
“Make in India” to avail expedited examination of patent application:

Background facts:

The delay in examination of a Patent application leading to extraordinary delay in grant of Patent was challenged by the petitioner (Nittoo Denko Corporation) by way of writ to Delhi High court (Writ petition case no. 3742/2013). The main grievance of the petitioner was while the Patent Rules, 2003 (specifically Rule 24B) provides for strict time line for examination and grant of patent these were not being followed. As a result the Patent term was reduced to 13 or 14 years as it would take 6 or 7 years for grant of a Patent.

The petition resulted in court examining this issue in detail and asking the Patent office to submit a plan for clearing backlog. A number of suggestions and steps were approved by the court as a part of this consultation process the focus which was a) time bound plan for filling the vacancies of the examiners and training of the newly recruited examiners b) implementation of scheme for Modernisation and Strengthening of Intellectual Property offices c) explore alternative methods of recruitment of examiners through UPSC, IITs and GATE/NET examinations d) implement the flexible complementing scheme to address and check high rate of attrition.

The court thereafter formed a second committee to examine the following issues:

- ***Whether waiver of maintenance fee for the delayed period or other measures could be considered to compensate patentees for the time consumed in the process?***
- ***Whether examination of patents could be done out of turn under existing provisions of the Patent Act, 1970 and if so, under what circumstances?***

The recently issued report of the second committee however does not seem to be in favour of waiving the maintenance fees or patent term extension for providing compensation to the patentees for the time consumed in the examination process.

In relation to expediting examination of patent application, the committee has proposed important suggestion(s), for Patentees to avail the benefit of expedited examination. Following are the highlights of such recommendation(s):

- Out of turn/expedited examination would be considered only when the applicant sets-up local manufacturing capabilities utilising the invention as disclosed in the specification. The aim of having such a provision is to contribute towards “public interest”. Thus, to avail this benefit, the party (applicant/assignee/licensee) should have either already started manufacturing the invention in India or undertake to manufacture within two years from

the date of filing of expedited examination. However, this benefit is subject to the following conditions:

- a. That the applicant has sufficient available capital and facilities to manufacture the invention in India in sufficient quantity to meet the reasonable public requirement or that such capital and facility will be made available within a period of six months if a patent is granted;
- b. A statement from a bank/financial institution/ auditor in India with an evidence in support showing that the party has in possession the required available capital to undertake the manufacturing in sufficient quantity meeting the reasonable public requirement;
- c. The party obligates itself to manufacture the invention in India immediately upon the grant of patent;
- d. Submission of agreement of the applicant or his assignee with the licensee (in case of a prospective manufacturer);
- e. The party has made a careful and thorough search of prior art and the same is submitted to the patent office;
- f. The invention relates to a single inventive concept with no more than five claims.

The party will be required to submit the status report of manufacturing the invention in India at every six months till the manufacturing commences in the sufficient quantity as committed at the time of filing a request.

The other procedural suggestions made in relation to prosecution of application through expedited route are:

- While divisional application would be considered as a regular application and a separate request for expedited examination has to be made in case of availing the benefit.
- An applicant may also convert the already filed "Request for Examination" into expedited request by paying the difference in fees and submitting the required documents.
- The controller shall refer the application and specification to the examiner within one month from the date of request of expedited examination and the First Examination Report (FER) shall be issued within two months from the date of such request.
- The reply to FER shall be processed in the serial order of receiving.

To sum up, the stakeholders have mixed reaction to the recommendations. They are happy to note that there are serious deliberations on expediting the examination and addressing the backlog at the Patent office. However, to insist on local manufacturing as a pre-condition for expediting examination seems to make the provisions illusory and not yielding any serious benefits. Interestingly, a similar provision also exists in Japanese law to expedite examination in

cases where an applicant or a licensee has already commercialized the invention or plans to commercialize the invention within two years from the filing date of a request for accelerated examination. However there is no compulsion on local manufacture.

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