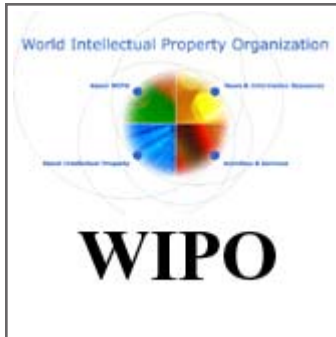


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**Trilateral End Run**

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In my last column, I talked about moves by developing countries to promote a "development agenda" at WIPO, in effect turning it into a "welfare agency." The one question on everyone's mind is "Where is the money for such an agenda supposed to come from?" The answer, of course, is pretty straightforward: let's have WIPO raise the fees on PCT applications! PCT – the "Golden Goose of Geneva." On December 20, 2004, chief patent counsel from thirteen big corporate users of the PCT system from Europe and the U.S. sent an [open letter](#) to WIPO's Director-General cautioning about the diversion of PCT fees to support "80 percent" of general operations. The letter asserts that PCT operating costs have actually gone down and filings increased over the past year due to the implementation of an electronic filing system same time PCT fees are being raised.

Of course, diversion of fees to activities unrelated to patent administration by WIPO is no surprise to anyone familiar with the enthusiasm our own Congress has had for [increasing patent and trademark fees again](#) this past year. (But that's another story....)

Last month, virtually simultaneous with the delivery of the letter, the USPTO issued a ["by-invitation-for-officials-only" notice to its trilateral partners \(the EPO and JPO\)](#) and a short list of other patent offices for a meeting in early February 2005 at the new PTO facility to explore substantive harmonization of patent law outside the WIPO forum. The three offices have been meeting on a regular basis to explore how to reduce costs and processing time in the patent granting procedure and improve the quality of granted patents since 1997. But trilateral cooperation thus far has been (for the most part) purely information sharing in nature and harmonizing formalities on such things as nucleotide sequences and amino acid disclosures for biotech applications. Could the timing be a curious coincidence?

Some progress on "trilateral" issues may be made in Washington next month, assuming it takes place, but the announcement made it clear that substantive patent harmonization is what's on the table. And the PCT user letter to WIPO closes by saying, "We believe the PCT will continue to prosper if it continues to provide a favorable balance between costs and benefits. And as companies evaluate their use of the PCT, proposals to increase fees while money is diverted to programs that may not be in the interest of the PCT users are of significant concern." The message buried in the letter and in the curious circumstances of the trilateral announcement is pretty thinly veiled. Inventors cannot boycott the USPTO to get it to lower its fees and stop the diversions.

But would a boycott of PCT by big companies work? Eighty percent of PCT applications are filed by applicants from the U.S., Japan, or the EPO member states, and 95 percent by applicants from OECD countries, so the leverage of a trilateral secession is hefty. Former USPTO Commissioner Gerry Mossinghoff made such a [suggestion](#) over a year ago.

Moving substantive patent law harmonization from WIPO, where more (and more vocal) non-governmental organizations (NGOs) with an agenda critical of strong IP protection and/or expecting the organization to fund an expanded shopping-list

of programs, to the "trilateral" forum has both advantages and disadvantages. Substantive technical patent law discussions on stuff like the definition of prior art, unity of invention/classification, and prior user rights could go forward more smoothly than in WIPO's Standing Committee on Patents, where issues distasteful to the trilaterals such as protection for "traditional knowledge" or a duty of a patent applicant to disclose the source of genetic resources claimed in the application cannot be ignored. And forward-looking developing countries which rely more and more on those applicants would have to go along with whatever the USPTO-EPO-JPO group came up with. But what would be lost is far from insignificant. Tragically, the ideal of a "world patent" which the PCT has represented for the last 35 years is global recognition that "technospace", like cyberspace, knows no boundaries, and that strong patent protection benefits the innovative communities not just in developed countries, but in developing countries as well.

[The trilateral meeting](#) will take place one week prior to the next "informal meeting" of WIPO's Budget Committee and two weeks prior to the [next meeting](#) of the International Authorities under the PCT in Geneva. Beyond the formal agenda at those sessions in Geneva, what will they be talking about?