HARMONIZING THE TWO TREATIES

#### A. *Condition of Patentability and Prior Art*

While the PCT and the PLT have very similar conditions for patentability,<sup>37</sup> there are differences in the definition of prior art. Under the PCT, prior art is defined as "everything which has been made available to the public anywhere in the world by means of written disclosure" before the filing date or the claimed priority date of an application.<sup>38</sup> Any patent published after the filing date or the claimed priority date, but filed earlier, is not prior art.<sup>39</sup> Hence, "oral disclosure, exhibition, or other means of disclosure are not relevant prior art . . . unless [they are] substantiated by a written disclosure."<sup>40</sup>

This limitation on the scope of prior art is due to the specific

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36. Automatic reciprocal recognition of the outcome of a patent granting procedure is not a real possibility for the near future.

However, according to Jeffrey Sheldon, "In many countries, the system simply piggybacks on successful prosecution in other countries. Thus, Canada, Australia, Israel, the Scandinavian countries, and Mexico, for example, often respect United States- or EPO-granted patents. They essentially rubber-stamp a United States or EPO grant into their own jurisdictions." JEFFREY SHELDON, *HOW TO WRITE A PATENT APPLICATION* 15-5 (1992). Harmonizing national patent law undoubtedly will increase the number of countries that will simply "piggyback" on other countries' granting procedures and therefore not even perform or require a supplementary examination. Also, some countries may agree among themselves under which conditions to recognize their search and examination results. The United States-Philippines Search Exchange Program is already one such agreement. *Manual of Patent Examining Procedure*, ch. 1700 (1992).

37. The condition for patentability of an invention are novelty, inventive step (non-obviousness) and industrial applicability (usefulness). PCT, *supra* note 2, art. 33; PLT, *supra* note 3, art. 11.

38. There are slight differences between the definition of prior art for the PCT search and the PCT examination: For the PCT search, the cut-off date for relevant prior art is the actual filing date of the PCT application. PCT, *supra* note 2, Rule 33. In contrast, for the PCT examination, the cut-off date for relevant prior art is either the filing date or the claimed priority date. PCT, *supra* note 2, Rule 64.

39. PCT, *supra* note 2, Rules 33(1)(a) and (c).

40. 30 PCT GAZETTE 14041 (1992); PCT, *supra* note 2, Rule 31(1).

limitations of a search authority<sup>41</sup> in being able only to perform "essentially a documentary search."<sup>42</sup> Similarly, it is impractical for the International Search Authority to make any determination of the possible prior art effects of earlier applications.<sup>43</sup>

In contrast, the PLT defines prior art as "everything [whether written or otherwise] which, before the filing date or, where priority is claimed, the priority date . . . has been made available to the public anywhere in the world."<sup>44</sup> The PLT also considers an earlier application prior art for novelty purposes from the filing date onwards if the application is subsequently published.<sup>45</sup> This follows from the intended broader scope of the PLT which includes any and all potential prior art including that which might only be developed in inter-party proceedings in a patent office or in the courts. However, the PLT also allows any contracting party<sup>46</sup> to "exclude from the prior art matters made available to the public, by oral communications, by display or through use, in a place or space which is not under its sovereignty. . . ."<sup>47</sup> Also, the PLT gives any contracting party the option to treat an earlier application as prior art for inventive step (non-obviousness) purposes.<sup>48</sup> Since the PLT has a one year grace period, in contrast to the PCT which leaves it to the individual contracting states to provide, or not to provide, a grace period, the scope of the PLT prior art might not include all the PCT prior art, in spite of the PLT's broader definition of prior art.

### B. Timetable for Concluding Examination

The PCT time limit for establishing the results of the PCT search and PCT examination (assuming that a PCT examination was requested) is twenty-eight months after the filing date, or the claimed priority date.<sup>49</sup> At the national phase, designated patent offices then start their own novelty search and examination. The

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41. International Searching Authorities are appointed patent offices of contracting states whose task is to carry out the PCT search. PCT, *supra* note 2, art. 16.

Similar International Examination Authorities are appointed patent offices of contracting states whose task is to carry out the PCT examination. PCT, *supra* note 2, art. 32(3).

42. 30 PCT GAZETTE 14029 (1992).

43. 7 PCT GAZETTE 3095 (1993). See *infra* note 33 for discussion of a similar problem in the European Patent Office.

44. PLT, *supra* note 3, at Art. 11(b). This definition of prior art would result in an "absolute novelty" requirement. However, the PLT also provides for a one year grace period for disclosure originating from the inventors and their assignees. PLT, *supra* note 3, art. 12.

45. *Id.* art. 13(1).

46. Parties to the PLT are called "contracting parties." *Id.* art. 1.

47. *Id.* art. 11(2)(c).

48. *Id.* art. 13(1).

49. PCT, *supra* note 2, Rule 69.

PCT does not proscribe any timetable in which the patent application must be prosecuted at the national phase.

The PLT requires a patent office which utilizes a substantive examination to start the examination "not later than three years from the filing date of the application"<sup>50</sup> and "shall, wherever possible, reach a final decision on the application not later than two years after the start of the substantive examination."<sup>51</sup>

While it might be possible for a patent office to conclude a substantive examination on many inventions within two years, it is highly unlikely that it will be able to do so for all inventions.<sup>52</sup>

### C. Timetable for Publication of the Application

The PCT requires publication of the application within eighteen months after the filing date or the claimed priority date.<sup>53</sup> The PLT requires publication of the application as soon "as possible after eighteen months from the filing date or the claimed priority date."<sup>54</sup> However, any contracting party which, before ratification or accession to the PLT, did not provide for the publication of applications can "reserve the right to publish applications as soon as possible after the expiration of twenty-four months."<sup>55</sup> At the present time, there is a strong possibility that the PLT will not contain the twenty-four month publication alternative.<sup>56</sup> Without the twenty-four month alternative, the PCT and the PLT publication timeta-

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50. PLT, *supra* note 3, art. 16(2)(a).

51. *Id.* art. 16(2)(c).

52. Alfons Schafers & Detlef Schennen, *Der erste Teil der Diplomatischen Konferenz zum Abschluss eines Vertrages zur Harmonisierung des Patentrechts [The First Part of the Diplomatic Conference for Concluding a Treaty to Harmonize the Patent Laws]*, 12 GRUR INT'L 849, 856 (1991).

53. PCT, *supra* note 2, art. 21.

54. PLT, *supra* note 3, art. 15(a).

55. *Id.* art. 15(b).

56. *Cf.* Schafers & Schennen, *supra* note 52, at 855.

The U.S. delegation prefers a twenty-four month publication date because it would enable the United States Patent Trademark Office to publish most applications as issued patents. This supports the previously mentioned "contractual approach" within United States patent law. Being able to conclude examinations prior to publication has certain advantages. The applicant would have the advantage of knowing patentability before the publication date. Hence, if the examination would negate patentability, or the applicant is not satisfied with the scope of allowable claims, the application could then be withdrawn without a public disclosure of the invention. On the other hand, if the examination would result in a patent, the applicant would have the benefit of patent protection at the time of publication. The Patent Office would have the advantage of being able to perform a concurrent search and examination which is more efficient than a separate search and examination. Additionally, the Patent Office would have to publish only the patent, rather than the initial application, the search results, and if granted the subsequent patent.

bles will be nearly identical,<sup>57</sup> thus avoiding the possibility of having two different publication timetables depending on whether an application is filed under the PCT or under national filing procedures.

#### D. *Fields of Technology*

The PCT does not require any search or examination authority to search or examine a PCT application if, and to the extent which, its subject matter is one of the following: "(i) scientific and mathematical theories; (ii) plant or animal varieties . . . other than microbiological procedures and products . . . ; (iii) . . . methods of doing business . . . ; (iv) methods of treatment of human or animal bodies . . . ; or (v) computer programs to the extent [to which a search or examination is not possible]."<sup>58</sup>

The PLT has two alternatives. Alternative A excludes the following areas from patent protection: "(i) inventions whose use would be contrary to public order, law or morality, or injurious to public health; (ii) plant or animal varieties . . . ; (iii) discoveries and materials or substances already existing in nature; (iv) methods of medical treatment for humans or animals; and (v) nuclear and fissionable materials."<sup>59</sup> The PLT also allows contracting parties, on certain grounds (public interest, national security, etc.), to exclude certain fields of technology from patent protection.<sup>60</sup> Alternative B excludes no field of technology from patent protection.<sup>61</sup>

One factor which influenced the limitation of fields of technology in a PCT search or PCT examination was whether the searching authority would be able to search the field.<sup>62</sup> Hence, certain fields of technology that were believed not to be searchable when the PCT was enacted are now included in the PLT.

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57. Strictly speaking, even if the twenty-four month alternative is omitted, the timetables will not be identical since the PLT still would not require publication within eighteen months like the PCT requires. However, in practice the PCT application is often not published within the required period and hence, in practice the timetables would be very much the same.

58. PCT, *supra* note 2, Rules 39, 67.

59. PLT, *supra* note 3, art. 10.

60. *Id.*

61. *Id.*

62. For example, a search authority may not be equipped to search for prior art concerning computer programs and in this situation it is not required to do so. PCT, *supra* note 2, Rule 39.1(vi); *See also id.* Rule 67.1(vi) (stating a similar rule for examining authorities).

#### IV. AREAS OF THE PCT AND PLT WHICH WOULD BE UNAFFECTED BY HARMONIZATION

If the PLT would be enacted and the PCT would be harmonized with the PLT, then there would be areas of patent law which would be unaffected either because both treaties have similar provisions<sup>63</sup> or because of the absence of corresponding PCT provisions.<sup>64</sup>

##### A. *Areas Unaffected Due to Similarity*

The PCT's definition of a patent is written to include not only patents, but also utility models, inventor's certificates, patents or certificates of addition, inventor's certificates of addition, and utility certificates of addition.<sup>65</sup> In contrast, the PLT's definition of a patent is narrow and covers only what is traditionally understood to be a patent, thus excluding utility models, and other means of non-patent protection.<sup>66</sup> Since both treaties cover what is traditionally understood to be a patent there would be no conflict so far as patents are involved. Since the PLT does not apply to non-patent protection, each contracting party would remain free to decide whether, and under what conditions to offer such protection. The PCT, even if harmonized with the PLT, would still be available as a filing procedure for non-patent utility protection.

The PCT and PLT also have similar requirements for the content and format of a patent application.<sup>67</sup> The PCT requires the patent application to disclose the best mode of the invention, however, where the national law of the member state does not require a description of the best mode, the absence of a best mode disclosure will have no affect in that state.<sup>68</sup> Similarly, the PLT gives contracting parties the option to require a best mode disclosure.<sup>69</sup> Both the PCT and PLT require unity of invention and have the same definition thereof.<sup>70</sup>

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63. An observer could conclude that the PLT is to a large extent tailored with a view toward the PCT. Other commentators have recognized this holds true for the relationship between the EPC and the PCT. WORLD INTELLECTUAL PROPERTY GUIDEBOOK, *supra* note 17.

64. For example, the PCT, unlike the PLT, has no provisions concerning post-patent granting matters. PLT *supra* note 2, arts. 21, 23.

65. PCT, *supra* note 2, art. 2(i).

66. PLT, *supra* note 3, art. 5.

67. PCT, *supra* note 2, arts. 4-7; PLT, *supra* note 3, arts. 3-4.

68. *Id.* Rule 5.1(v).

69. PLT, *supra* note 3, Rule 2(vi).

70. PCT, *supra* note 2, art. 34(3); PLT, *supra* note 3, art. 5.

### B. Areas Unaffected Due to Absence of PCT Provisions

The PCT does not have a provision concerning a grace period for public disclosure and leaves this up to the contracting states. The PLT does provide for a one year grace period for information disclosed by the inventor, or by a third party which obtained the information from the inventor.<sup>71</sup>

The PCT does not regulate the length of the patent term, while the PLT offers two alternatives.<sup>72</sup> The PLT's first alternative is to leave the length of the patent term up to the contracting states.<sup>73</sup> The PLT's second alternative is to establish a minimum length of patent protection of twenty years starting from the filing date of the application.<sup>74</sup>

The PCT does not contain any provisions dealing with the interpretation of patent claims. The PLT provides for two alternative tests for determining what would constitute equivalents of a claim feature.<sup>75</sup>

The PCT leaves the determination of who is qualified to apply for a patent expressly to the individual contracting states.<sup>76</sup> In contrast, the PLT expressly states that the inventor has the right to the patent, and states that if there are two or more applications for the same invention, then a bona fide applicant with the earliest filing date has the right to the patent.<sup>77</sup> Hence, enacting the PLT would result in a "First-to-File" system in contrast to a "First-to-Invent" system.

The PCT does not contain any provisions concerning the post-grant period. In contrast, the PLT outlines various alternatives in regard to the rights conferred by a patent<sup>78</sup> and for the enforcement of those patent rights.<sup>79</sup>

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71. PLT, *supra* note 3, art. 12.

72. *Id.* art. 22.

73. *Id.*

74. *Id.*

75. *Id.* art. 21. One is the "substantial function/way/result" test. *Id.*, art. 21(2)(b)(i). The other is the "obvious to a person skilled in the art" test. *Id.*, art. 21(2)(b)(ii).

"The first test coincides with the current test used in the United States. The second test resembles a continental-European, particularly German standard." Heinz Bardehle, *Equivalents and Harmonization*, 20 AIPLA Q.J. 119, 123 (1992).

76. PCT, *supra* note 2, Rule 18.

77. PLT, *supra* note 3, art. 9(ii). The PLT leaves it up to the contracting parties to determine the circumstances under which the right to the patent should belong to the employer of the inventor or the person who commissioned the work resulting in the invention. PLT, *supra* note 3, art. 9(i).

78. PLT, *supra* note 3, art. 19.

79. *Id.* art. 23.

The PCT does not regulate prior user rights, again leaving this to the contracting states. The PLT has two alternatives concerning prior user rights.<sup>80</sup> Alternative A gives the contracting parties the option to provide prior user rights as outlined in the Alternative B.<sup>81</sup> Alternative B gives a good faith prior user the right to use the invention if they were using the invention or were "making effective and serious preparations" of the invention before the filing date or the claimed priority date of the application.<sup>82</sup>

#### CONCLUSION

Automatic reciprocal recognition of the outcome of a patent examination and granting procedure by the various patent offices is not a real possibility for the near future. Such recognition on a reciprocity basis might be the final stage of a political and technical process of which the enactment of the PCT was the first stage. Harmonizing national patent laws by enacting the proposed PLT would be another step. Enacting the PLT would not per se affect the PCT. However, enactment of the proposed PLT and harmonizing the PCT with the PLT could change the character of the PCT from being essentially a patent application filing procedure into something starting to resemble a unified, nearly world-wide patent examining and granting procedure. Such a harmonization could make it possible that a PCT patent application should require only a supplementary examination at the national phase. This would result in the avoidance of much of the current duplication of search and examination efforts by the patent offices and the corresponding prosecution efforts by applicants. A harmonized patent granting procedure would also result in a higher level of judicial predictability in the patent system world-wide with consequent benefits for both the applicant and the public.

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80. *Id.* art. 20.

81. *Id.*

82. *Id.*