

# Practical implications of patent prosecution procedural law differences between United States and European patent applications

## I. Overview

The following blog series compares procedural patent prosecution options between the USPTO and the EPO. This is important for determining the actions to be taken at specific stages during patent prosecution in the US and Europe for best results. Although patent prosecution speed and outcome is driven by many factors, this article concentrates just on some key procedural options, namely compares the following procedural aspects between the USPTO and the EPO:

- i) Search and Examination options
- ii) Continuing patent application options
- iii) Appeal options
- iv) Acceleration options

For a quick reference, these comparisons between procedural options i) – iv) at the USPTO and EPO are also summarized in a quick reference guide in part 6 of this article.

### I-A. Overview of procedural patent prosecution options before the United States Patent and Trademark Office USPTO

From a procedural standpoint, the [United States patent system](#) may be the most flexible system in the world, offering the Applicant applying for a United States patent many procedural options over an essentially infinite time span within the maximum duration of United States patents of 20 years. For prosecuting a single patent application, an essentially infinite number of requests for continued examination (RCE) can be filed, only limited by the extremely rare instances that the USPTO may find an obvious abuse of the legal process. Apart from the aforementioned great option of filing RCE's, also an unlimited number of Continuation Applications can be filed. Even new matter can be added in the course of filing Continuation-in-part Applications. Such new matter would of course have the time rank of first filing that new matter rather than the time rank of any of the parent applications in the chain of the patent of the patent family tree. As to the budget, also in that respect the US patent system is very accommodating, meaning moderate filing and examination fees that may be reduced on top of generally being moderate by significant discounts for small entity and micro entity Applicants. In addition, renewal fees are

only paid after the patent issues, the first renewal fee even due not before 3 ½ years after the issue date of the granted patent.

## **I-B. Overview of procedural patent prosecution options before the European Patent Office (EPO)**

Although the [procedural laws and rules before the European Patent Office \(EPO\)](#) do not set an express limit on the number of Office Actions, it can be said that the EPO is more on the stringent end than on the lenient end of the spectrum when it comes to procedural options. Therefore, it is important to efficiently use the options the system offers and to invest the work into comprehensive office action replies early. Taking on certain action items at the right point in time often makes the application fall nicely into place while deferring certain action items at the wrong point in time may call for an uphill battle and specifically result in creating scenarios where the Applicant is severely limited in procedural options. One of the unique properties of the European patent system is a division between the search phase and examination phase. This may have predominantly historic reasons since in the earlier stages of the European patent system, search and examination were performed by different Examiners and even at different locations, namely the search by Search Examiners in The Hague, Netherlands, and the substantive examination by Examiners in Munich, Germany. This division between a search phase and an examination phase has been maintained even though currently Examiners perform both search and examination at both locations. Although some discretion remains with the Examiner to look into the prior art again during the examination phase, the division between examination phase and search phase still means limitations on claim amendments down the road after the search has been completed. Put in simple terms, what hasn't been searched cannot be examined. This mandates that the Applicants focus early on during the proceedings on the specific claims that are searched, be it in the international search with the EPO as the International Searching Authority, during the supplementary search performed by the EPO in the regional phase before the European Patent Office when the International Searching Authority differs from the EPO, or for a direct European patent application filed with the EPO, including Divisional Applications. Speaking about Divisional Applications, these can be filed as long as one parent application is pending. A Divisional Application benefits from the filing and priority date of the first application in the chain. However, since annual renewal fees become due from the end of the second year of the filing date for the third and subsequent years, such accrued renewal fees also need to be paid for Divisional Applications, which in addition to the already relatively high official fees at the EPO may make this option cost prohibitive for at least some Applicants.

## **II. Search and examination options at the USPTO and the EPO**

Both the USPTO and the EPO conduct search and examination during the patent prosecution. These searches are conducted by the USPTO and the EPO searching for the "prior art" that is relevant for the allowability of the patent application. However, the procedures differ between the USPTO and the EPO and applicants should be aware of these differences.

### **II-A. Search and examination options at the USPTO**

Since USPTO Examiners conduct both search and examination, USPTO Examiners tend to conduct additional searches throughout the joint search and examination process, specifically if relatively significant amendments are made to the claims. Although the number of Office Actions is typically limited to 2, namely a first and a final Office Action when the second Office Action is

mandated by the amendments made by the Applicant in reply to the first Office Action, an essentially infinite number of Requests for Continued Examination (RCE) can be filed. In an effort to reduce the number of essentially unnecessary RCEs, the USPTO implemented, a few years ago, an After Final Consideration pilot program. Applicants qualify if certain preconditions are met qualifying for this program, one of which being that a claim amendment is made limiting the scope of the independent claims. Although requiring a relatively significant official fee and having some other procedural strings attached to it, a “Track One” option exists, significantly accelerating the speed of the patent prosecution. Although no Oral Proceedings as of right are provided at the USPTO, Examiners are typically very approachable by telephone and Examiner interviews can be conducted by telephone, in person or even by video conference. Examiner interviews are encouraged by the USPTO in order to increase patent prosecution efficiency. The typical duration for such Examiner interviews is 30 minutes, although at the discretion of the Examiner, up to say 15 additional minutes may often be granted. Since the purpose of allowing Examiner interviews is to increase efficiency, the Applicant should make sure to prepare an agenda for the telephone interview and preferably discuss this agenda with the Examiner at the outset, and needless to say be well prepared.

## **II-B. Search and examination options at the EPO**

### **Search options at the EPO**

For direct European patent applications, or International Patent Applications under the Patent Cooperation Treaty PCT where the EPO conducted the international search prior to the subsequent national phase entry before the EPO, no supplementary European search is performed in the regional phase before the EPO. The advantage is that this accelerates the prosecution since the search phase has been completed early on. However, on the downside, this means that the Applicant needs to have certainty early on about the pursued claims since amendments later on may trigger an unsearched subject matter rejection under [Rule 137 \(5\) EPC](#). For direct European patent applications, divisional patent applications, or regional phase entries based on PCT with an International Searching Authority ISA differing from the EPO, the focus should be on the claims submitted with the original filing or in case of a regional phase entry submitted at the time of entering into that regional phase or in the alternative subsequently in reply to a Rule 161/162 EPC communication. The amended claims will then be the subject of the Supplementary European Search. Again, what hasn't been searched cannot be examined and trying to convince the EPO to examine unsearched subject matter or make the Examining Division search in the prior art again are unsuccessful most of the time. For more details about this topic and specifically options how to fix this problem, please see “[Remedies That May Fix Search Limitations](#)”.

### **Examination options at the EPO**

There is no limit on the number of Office Actions by the European Patent Office and accordingly no limit on the number of replies. As long as the Examining Division is under the impression that progress is made, it is typically willing to keep the examination procedure open. Although the EPO is no longer as open to informal Examiner interviews as it used to be, it keeps up the open policy to request formal Oral Proceedings under [Article 116 EPC](#) before all three Examiners of the Examining Division and upon a request - which can be included in office action replies as an Auxiliary Request - sends summons to attend such Oral Proceedings if it comes to the conclusion that that progress in the examination proceedings has come to a halt. During Oral Proceedings additional requests for amendments that have not been filed at the latest one month prior to the Oral Proceedings are only admitted at the discretion of the Examining

Division. The EPO allows conditional requests, also known as Auxiliary Requests and deals with these one at a time in the sequence of their numbering. Although no limit on the number of Auxiliary Requests is set, an excessive number of these typically impacts the chances that these are reviewed seriously. Typical may be one main request and two or three subsidiary requests, although a higher number may sometimes still be good practice, specifically if these requests are closely related. It may sometimes be possible to negotiate an allowable set of claims with the 1<sup>st</sup> Examiner prior to the date of Oral Proceedings and consequently have the Oral Proceedings canceled. However, this often can only be achieved very close in time to the Oral Proceedings, say about two weeks prior, at the time when the Examining Division starts preparing for the Oral Proceedings. This means a thorough response to the summons to Oral Proceedings can typically not be spared, due as mentioned at the latest one month prior to the Oral Proceedings for securing that the requests are entered for the Oral Proceedings.

### **III. Continuing patent application options at the USPTO and the EPO**

#### **III-A. Continuing patent application at the USPTO**

A wide variety of continuing patent application options exists at the USPTO, including Continuation Applications, Continuation-in-part Applications and Divisional Applications. As typical in many other jurisdictions, filing any of these continuing patent application needs to be done while a parent application is still pending. Since fees are moderate in the US and renewal fees become due only after the patent issues US Applicants typically make ample use of the option to file continuing patent applications. Apart from pursuing different scopes of protection or different subject matter from the original disclosure, one objective is also to keep options open by keeping at least one patent application in the chain pending. In many instances, filing continuation applications may be spared with by making the best use of requesting [After Final Consideration](#) or [Continued Examination](#). Specifically since the costs for filing continuation applications are moderate and the first renewal fees only becomes due 3 ½ years after the Continuation Application has issued as a patent and specifically since no accrued renewal fees need to be paid for a Divisional Application, it is often recommendable to file a Continuation Applications shortly before the parent application is scheduled to issue as a patent, just to keep an application pending and therefore have the flexibility of pursuing different claims than allowed in the parent application. Specifically non-US Applicants coming from systems that are less liberal as to filing continuing patent applications tend to underuse this valuable option.

#### **III-B. Continuing patent application at the EPO**

The only continuing patent application option offered by the EPO is filing one or more Divisional Applications as provided by under [Article 76 EPC](#). Although such Divisional Applications may be filed at any time during the pendency of a parent application, the same fees already paid for the parent application including accrued renewal fees are due for filing a Divisional Application. Since a Divisional Application is just a type of an EP direct application claiming the benefit of the filing date and priority date of the parent application, examination fees only need to be paid after the search has been conducted. Further, if the claims of the Divisional Application are to some extent similar to the parent application, the EPO may pay a partial or a full refund of the search fee. The claims of a Divisional Application need to distinguish from the claims of the parent application to some extent for avoiding double patenting but the required level of difference is relatively low, that is the EPO takes to that extent a relatively lenient approach on admissibility of Divisional Applications. Specifically when filing Divisional Applications based on older parent applications, as to the costs the biggest factor may be the accrued renewal fees counting from

the end of the second year from filing the parent application. This payment cannot be deferred but needs to be made with filing the Divisional Application.

#### **IV. Appeal options at the USPTO and EPO**

In many cases, filing an appeal is not the most economical solution compared to other procedural options such as Requests for Further Examination, After Final Consideration and/or continuing applications. Prior to filing an appeal, these other procedural options should be checked. That said, appeals may sometimes be mandated, for instance if a narrower parent patent issued and the Applicant feels entitled to a broader scope of protection, or if the Applicant has exhausted all other procedural options.

##### **IV-A. Appeals at the USPTO**

An appeal to the Patent Trial and Appeal Board PTAB is possible. Although the PTAB hears the case de novo, meaning that it does not lean to give deference to the factual findings by the USPTO Examiner, like the EPO it is also reluctant to accept entry of any new evidence during the Appeal procedure. It is therefore important to build up the docket while the application is still pending in the examination proceedings before the USPTO Examiner. This can also be easily done since the USPTO allows Requests for Continued Examination (RCE), so that as long as pending, through filing an RCE yet another option is created to bolster the docket by submitting evidence - for instance in the form of declarations and affidavits by the inventor or test results etc. The Appellant should further be aware that the form requirements for the proper format of the appeal are very high, often resulting in rejecting the appeal as inadmissible for a failure to comply with certain formalities.

Since the US patent system is very liberal on allowing Requests for Continued Examination (RCE) and several types of Continuing Applications and these options are fee-wise relatively affordable, the option of filing an appeal is in many cases just used as a last resort to move prosecution away from a specific Examiner since RCE's and Continuing Applications do not solve this problem should an Examiner be firmly settled in his opinion and the Applicant disagrees. Grant rates vary widely between USPTO Examiners. Such grant rates can be viewed on an Examiner by Examiner basis at the website [Examiner Ninja](#).

##### **IV-B. Appeals at the EPO**

Although an appeal option exists, specifically in recent years the EPO Boards of Appeal are reluctant to accept new claim requests that have not already been prosecuted before the Examining Division, and are also reluctant to accept new evidence. Further, over the more recent years, there appears a tendency at the Boards of Appeal of increasing deference to the Examining Division's factual determinations and focusing more on reviewing whether the Examining Division made any specific errors. That said, depending on the specific technical field, the Boards of Appeal may take a more lenient approach than the Examining Divisions.

Worth mentioning may be that the appeal also keeps open the option to file a Divisional Application. Depending on how old the patent application is and therefore depending on the amount of accrued renewal fees that would need to be paid for a Divisional Application, filing an appeal may sometimes be the cheaper option at that point in time to keep the application at least pending in the appeal. However, filing an appeal for the sole purpose of maintaining the option of later filing a divisional application does not really pay off since the appeal fee and the

grounds of appeal drafting work need to be invested for admissibility of the appeal, and on top of that additional renewal fees accrue both for the parent application and the later filed divisional application over the time span between filing the appeal and filing the divisional application.

## **V. Acceleration options at the USPTO and EPO**

### **V-A. Acceleration options at the USPTO**

In general, prosecution speed is moderate to a high at the USPTO compared to many other patent offices. The USPTO has made significant efforts over the last years to speed up prosecution, even if no specific acceleration measure is taken. In addition, various other acceleration options exist at follows:

#### **Age-related or health-related petition to make special**

Any Inventor or Applicant that is an individual qualifies for petitioning to make special based on age over 65 or on health. A specific evidence for proving age is not required, but a declaration or if represented by an attorney by that attorney is necessary, confirming that the attorney verified the age. Caveat: The Office of Petitions sometimes has a backlog deciding about petitions to make special, resulting in a delayed decision about the petition and therefore defeating at least partially the purpose of the petition. Paradoxically, depending on the stage of the proceedings, the petition to make special can delay rather than accelerate prosecution. It may therefore be worthwhile to check the USPTO's backlog on petitions to make special before deciding to file one. Details for requesting can be found on the USPTO website under [Make Special - Age and Health](#).

#### **Patent Prosecution Highway Request (PPH request)**

While the implications of a PPH request are manifold and differ widely from country to country, one of the implications at the USPTO is acceleration. The various implications can be checked at the [PPH portal](#) put together by the Japanese Patent Office (JPO). The data provided by various patent offices and posted by the JPO on the PPH portal is spotty, but it reflects for instance for US patent applications for the time frame July 2016 through December 2016 that the grant rate is 81.36% with PPH versus 68.65% without, and the First Office Action allowance rate is 21.84% with PPH request versus 12.91% without. The average pendency from filing the PPH request to a first office action is 7.28 months while the average pendency from PPH request to a final decision is 19.11 months. Although no comparison is given on the latter two data comparing the pendency duration to non-PPH request cases, the numbers still appear to indicate acceleration. For filing a valid PPH request, a Notice of Allowance or a positive Office Action (if PCT-PPH positive "Written Opinion") needs to have issued in a corresponding patent application within the same patent family in a country participating in the PPH program, and the claims before the USPTO need to sufficiently correspond to the claims that received the positive Office Action or Notice of Allowance. More details can be found on the USPTO website under [Patent Prosecution Highway \(PPH\)](#).

#### **Track One; Prioritized Patent Examination**

This option is named "[Track One](#)", or by its more generic expression Prioritized Examination, sometimes just referred to as "Fast Track". The Track One Request needs to be filed with the application, or if a Request for Continued Examination (RCE) is filed, the Track One request



needs to be filed prior to the mailing date of the first Office Action in the RCE proceedings. The large entity fee for Track One is \$4,000 (small entity \$2,000, micro entity \$ 1,000). A few additional strings are attached to the Fast Track option, like having 30 or fewer claims encompassing only up to 4 independent claims, and accepting a preliminary telephone interview with the Examiner. Opting for fast track means that not only the USPTO bears the burden of working fast, but also the Applicant needs to cooperate, for instance by replying to Office Action within the regular time limit as a request for time extension terminates the Track One status. However, if done right, an issued patent can be obtained in less than one year, sometimes even significantly less such as within half a year. A Track One request can also be filed for a Continuation application, so missing the Track One request in the parent application can be remedied by filing a continuation application under Track One.

## **V-B. Acceleration options at the EPO**

### **Acceleration Request under the PACE programme**

The European Patent Office (EPO) offers a wide open acceleration policy, meaning that any Applicant qualifies for acceleration at any time, both in the search and in the examination phase. No fee is required and no reason needs to be stated. However, the Applicant needs to make sure to reply within set time limits without requesting time extensions since such time extensions eliminate any pending acceleration. Also, since January 1, 2016, a separate [PACE Request Form 1005](#) is required. The results of filing PACE requests is a little inconsistent across the various technical field since Examining Divisions balance their work load. Generally, it can be said that the acceleration is taken seriously at the EPO and results in by far most cases in a significant acceleration.

### **Patent Prosecution Highway Request (PPH Request)**

Although as to date the EPO still has not provided data on the various implications of PPH Requests, it repeatedly confirmed that it treats PPH Requests like a PACE Request, meaning in by far most cases a significant acceleration balanced against the work load of the specific Examining Divisions is accomplished by a PPH Request. Like with a PACE Request, time extensions terminate the accelerated examination.

## **VI. Quick reference guide to proceeding comparison between USPTO and EPO**

### **i) Proceedings Search and Examination**

1. USPTO: Search and examination is combined and performed by one Examiner, resulting in more flexibility on amending the claims throughout the prosecution. The option for Requests for Continued Examination (RCE) for payment of a fee allows essentially an infinite number of amendments and arguments as long as these are in good faith and not in abuse of the procedure.
2. EPO: The EPO is relatively stringent on procedural laws. Determining at an early stage which claims should be searched and examined is critical. Division between search phase and examination phase limits procedural options additionally for avoiding unsearched subject matter restrictions. Although costly, the remedy of filing a Divisional Application is possible as long as the parent application is pending.

## **ii) Proceedings continuing patent application**

1. USPTO: A wide variety of continuing patent applications is available, including Continuation Applications, Continuation-in-part Applications and Divisional Applications. For Continuation-in-part applications, new matter can be added, such new matter having the time rank of filing the Continuation-in-part Application.
2. EPO: On continuing patent applications, the EPO is limited to the option of filing Divisional Applications. No new matter may be added, also scrupulously to be observed when filing new claims based on disclosure from the specification. Support for the amendments needs to be proven in detail by exact page and line numbers and requires literal or close to literal disclosure of the claim features including the combination in which these are claimed.

## **iii) Proceedings Appeal**

1. USPTO: An appeal to the Patent Trial and Appeal Board (PTAB) is possible, hearing the case de novo. Entry of new evidence during the Appeal procedure is very limited and such evidence should therefore be presented in the examination proceedings before the USPTO Examiner. Several other procedural options like continuing applications and requests for further processing are often preferable over appeals.
2. EPO: An appeal to the EPO Boards of Appeal is possible. The EPO Boards of Appeal are reluctant to accept new claim requests that have not already been prosecuted before the Examining Division, and are also reluctant to accept new evidence. Further, although the Boards of Appeal are authorized to hear the case de novo, over the more recent years, there appears to be a tendency giving more deference to the Examining Division's factual determinations

## **iv) Proceedings Acceleration**

1. USPTO: Acceleration possible when qualifying (e.g. age- or health-related), by Patent Prosecution Highway (PPH) Requests, or for a relatively significant fee by a Track One Request. For maintaining Track One acceleration, no time extensions may be filed and other obligations like accepting an early Examiner interview need to be observed.
2. EPO: Acceleration possible at any time during search and examination, no fee or reasons required. The only requirement for maintaining acceleration is for the Applicant to observe deadlines set by the EPO and not to request time extensions. Patent Prosecution Highway (PPH) Requests are essentially treated like acceleration request under the PACE programme.

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Alexander Schlee is a registered German, European and US patent attorney and holds the German equivalent to a master's degree in Mechanical Engineering. He is the founder of Schlee IP International P.C. in 2007 succeeding a Los Angeles branch office he founded as a former equity partner of Viering, Jentschura & Partners in the year 2000. Among other volunteer activities he served on the State Bar of California International Law Section Executive Committee and is a former president of the Los Angeles Intellectual Property Law Association LAIPLA. Alexander Schlee assists particularly clients having strong international Intellectual Property interests, among these especially clients doing business between the United States and Germany.