

# Patent Protection for U.S. Applicants in Belgium and Europe

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# Foreign Patents in General

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- Multiple paths available
    - Factors:
      - Cost
      - Speed
      - Coverage
        - Some countries not available under all procedures
  - Direct National
  - Regional
  - Patent Cooperation Treaty (“PCT”)
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# Direct National

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## □ Paris Convention of 1883

- Gives patent filed in signatory country within 12 months of original filing in another signatory country the effective filing date of the original filing

March 1, 2003

March 1, 2004

March 1, 2008

<12 months>

Original filing  
in U.S.

Filing in  
foreign  
country

Issuance of  
patent in  
Foreign country

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# Paris Convention

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- 171 Member Countries
  - Advantages
    - Speed
    - Cost (sometimes)
    - Retains priority date
  - Disadvantages
    - No preliminary regional or “world” examination
    - Must comply with national requirements immediately
      - Translation, official documents, etc.
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# Patent Cooperation Treaty (“PCT”)

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- Provides for single application to cover multiple countries/regions
    - 137 member countries
    - Need to comply with individual countries’ requirements (translations, etc.) is delayed
  - Initial, non-binding examination
  - ***Does not*** result in “global” patent
    - Each designated country will still issue individual national patent
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# PCT Applications

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- Must be filed within 12 months of earliest national filing (or be the first filing)
  - International phase lasts up to 31 months from priority date
  - National phase commences thereafter
    - From this point same as a direct national filing
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# PCT Applications

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## Advantages

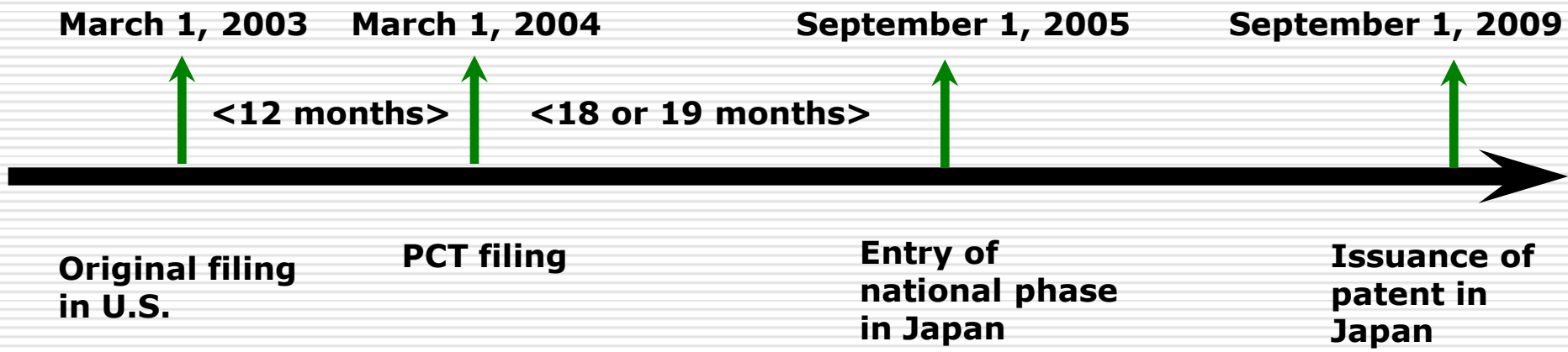
- Single filing
  - Can be done at the last minute
- Preliminary examination
  - Useful for some countries
  - Useful as indication of chances of success
- National requirements delayed

## Disadvantages

- Cost
  - Delay in ultimate issuance of foreign patents
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# PCT Applications

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# Regional Applications

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- Geographic Regions that conduct a single examination
    - EPO -- European Patent Office
    - GCC -- Gulf Cooperation Council
    - ARIPO -- African Regional Intellectual Property Organization
    - EAPO -- Eurasian Patent Office
    - OAPI -- African Organization of Intellectual Property
    - Andean Pact
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# Regional Applications

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- Single, binding examination process
  - Results in individual national patents
    - Payment of fee
    - Submission of translation
  - Can “reach” regional groups via PCT
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# European Patent Office

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## □ Member States:

- AT Austria 1 May 1979 BE Belgium 7 October 1977 BG Bulgaria 1 July 2002 CH Switzerland 7 October 1977 CY Cyprus 1 April 1998 CZ Czech Republic 1 July 2002 DE Germany 7 October 1977 DK Denmark 1 January 1990 EE Estonia 1 July 2002 ES Spain 1 October 1986 FI Finland 1 March 1996 FR France 7 October 1977 GB United Kingdom 7 October 1977 GR Greece 1 October 1986 HU Hungary 1 January 2003 IE Ireland 1 August 1992 IS Iceland 1 November 2004 IT Italy 1 December 1978 LI Liechtenstein 1 April 1980 LT Lithuania 1 December 2004 LU Luxembourg 7 October 1977 LV Latvia 1 July 2005 MC Monaco 1 December 1991 MT Malta 1 March 2007 NL Netherlands 7 October 1977 PL Poland 1 March 2004 PT Portugal 1 January 1992 RO Romania 1 March 2003 SE Sweden 1 May 1978 SI Slovenia 1 December 2002 SK Slovakia 1 July 2002 TR Turkey 1 November 2000

## □ Extension States:

- AL Albania  
BA Bosnia and Herzegovina  
HR Croatia  
MK the former Yugoslav Republic of Macedonia  
RS Serbia
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# Belgium

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- Member of Paris Convention, PCT, and EPO
  - Options:
    - Direct National (Paris Convention)
    - Direct to EPO (Paris Convention)
    - PCT to EPO
    - PCT to Belgium
      - (may not be possible based on local rules)
  - 6 or 20 year term
    - Depends on whether search is requested and paid for
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# Filing Options for Belgium

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March 1, 2003    March 1, 2004    Sept. 1, 2005

<12 months>

Original filing  
in U.S.

Filing in  
Belgium

Publication /  
Issuance of  
patent in  
Belgium

March 1, 2003    March 1, 2004

<12 months>

January 1, 2008

Original filing  
in U.S.

Filing in  
Europe

Validation of  
granted EPO  
application in  
Belgium

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# Filing Options for Belgium

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# Patent Summary

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- No such thing as “international” or “European” patent
  - PCT and regional groups act as examining authorities
    - PCT examination not binding on member countries
    - EPO examination is binding on member countries
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# A word (or two) about “prior art”

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- Prior Art
    - Prior patents, publications, public knowledge that can be used to reject an application
      - Exact definition depends on country
  - U.S. law gives one-year grace period to inventor’s own acts/publications
  - Most foreign countries (including Belgium) do not
  - Must file U.S. application *before* public disclosure/sale to preserve rights in foreign countries
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# European Patentability Standards

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- ❑ Inventive step instead of non-obviousness (problem-solution approach)
  - ❑ Prior art
    - everything made available to the public in any form before filing
  - ❑ Patent protection of software more difficult to obtain than in U.S.
  - ❑ Some standards may vary from country to country
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# Cost Issues

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## □ U.S. National Filing

- \$10,000-\$20,000 for initial drafting and filing
- \$5000-\$10,000 additional through to issuance

## □ PCT application

- \$5000 for initial filing
  - 0 - \$5000 through to national phase
  - Once in national phase, same as national filing
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# Cost Issues (cont'd)

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- European and Euro-PCT applications:
    - filing, prior art search, designation of countries, examination, grant, printing, and yearly renewal fees
    - translation fees
    - professional representation fees
    - fees for appeal
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# Cost Issues (cont'd)

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- ❑ Using regional organizations like EPO reduces costs for searches and translations
  - ❑ filing fees accumulate for every designated country
  - ❑ filing PCT allows for time to decide exactly what countries to file in (**delays fees and costs**)
  - ❑ if protection sought in only few countries, direct national filing in each country more advantageous
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# Cost Example I

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## □ EPO application:

32 000 € (18 pages, 6 countries, 10 years):

■ fees EPO:	4600 €
■ professional representation before EPO:	10 000 €
■ validation (4 translations):	7000 €
■ national renewal fees (incl. Attorney fees):	10 000 €

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## Cost of a sample European Patent<sup>1</sup>

EPO Fees: EUR 4 600

- procedural fees before the EPO
- renewal fees for 3<sup>rd</sup> and 4<sup>th</sup> year

Percentage of total: 14 %

Validation in the  
contracting states: EUR ca. 7 000  
4 translations

- attorney EUR 3 000
- translation cost EUR 3 600
- publication fees EUR 400

Percentage of total: 22 %

**Total cost:  
EUR ca. 32 000**

Professional  
representation  
before the EPO: EUR ca. 10 000

- pre-filing EUR 4 000
- processing EUR 5 400
- translation of claims EUR 600

Percentage of total: 31 %

National renewal fees  
and related cost: EUR ca. 10 000  
5<sup>th</sup> to 10<sup>th</sup> year

- renewal fees (years 5 - 10) EUR 4 700
- attorney:  
payment of renewal fees EUR 5 300

Percentage of total: 32 %

<sup>1</sup> 18 pages, 6 states, 10-year term, excl. in-house preparation costs for the patentee, all values rounded.

# Cost Examples II

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## □ Euro-PCT application:

47 000 € (26 pages, 8 countries, 10 years):

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|---|----------|
| ■ fees EPO:                                       | 6000 €   |
| ■ professional representation<br>before EPO:      | 12 500 € |
| ■ validation (6 translations):                    | 12 500 € |
| ■ national renewal fees<br>(incl. Attorney fees): | 15 500 € |
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## Cost of a sample Euro-PCT Patent<sup>1</sup>

EPO Fees: EUR 6 600

- international fees
- procedural fees before the EPO
- renewal fees for 3<sup>rd</sup> and 4<sup>th</sup> year

Percentage of total: 14 %

Validation in the  
contracting states: EUR ca. 12 500  
6 translations

- attorney EUR 4 200
- translation cost EUR 7 500
- publication fees EUR 800

Percentage of total: 27 %

**Total cost:  
EUR 47 000**

Professional representation  
before the EPO: EUR ca. 12 500

- pre-filing EUR 5 400
- processing EUR 6 200
- translation of claims EUR 900

Percentage of total: 27 %

National renewal fees  
and related cost: EUR ca. 15 500  
5<sup>th</sup> to 10<sup>th</sup> year

- renewal fees EUR 8 500
- attorney: payment  
of renewal fees EUR 7 000

Percentage of total: 32 %

<sup>1</sup> 26 pages, 8 states, 10-year term, excl. in-house preparation costs for the patentee, all values rounded.

# To Patent or Not...

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- Economic analysis necessary on country-by-country basis
    - Where is your target market?
    - Where are you manufacturing and/or performing R&D?
    - Where are your competitors?
    - What is your potential return in this jurisdiction?
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# To Patent or Not...

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- Potential economic benefits of patents
    - Licensing fees and royalties
    - Cross-licensing possibilities
    - Possible damages
    - Intangible benefit of market exclusivity
    - Marketing value of existence of patent
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# Ownership of Patents

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- Patents freely assignable
    - Can hold in name of parent, subsidiary, or IP holding company
    - Should require all R&D and senior employees to execute obligation to assign intellectual property to company
  - Useful to monitor published and issued patents of competitors
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# THE END



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