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PATENTS

The author identifies benefits and drawbacks of filing a single international design application at the PTO under the Hague Agreement.

The Hague Agreement for the Registration of Industrial Designs: A PCT for Design Patents?



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The U.S. Patent and Trademark Office recently published the Final Rules for implementation of the Hague Agreement for the Registration of Industrial Designs (i.e., design patents). Starting May 13, 2015, U.S.-based applicants can file a single international design application directly with the PTO or the World Intellectual Property Organization (WIPO) who administers the treaty.

The Hague Agreement is an international treaty that establishes filing procedures for design patents, similar to the Patent Cooperation Treaty (PCT) for utility patents. It harmonizes basic filing requirements across

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member countries, avoiding complexities related to, for example, foreign language translations, fees and deadlines for renewal.

After an initial formalities review performed by WIPO, the application is published and then transmitted to the designated countries. It will then be registered or examined according to each particular country's substantive design patent laws. Thus, Hague applications will be examined in the U.S. in accordance with the standards of novelty, obviousness, written description, etc. Issues such as foreign filing licenses and the country where the invention or creation occurred should also be considered.

Hague applications have access to over 75 countries, either directly or through a member intergovernmental organization (such as the European Union). This includes, for example, South Korea, Japan, Switzerland and Singapore. Notable non-member countries Australia, Canada, China and Russia are in the process of conforming their laws, and/or discussing conforming their laws, in order to be able to join the Hague Agreement in the near term.

Many of the above features of the Hague Agreement are similar to those of PCT applications. A significant difference with PCT applications is that the Hague Agreement does not allow applicants to delay the decision on which countries to enter. Nor can they delay the related fees associated with filing in multiple countries. Country designations and fees are due at the time of filing.

Where applicants do have some discretion is with time until publication. Hague applications are published at six months from filing or from the filing of any earlier priority application. Applicants can request immediate publication or defer publication for up to 30 months. Deferral of publication is only available for certain countries and is not available if the U.S. is designated. For example, if the E.U. is designated the appli-

cant can defer for the full 30 months. But, if the U.S. and the E.U. are designated, publication cannot be deferred.

For applications that enter the U.S., publication also creates provisional rights. As U.S. design applications do not publish before grant, provisional rights have not been previously available. This will continue to be true of U.S. design applications which are not Hague applications. But published Hague applications will have provisional rights similar to published utility patent applications. This will allow applicants to put potential infringers on notice of the published application and potentially obtain damages from the date of notification. As many design patents are not amended during prosecution, provisional rights may turn out to be a far more powerful tool for design patents than they have been for utility patents.

Some benefits of the Hague Agreement may also be drawbacks. The Hague Agreement can save applicants time and money in reducing the number of times an application has to be filed across multiple countries. But, at the same time, this may cause applicants to not properly prepare the application for the designated countries. A foreign applicant, for example, may designate the U.S. without understanding U.S. standards for examination. Figures acceptable in a foreign country may not be proper in the U.S. For example, they may not enable a person skilled in the art to make and use the product. Such figures would be rejected in the U.S. To overcome the rejection, certain features may need to be disclaimed and in the worst case, the application may have to be abandoned. This is true now as well, but foreign applicants typically hire a licensed, local practitioner to file the application for them. This allows the local practitioner to provide input and potentially correct defects in the application prior to filing. Applications that designate the U.S. under the Hague Agreement, may not get the benefit of this pre-filing review.

Other aspects of filing strategy can benefit from the input of a local practitioner. For example, a Hague application can include up to 100 different embodiments within a single Locarno classification. Since the filing fees are based on the number of embodiments, the

number of figures and the number of words over 100 in the application, the cost (calculated in Swiss Francs) can quickly increase for large filings. A licensed practitioner can assist the applicant in devising a cost effective filing strategy.

It is also important to note that designating multiple countries may increase the complexity of the application. The Hague Agreement establishes mandatory content for the application, and certain countries have additional content required to enter that country. The basic mandatory content includes: applicant name, figures, indication of product and number of designs (i.e., embodiments). Country requirements for U.S. designated applications include: a claim, inventors and an oath or declaration. If the country-specific requirements are not met, either at the time of filing or shortly thereafter, the application will lose its designation for the country in question. In addition, if the mandatory contents are not provided initially, this may prevent the application from obtaining a filing date.

U.S. entry into the Hague Agreement has provided benefits that extend beyond Hague applications. In particular, all U.S. design patents that were filed on or after May 13, 2015, whether Hague applications or not, will have a 15-year term from issuance. This is an increase from the current 14-year term. In addition, one unexpected change is that the PTO is removing the requirement to file a petition and pay fees to include color drawings in design applications.

The Hague Agreement offers applicants a useful option when filing international applications. In addition to providing a simplified filing process for foreign protection, applicants may further be able to reduce the expense of filing and maintaining the application across jurisdictions. One of the biggest benefits for applications that designate the U.S. is the availability of provisional rights arising after publication. This benefit alone is a reason for applicants to consider Hague applications when developing filing strategies for designs.

PTO final rule at http://pub.bna.com/ptcj/80FR17918_2015-06397.pdf.