



Ms. Michelle Picard
Office of the Chief Financial Officer
Director of the United States Patent
and Trademark Office
P.O. Box 1450
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United States of America

October 19, 2012

Dear Ms. Picard,

The International Bureau of the World Intellectual Property Organization (WIPO) is pleased to offer its views concerning the proposed Rules Setting and Adjusting Patent Fees (77 Fed Reg 55028). The views in this letter are from the International Bureau and do not necessarily reflect the views of the Member States of WIPO or the Contracting States of the Patent Cooperation Treaty (PCT).

The proposed Rules recognize the creation of a new class of applicant called *micro entities* and extend reductions of fees for both small and micro entities to those international phase fees under the PCT which are set by the United States Patent and Trademark Office (USPTO). These fees include the transmittal fee (for international applications filed at the receiving Office of the USPTO), the international search and supplemental search fees (for international applications being searched by the USPTO as International Searching Authority), the fee for transmitting an application to the International Bureau to act as receiving Office (for when the receiving Office of the USPTO receives an international application for which it is not competent to act) and the international preliminary examination fee and supplemental examination fee (for international applications being examined by the USPTO as International Preliminary Examining Authority).

The International Bureau generally welcomes the proposals for the reduction of certain PCT fees for the benefit of the USPTO in its various PCT capacities, aimed at making the international patent system more accessible to small and micro entities, provided that such reductions are affordable for the Office and that the administration involved in claiming such fee reductions is manageable and proportionate. Desires for such fee reductions have been expressed in the past by many countries which are WIPO Member States, developed and developing countries alike.

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The International Bureau notes that the affordability of the reductions has been assessed by the USPTO, which is the sole beneficiary of the relevant fees, and thus does not wish to make any comment on that aspect of the proposals.

In relation to the procedures, it must be remembered that the search fee may be collected by any of the 18 receiving Offices in different countries for which the USPTO may act as International Searching Authority. In addition, the level of the transmittal fee needs to be correctly set by those providing software to assist applicants filing at the receiving Office of the USPTO, such as the PCT-SAFE software maintained by the International Bureau.

Since the collection and administration of these fees involve international cooperation and these fees have never previously been set at differentiated levels, it is important to ensure that all concerned parties fully understand the system and are ready to carry out their part in it. It is not clear from the proposal exactly how the procedure for asserting the small or micro entity status would work in the context of the PCT system. Consequently, it is not possible to make detailed comments on the work which would be involved to ensure a successful implementation, but the following points will be essential:

- (a) The eligibility criteria for the reductions must be clearly set out in a manner which can be understood by people of any nationality or residence.
- (b) The means for claiming the reductions must be easy to understand and operate, both for the applicant/agent and for the receiving Offices handling the international application.

The proposed rules envisage the use of a form for an applicant to assert his small or micro entity status – if this is in fact necessary, it would be preferable to allow an agent making a filing to check a box on behalf of the applicants without requiring further signatures from each one. It will not be practical for a receiving Office to verify whether the claim for micro or small entity status is valid – the maximum requirement for the receiving Office must be to check that an assertion of the relevant status has been made for each applicant if the fee reduction is claimed. It must be clear what will happen if the USPTO in its role as International Searching Authority has reason to question an assertion which has been made to a different Office acting as receiving Office.

- (c) There must be sufficient time between publication of the finalized rules and their entry into force to allow consequential changes to be made to international forms, procedures and associated systems.

Under Article 11(4) of the Agreement between the USPTO and the International Bureau of WIPO in relation to the functioning of the USPTO as an International Searching Authority and International Preliminary Examining Authority under the PCT, the USPTO is required to give two months notice of any change to the international search fee (as well as certain others). However, if the change is to run smoothly in a case such as this, where a fee which has previously been undifferentiated is split into multiple tiers and additional forms become necessary in order to claim the reduced fee levels, a significantly longer period will be required for IT development and possibly for international consultation on new or amended forms.

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Assuming that a new form is required to assert the right to the fee reduction, a minimum of six months notice of the final requirements of the system would be necessary for it to be properly implemented in the PCT Administrative Instructions and prepared for in all the Offices and IT systems involved. Preferably, consultations should be made with the affected Offices on the proposed details of implementation before the relevant Rules are finalized.

The International Bureau thanks you for the opportunity to make comments on these proposals and looks forward to working with your Office to help make the international patent system more accessible to small and micro entities.

Yours sincerely,



James Pooley
Deputy Director General