

## **Choosing between US national phase entry or bypass continuation from your PCT application**

Carl Oppedahl

November 21, 2024

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## **Disclaimer**

This is not legal advice. Reading these slides or attending this seminar does not make you my client and does not make me your lawyer. This is an educational program. If you want legal advice, consult competent counsel who can learn your detailed situation and can give you advice about your situation.

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# A word about your presenter

Yes I am often a consultant for WIPO, teaching this and many other PCT programs, live and recorded ...

in person and via webinar ...

I am also an opinionated private practitioner

Please join me in recognizing that I wear two hats from time to time during the webinar

When you hear me expressing opinions, then I am not speaking on behalf of WIPO, and instead I am merely speaking as a private practitioner

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# Upcoming webinars

- Tuesday, November 26, 2024. 11AM to 12:30 PM Mountain time. *Making best use of PCT Declarations in your PCT application.* This webinar will be of potential interest to attendees in all locations.
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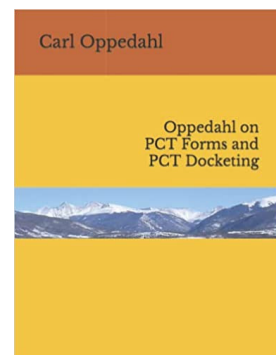
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# Helpful PCT resources

- WIPO's PCT Distance Learning Course
- WIPO video series (Matthias Reischle)
- WIPO's PCT Applicant's Guide
- The PCT listserv (email discussion group)
- PCT section of the *Ant-Like Persistence* blog

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Choosing an International Searching Authority for your PCT application (Tuesday, November 19, 2024)	<a href="#">recording</a>	<a href="#">presentation materials</a>

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## Pursuing US patent protection from a PCT application

- There are two ways to pursue US patent protection from a PCT application:
  - US national phase
  - Bypass continuation
- Be alert to the possibility of making use of the Patent Prosecution Highway

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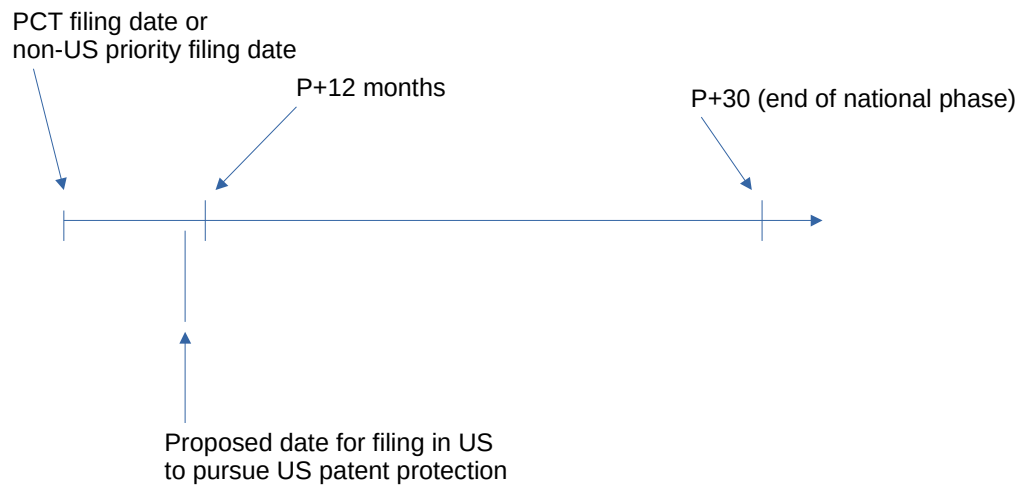
## US legal basis for the two approaches

National phase gets its legal basis from 35 USC § 371

Bypass continuation gets its legal basis from 35 USC § 111a and  
35 USC § 120

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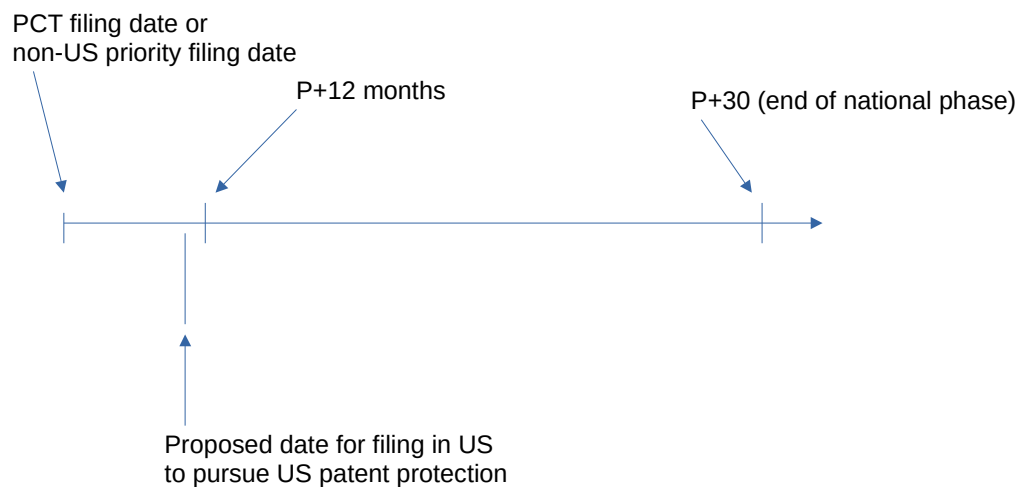
## First trap for the unwary: US patent term



From point of view of US patent term, does it matter whether the US applicant selects national phase or bypass continuation?

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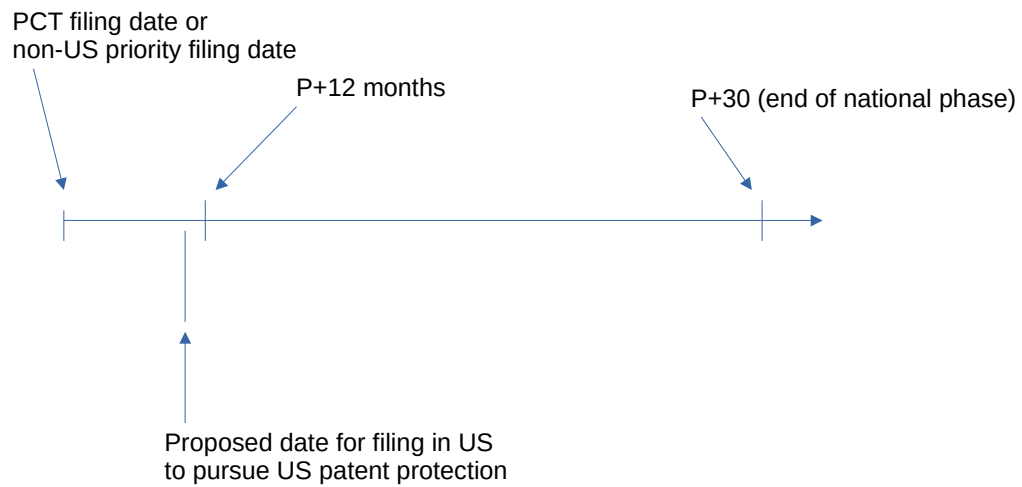
## First trap for the unwary: US patent term



If the US applicant selects national phase, when will the US patent term end? Answer: 20 years from the PCT filing date

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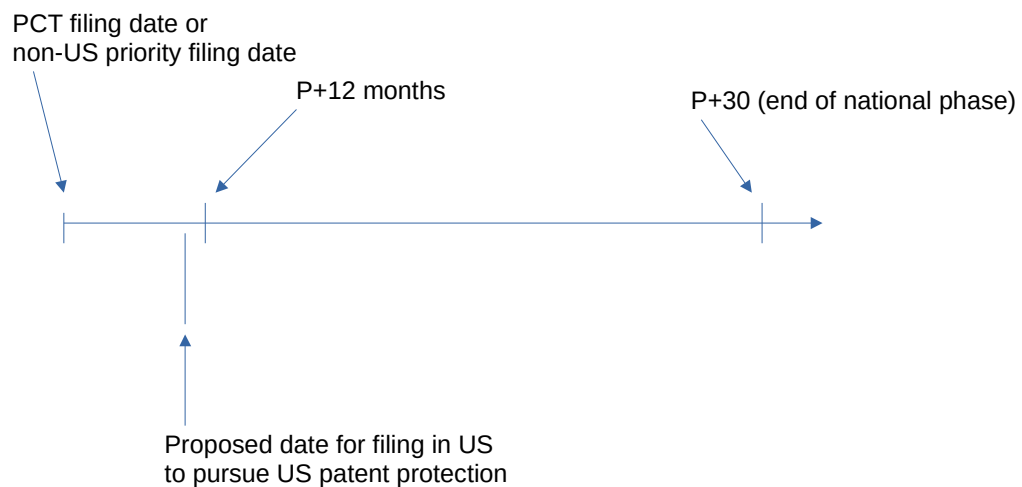
## First trap for the unwary: US patent term



If the US applicant selects bypass continuation, when will the US patent term end? Answer: 20 years from the PCT filing date

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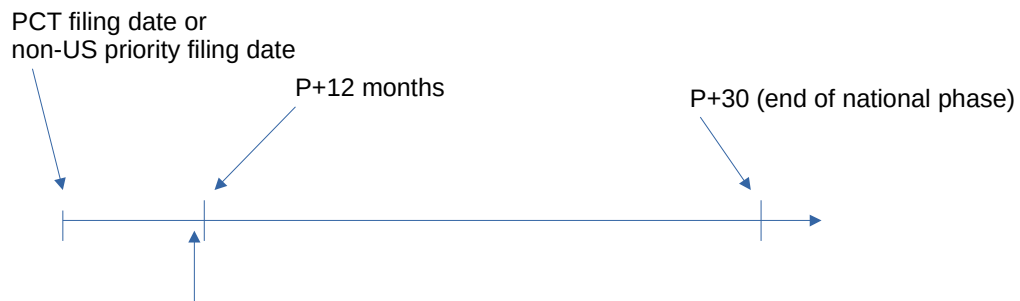
## First trap for the unwary: US patent term



If the US applicant selects bypass and **does not call it a continuation**,  
When will the US patent term end?  
Answer: 20 years from the **bypass filing date**

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## First trap for the unwary: US patent term



Three possible filing paths:

- 1) Enter national phase from PCT – US patent gets a term that ends 20 years after the PCT application was filed
- 2) File a bypass continuation – US patent gets a term that ends 20 years after the PCT application was filed
- 3) File a bypass that claims foreign priority from the PCT application and from the non-US priority application (if any) – US patent gets a term that ends 20 years after the bypass application was filed

If you select path 1 or 2, you are flushing as much as a year of US patent term down the drain!

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## First trap for the unwary: US patent term

Three possible filing paths:

- 1) Enter **national phase** from PCT – US patent gets a term that ends 20 years after the PCT application was filed – this means you are using 35 US Code § 371
- 2) File a **bypass continuation** – US patent gets a term that ends 20 years after the PCT application was filed – this means you are using 35 US Code § 111a and 35 US Code § 120
- 3) File a **bypass** that claims foreign priority from the PCT application and from the non-US priority application (if any) – US patent gets a term that ends 20 years after the bypass application was filed – this means you are using 35 US Code § 111a and 35 US Code § 119a-d

If you select path 1 or 2, you are flushing as much as a year of US patent term down the drain!

Path 3 is a bypass that is not a “bypass continuation”

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## Mechanical steps of path 3 (the bypass that is not a continuation)

The ADS lists *no domestic benefit*

The ADS lists *no continuity data*

The ADS lists **a foreign-priority claim to the PCT application**

(If there is a foreign priority claim in the PCT application, then the ADS lists a foreign-priority claim to that foreign application)

When we say “a foreign-priority claim to the PCT application” we mean **a claim to one of the 125 designations that is not the US designation**

It is fascinating that the USPTO does not actually require you to stick your neck out and say **which** of the 125 non-US designations you are actually claiming priority from

The result is avoidance of flushing up to 12 months of US patent term down the drain, simply by filling out a form correctly instead of filling it out wrong!

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## How many US patent owners actually pay their 11½-year maintenance fee?

Yes, I thought so

Very few US patent owners actually pay their 11½-year maintenance fee

The only US patent owners that will ever care about the previous six slides are the ones that pay their 11½-year maintenance fee

But then again what about some pharma and biotech patents?

The last day of the term of the Tagamet patent was worth about one million dollars!

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## Comparing national phase with bypass continuation

Getting the safety of PDF filing, without having to pay the \$400 penalty

National phase gives you the safety of PDF. National phase eliminates substantial the malpractice risks of DOCX.

In contrast, bypass continuation forces you to pay \$400 to get the safety of a PDF filing.

## Comparing national phase with bypass continuation

Examiner's ability to impose restriction requirement

- With national phase, the restriction standard is “unity of invention”
- With bypass, the restriction standard is the regular domestic “distinct invention” standard
- Many applicants prefer the “unity of invention” standard

## Comparing national phase with bypass continuation

What about the “walking corpse” problem?

We all recall my May 14, 2015 blog article *A new category of walking-corpse US patents?*

Let’s suppose you have a crystal ball that works so well that it can predict that down the line, you will make the enormous mistake of filing an RCE at a time when you have not yet handed in all of your inventor declarations.

If the crystal ball tells you that you will make this mistake, then the risk-avoidance measure is to file a bypass continuation instead of entering US national phase.

That’s crazy. The real answers include:

- Instead of filing the RCE in that national-phase case, file an ordinary continuation.
- Better yet, stop foot-dragging on inventor declarations, and get them handed in promptly after entering US national phase
- Even better than, stop foot-dragging on inventor declarations, and hand them in promptly after filing the PCT application
  - Use PCT Declaration Number 4
  - Or use Form AIA/01 and do a “dribs and drabs” US national-phase entry

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## National phase and unity of invention

Is the USPTO as a designated office bound by the unity of invention determination made by the International Searching Authority?

Sorry, no

The US Examiner might restrict more ways than the ISA did  
You will get nowhere saying “the ISA only said there were this many inventions!”

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## National phase and unity of invention

The US Examiner in a national-phase case might get it wrong

In such a case, the US Examiner might mail out a Restriction Requirement that uses ordinary domestic “distinct invention” language instead of the correct and applicable “unity of invention” language

If this happens you can ask that it be withdrawn and you will absolutely win

What will the Examiner do then?

Maybe the Examiner will give up and actually examine both of the independent claims rather than going to the trouble of digging through old Patent Academy notes to see how to do the restriction correctly

Note that in such a case what you do not want to do is “traverse” – no no no no no no no

You are asking that the RR be withdrawn

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## National phase and unity of invention

The US Examiner in a national-phase case might get it right

In such a case, the US Examiner might mail out a Restriction Requirement that uses the correct and applicable “unity of invention” language

Many practitioners feel that under this “unity of invention” restriction standard, an Examiner cannot get away with restricting as narrowly as Examiners often seem to do when they use the ordinary domestic “distinct invention” standard

The practitioners who feel this way will often tell you that this is their chief reason for avoiding use of bypass continuations and instead making almost exclusive use of national-phase entry

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## National phase and unity of invention

When the US Examiner mails out a Restriction Requirement that uses the correct and applicable “unity of invention” language ...

is the Examiner also permitted to layer a “species-type” restriction requirement on top of the “unity of invention” restriction?

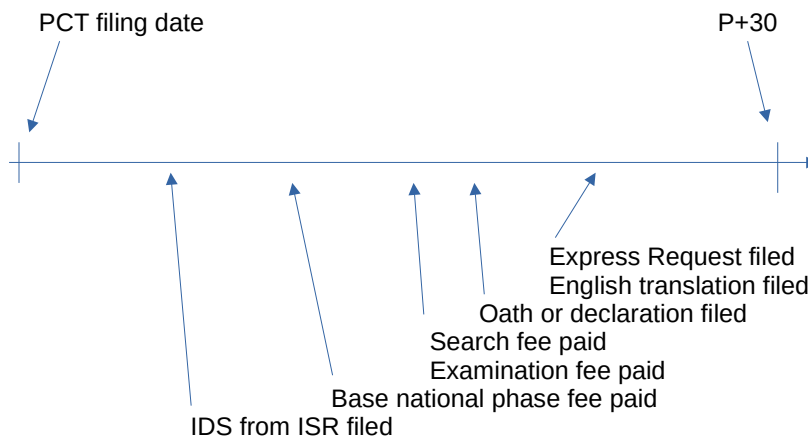
Sorry, yes.

We had one case in our office where the number of divisional applications that would have been required, to get every species examined, would have been in excess of two thousand

The client did not have enough money to pay for all of the divisional applications

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## Dribs and drabs



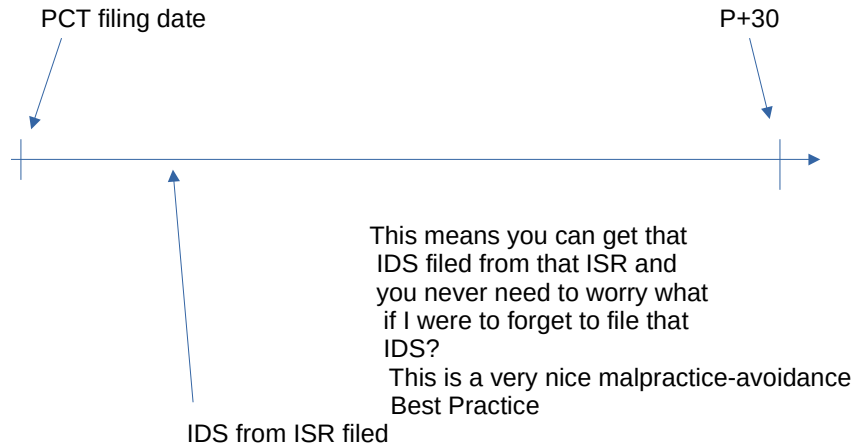
The important thing here is that there is absolutely no penalty for failing to file these things on different days

If the path you pick is US national phase!

I greatly prefer US national phase for this reason

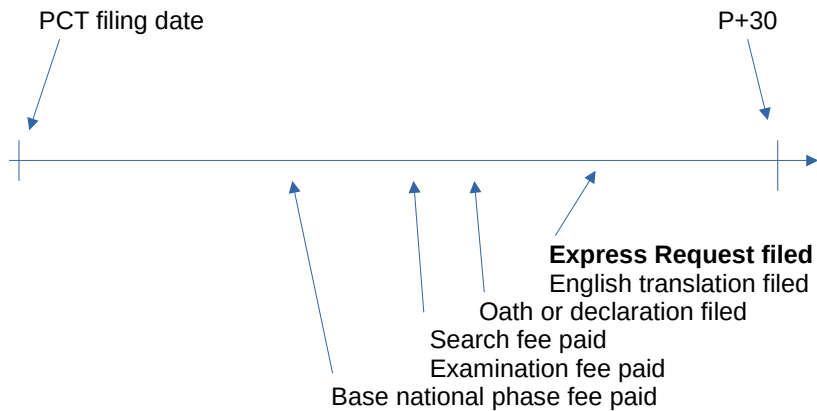
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## Avoiding malpractice – guaranteeing that you will never forget to file that IDS from the ISR



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## Malpractice avoidance – filing that Express Request



When you are using US national phase, and the 30 months has not yet passed, and you have indeed handed in everything that you need to hand in, it is malpractice not to hand in your Express Request. Failing to hand it in can lose PTA. Failing to hand it in can lose your place in the queue for examination.

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## National phase? National stage?

Carl's view ...

There is no such thing as “national stage”.

- Nowhere in the Patent Cooperation Treaty
- Nowhere in the PCT Rules
- Nowhere in the PCT Administrative Instructions
- Nowhere in the PCT Applicant's Guide

The correct terminology is “national phase”.

The US joined the PCT in 1978.

Somebody at the USPTO referred to it in the earliest USPTO documents as “national stage”.

It stuck and has propagated throughout the USPTO's rules and the MPEP.

Decades have passed and by now USPTO will never harmonize with the rest of the world.

The correct terminology is “national phase”.

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## Comparing national phase with bypass continuation

Certified copies of priority applications

- With national phase, nearly always the certified copies are taken care of automatically as part of the PCT process
- With bypass, it is the applicant's responsibility to attend to the certified copies
  - The priority Office may be a Depositing Office to DAS

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# Certified copies

The main point here is that if you for some reason are sitting on a particular PCT application for which it would be supremely difficult to obtain certified copies in any ordinary way (paper copies, DAS) ...

But if the certified copies are all right there in Patentscope already ...

Then this is a factor that strongly favors using US national phase rather than a bypass continuation

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## Comparing national phase with bypass continuation

Getting help from the USPTO

- With national phase, you get to use the PCT Help Desk (+1 571 272 4300)
- With bypass, your source of help is the Application Assistance Unit (+1 571 272 4000)

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## Polling question

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## Comparing national phase with bypass continuation

Occasionally an applicant will have a PCT application in which a would-be priority claim was not timely presented

- In a US national phase case from the PCT, the priority claim problem can be corrected only by filing an expensive petition
- In a bypass continuation from the PCT, the priority claim problem can be corrected at no charge

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## Comparing national phase with bypass continuation

Suppose the 30-month date has arrived and client has not given clear instructions whether to proceed

- ❑ With a bypass continuation, the filing fee could be handed in late so long as you do not mind paying a late fee
- ❑ With a US national phase entry, you must pay the base national phase filing fee within the 30 months

This permits you to avoid getting stiffed on the bill for the government fee if the client later says they never actually wanted to spend any money

If you pick the bypass continuation path and have the self-control to hold back from paying any government fees

Keep in mind that you could use the “file by reference” check box in an ADS and the whole filing could be just one or two mouse clicks

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## What if you missed the 30 months?

Yes what if you missed the 30 months?

Recall that when the PCT application got filed, it was a bundle of 126 patent applications

One of them was a US patent application.

See 35 USC § 363 – “An international application designating the United States shall have the effect, from its international filing date under Article 11 of the Treaty, of a national application for patent regularly filed in the Patent and Trademark Office except as otherwise provided in section 102(e).”

So when you missed the 30 months, that US patent application went abandoned.

You can revive it!

Well, so long as the abandonment was unintentional, you can revive it.

You pay a fee, you file a petition, you say the entire period of delay was unintentional (of course this needs to be true), and next thing you know, the USPTO will grant the petition.

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Any time you petition to revive ...

Any time that you petition to revive, you must include with the petition whatever it is that you wish you had done back when you needed to do it. In this case, the payment of the base national phase fee and the identification of the PCT application.

There is a dedicated USPTO form for this purpose.

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The dedicated USPTO form is extremely poorly designed

The dedicated USPTO form jams together two bundles of words:

- A first word bundle in the dedicated USPTO form is the petition to revive.
- A second word bundle in the dedicated USPTO form is the statement under penalty of perjury that the entire period of delay was unintentional.

Of course under USPTO rules, where the applicant is anyone other than a natural person, we understand that the first word bundle (the petition) is required to be signed by a registered practitioner.

So you or I will have to sign that word bundle.

Then we get to the second word bundle, the part where somebody is going to have to stick their neck out and state under penalty of perjury that they know exactly how and why the 30-month date got missed.

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## The dedicated USPTO form is extremely poorly designed

The dedicated USPTO form tries to force it that a single signer will serve two roles:

- the signer will be the registered practitioner who is representing the (legal entity) applicant, and
- the signer will be the person who is personally stating that he or she is the person who has personal knowledge that the entire period of delay was unintentional

Of course in many real-life situations, the person with personal knowledge as to the circumstances of the delay is someone other than the practitioner

You will probably have to push and push to get the USPTO petitions person to understand this.

If I am not the one who is responsible for having missed the 30-month date, there ain't no way I am signing the part that says I have personal knowledge about how and why the 30-month date got missed, when that's not true. Just sayin'.

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## Still other factors that might influence the choice of national phase versus bypass continuation

Suppose the PCT application itself is a mess?

Suppose lots of inventing has happened since the PCT application got filed?

Suppose the client sort of does not want to draw attention to the fact that what we are filing now has lots of stuff in it that is not exactly the same as what was in the PCT application when it got filed?

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## National phase versus bypass

You have a PCT in which “small entity” status was established

And the applicant ceased to be small

Now if you enter national phase you get to keep paying “small entity” fees

If you file a bypass, you have to start paying large entity fees

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## Suppose the PCT application itself is a mess?

Suppose it is a very poor quality translation into English from some other language?

If you use national phase, and then try to clean it up, you will have to use strikethroughs and underscores.

Probably also a substitute spec.

Probably you will have to make a representation that no new matter has been added.

TYFNIL this representation will guarantee you seven hours of a hot seat in a deposition.

Maybe a bypass continuation is the better path.

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Suppose lots of inventing has happened since the PCT application got filed?

Yeah, if so, then maybe you don't just want to enter the US national phase.

Maybe enter the US national phase and also, on the side, file a CIP.

Or maybe just file a CIP.

In that CIP, some claims might be entitled to different effective filing dates than other claims.

It could be a mess.

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Suppose the client sort of does not want to draw attention to the fact that what we are filing now has lots of stuff in it that is not exactly the same as what was in the PCT application when it got filed?

Surely we all realize that if there really is new matter, then TYFNIL the adversary is not going to get fooled by filing a continuation and holding back from calling it a CIP. If it really was a CIP all along, the adversary will be all over this.

Still, there are many practitioners who will file a bypass continuation specifically because the client has a goal of not drawing unnecessary attention to the things that are non-identical to what was in the PCT application as filed. Much of this is in the nature of a business decision.

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# Patent Prosecution Highway

A favorable ISR/WO can be used to get a US national phase case put onto the Highway

But it can just as well be used to get a bypass continuation case put onto the Highway

This is not a factor that should prompt picking one path or the other

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## **37 CFR § 1.496**

Most US practitioners know nothing of this rule

Most US Examiners know nothing of this rule

This rule entitles you to have your US national-phase application “advanced out of turn for examination” if your claims (as presented in the US case) are claims that were found patentable by the ISA/US

For this to work, of course you had to have selected ISA/US

I never pick ISA/US

But some applicants often pick ISA/US

(ISA/US can be really inexpensive if you are a micro filer.)

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## **37 CFR § 1.496**

If your claims (as presented in the US case) are claims that were found patentable by the ISA/US

Then your US national phase search fee drops to zero

And your US national phase examination fee drops to zero

But this Rule 496 is only available for US national phase. It is not available for bypass continuations.

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## **37 CFR § 1.496**

If you do choose to make use of Rule 496, then it will be up to you to badger the Examiner to actually give you the “advanced out of turn for examination” service to which you are entitled.

Nothing in the USPTO systems will signal the Examiner in any way about this obligation to take the case “out of turn”.

You will probably have to make multiple phone calls.

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## PCT Declaration Number 4

The foreign patent practitioners who are trendy, modern, and up-to-date will make use of PCT Declaration Number 4.

At 29 months or so you are entrusted to attend to entry into the US national phase.

Maybe two years ago, the foreign patent practitioner already obtained the signature of each of the inventors on PCT Declaration Number 4, which is the declaration of inventorship for US purposes

## PCT Declaration Number 4

Maybe two years ago, the foreign patent practitioner already obtained the signature of each of the inventors on PCT Declaration Number 4, which is the declaration of inventorship for US purposes

Suppose you fail to notice that they did this. (For example you don't think to even look in Patentscope to see that they did this.)

And then you prepare Forms AIA/01, asking the foreign patent practitioner to round up the inventor signatures on the declarations of inventorship.

This is going to make you look really stupid in the eyes of the foreign patent practitioner.

I bet they will send their next case to some other smarter US patent practitioner.

Maybe it would be better to go to the trouble to look in Patentscope to see whether they did this.

## PCT Declaration Number 4

Maybe two years ago, the foreign patent practitioner already obtained the signature of each of the inventors on PCT Declaration Number 4, which is the declaration of inventorship for US purposes

If so, then surely you realize this means the foreign patent practitioner is probably trendy, modern and up-to-date.

Probably in the future you should send your outbound work to this foreign patent practitioner!

## The Notice of Acceptance into the US national stage

This is a form prepared by a USPTO person

The person lists the various “dribs and drabs” documents that you filed

The person lists the dates upon which you supposedly filed the “dribs and drabs” things

It is routine for the person to get dates wrong

It is routine for the person to miss that you filed an Express Request

This can harm your PTA

You may need to ask that the Notice of Acceptance be corrected

## How long it takes to get a Filing Receipt

Over the years there have been widely varying differences in the delays in receiving Filing Receipts depending on whether you pick “national phase” or “bypass continuation”

Usually “bypass continuation” is much faster

These days “national phase” sometimes takes half a year

Sometimes “bypass continuation” takes only a few days

The main situations where this could be really vexing is if you were counting on prompt examination because of PPH

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## Recording assignments

If you record an assignment in Assignment Center against the PCT, will this “count” against the US application number when later you enter the US national phase?

Yes.

Yes in terms of the legal conclusion (35 USC § 363)

But yes also in the practical sense that later it will actually turn up in all of the databases when people look it up using the US application number.

Same thing if you go in the other sequence, recording against the US application number first.

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## Getting assignments signed and recorded

By the way if you get a PCT application filed, what you do not want to do is wait until US national phase time to get signatures on assignments.

Do it as soon as you learn your PCT application number.

Get the assignments signed.

Get them recorded within 3 months of signing day. See 35 USC § 261. It is a professional liability risk to allow more than three months to pass.

## Getting assignments signed and recorded

So you decided to file a bypass continuation that is not text-identical to the PCT? And you cannot rule out the possibility that there is conceivably some new matter somewhere lurking in the new application?

Then of course you are going to need to round up signatures on fresh assignments, and get them recorded within three months. 35 USC § 261.

## ST26 and sequence listings

Suppose your PCT application contains an ST25 sequence listing

If you enter US national phase you get a free pass on having to construct an ST26 sequence listing

If you follow the bypass continuation path, you will have no choice but to construct an ST26 sequence listing

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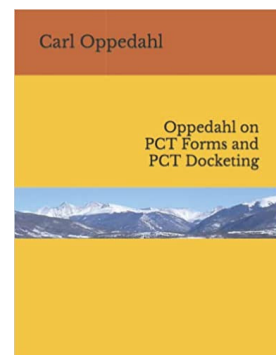
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Please complete the evaluation questionnaire

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Thank you!