CHAPTER 18

PCT CHAPTER II

Ch.18/A: What is Chapter II?

Chapter II is the stage of the Patent Cooperation Treaty process during which the International application is the subject of an interactive International Preliminary Examination by the International Preliminary Examination Authority (IPEA). The IPEA examines the application in view of the references cited in the ISR and any Article 19 amendments and of course, looks at the ISR (Ch. I) Written Opinion.

In order to have an application subjected to interactive International Preliminary Examination under Chapter II, the applicant must file a Chapter II Demand.

The Chapter II procedure is optional, and, in many cases, a Chapter II Demand is not filed.

If no Chapter II Demand is filed, no interactive examination will occur, and the ISA Written Opinion will be recycled and renamed the IPRP Chapter I and issued at 30 months by the International Bureau. The national examiners will then use it as a basis for determining patentability.

When a Chapter II Demand is filed, to begin International Preliminary Examination, the IPEA will essentially take the ISA Written Opinion and recycle it back to the applicant as its own first Written Opinion.

The applicant may reply to the Written Opinion by submitting formal arguments and amending the claims, specification (called the description in the PCT), and drawings (Article 34 amendments). The IPEA then will respond to these arguments and amendments, and the process may continue for a couple of rounds, depending on the time available. Finally, at about the 28th month from priority, the IPEA issues the final International Preliminary Examination Report (IPER), and prosecution is closed.

This IPER is also called the International Preliminary Report of Patentability (Chapter II of the Patent Cooperation Treaty) or IPRP Chapter II. After the 30/31-month date, this IPRP Chapter II will be transmitted by the IB to each elected Office and be made publicly available.

The IPRP Chapter II is a non-binding opinion on the patentability of the invention that is used later, by the National/Regional stage patent examiners, should the applicant decide to proceed that far. The IPRP Chapter II addresses issues of patentability, such as whether or not the claimed invention appears to be novel, have an inventive step (equivalent to non-obviousness in the US), and have industrial applicability (equivalent to the utility requirement in the US). This is as far as the application goes in the PCT. After the IPRP
Chapter II, the application must go into the National phase in one or more countries or regions, or be abandoned. There is no such thing as a PCT patent.

Note for the more experienced practitioner: under the old (pre-2002) rules, Chapter II was used usually as a way to delay the cost of entry into the national phase, because if Chapter II examination was not elected, the application would proceed into the National/Regional phase at 20 months rather than 30/31 months. Basically, electing Chapter II gave the applicant an extra 10 months to consider National stage filings. But now the time limit for National phase entry under PCT Article 22(1) in nearly all countries (see below) has become 30/31 months from the priority date, regardless of whether or not the applicant elects Chapter II. Now, the Chapter II Demand is filed only for the purpose of requesting interactive international preliminary examination by the IPEA.

**Ch.18/B: Filing the Chapter II Demand**

The Chapter II Demand must be filed within three months from the date of transmittal of the ISR, or 22 months from the priority date.

The Chapter II Demand instructs the International Preliminary Examining Authority (IPEA) to subject the International application to interactive International Preliminary Examination in view of the ISR and Chapter I Written Opinion.

If the Demand is not filed on time, the application will not be interactively examined by the IPEA but will proceed towards the 30/31-month National stage deadline, having already been the subject of the ISR, the Chapter I Written Opinion, and any Article 19 amendments that were made under Chapter I of the PCT.

**Time limit for national phase entry**

All international applications enter the National phase at the 30/31-month date irrespective of whether a Demand has been filed.

The Demand may be filed at any time prior to whichever of the following periods expires later:

- **three months** from the date of transmittal to the applicant of the international search report (ISR) and Written Opinion (PCT Rule 43bis.1; PCT Rule 54bis.1 (a)(i)) or

- **22 months** from the priority date (see PCT Rule 54bis.1 (a)(ii)).

If the Demand is filed after the expiration of the above-mentioned time limit under PCT Rule 54bis, the Demand will be treated as if it had not been submitted to the International Preliminary Examining Authority (IPEA).

* Occasionally the ISA will send a notice to the applicant under Article 17(2)(a) that tells the applicant that no ISR will be established. In this case, a Chapter II Demand may be
filed three months from the date of transmittal to the applicant of this notice. The International Searching Authority will sometimes tell the applicant that no search will be done because, for example, there is no clear invention to search or because the subject matter is non-statutory and would not be patentable by law. Where a declaration has been made by the International Searching Authority that no ISR will be established, although nothing prevents an applicant from filing a Demand, the claims are unlikely to be examined by the IPEA since, according to PCT Rule 66.1(e), claims relating to inventions in respect of which no ISR has been established need not be the subject of international preliminary examination.

There is one rare circumstance under which a Demand must be filed at 19 months rather than under the three-month from ISR / 22-months from priority deadline. The exception covers certain states/countries that have notified the International Bureau of the incompatibility of their national law with the modified 30-month time limit. Such countries require that unless a Chapter II Demand is filed, the national phase must be entered at 20 months. But all such states are covered by a regional designation (e.g., AP or EP). This enables applicants to enter the Regional phase (as distinct from the National phase) covering those states/countries within the time limit of 31 months (that is, the time limit under PCT Article 22(3) in respect to those regions/states). Thus, it is very rarely necessary or desirable to file a National phase application in these regions by the 20-month date or file a Chapter II Demand for the purpose of extending the national filing deadline. At the time of this writing, the states concerned are

LU Luxembourg (EP)*
TZ United Republic of Tanzania (AP)**

* If this state is designated for the purpose of a European patent, the 31-month EPO time limit will continue to apply to entry into the National phase in accordance with Art 23(3).

** If this state is designated for the purpose of an ARIPO patent, the 31-month ARIPO (African Regional Industrial Property Organization) time limit will still apply to entry into the National phase in accordance with Art 23(3).

A list of time limits applicable for each designated/elected Office for entering the National phase under Chapters I and II of the PCT is available at www.wipo.int/pct/en/texts/pdf/time_limits.pdf.

1. How to file a Chapter II Demand

Notes on how to fill out this form are located at the end of the form.

The beginning of the form is much like the PCT Chapter I Request that was filled out earlier. At the very top of the document, above the title, fill in the International Preliminary Examining Authority (IPEA) you wish to use. As an example, we shall use
the United States Patent and Trademark Office. You will often see this designated as IPEA/US.

Note that if the applicant previously chose the United States Patent and Trademark Office (US) as the ISA, it MUST now use the US as the IPEA. However, if the applicant previously chose the European Patent Office (EP) as the ISA, it may select either the US or the EP to act as the IPEA.

Box I. IDENTIFICATION OF THE INTERNATIONAL APPLICATION
Here you will identify the international application, listing:
- file reference (docket) number (up to 12 characters)
- international application number (PCT/US12/347678)
- international filing date (date the PCT application was filed - day/month/year)
- earliest priority date (day/month/year)
- title of the invention

Box II. APPLICANT(S)
The applicant(s) information is listed here:
- name and address of each applicant
- telephone number
- facsimile number
- applicant’s registration number with the Office
- email authorization
- state (country) of nationality
- state (country) of residence

If you are working at a company to which the inventor has or will assign the invention, the company will be listed as the first applicant. The information for each of the inventors follows in the remaining applicants’ boxes, continuing on a separate sheet, if necessary.
Box III. AGENT OR COMMON REPRESENTATIVE OR ADDRESS FOR CORRESPONDENCE

The agent or common representative and the address for correspondence are listed here. You will almost always be using an agent (patent attorney). Check the appropriate box denoting:
- whether the agent or common representative has been appointed earlier and represents the applicants for international preliminary examination;
- whether the agent or common representative is hereby appointed and any earlier appointment of an agent or common representative is hereby revoked; and
- whether the agent or common representative is hereby appointed, specifically for the procedure before the IPEA, in addition to the agents or common representative appointed earlier.

The name, address, telephone number, facsimile number, and agent’s registration number are then listed. If there is no agent or common representative selected, and if the correspondence should be sent to a special address, it must be noted by checking the box at the end of Box III. Otherwise, correspondence will be sent to the address of the first listed applicant.

Box IV. BASIS FOR INTERNATIONAL PRELIMINARY EXAMINATION

1) The applicant confirms which version of the application is to be examined, i.e., whether the application to be examined has been amended before examination. The applicant states whether the International application should be done on the basis of
- the entire International application as originally filed (with no amendments)
- or the application amended in the description, claims, or drawings under Article 19 or Article 34, as appropriate. This seems confusing, because, since examination has not yet started, amendments under Article 34 could not have been made - but you can actually send in Article 34 amendments with this Demand (like a preliminary amendment in the US practice).

2) The applicant states whether it wishes to reverse any amendment to the claims under Article 19 before International Preliminary Examination (IPE). This is usually not checked.

3) The applicant states whether it wishes to postpone preliminary examination until the expiration of 20 months from the priority date. This is usually not checked.

If no box is checked in this section, the IPEA will start examination on the basis of the international application as originally filed, or as amended under Article 19 and/or Article 34, if such amendments have been made.

The language used for the IPE should be stated. It may be
- the language in which the International application was filed (usually checked),
- the language of the translation furnished for the international search,
- the language of publication of the International application,
- the language of the translation that will be furnished for the IPE.
Box V. ELECTION OF STATES
This box shows the states (countries) in which the applicant reserves the right to file a national application. All states are automatically elected provided they are signatories to Chapter II of the PCT, and there is no longer any box to check. (More experienced practitioner note: this is an important difference from the old rules.) You cannot exclude any states, although it is possible to withdraw election from individual states concurrently with election or anytime up until 30 months from the priority date (see PCT Rule 90bis2a). This rule applies to other types of withdrawal, as well, such as under Chapter I (see section on the Request).

Withdrawal of election is done by submitting Form PCT/IB/372, Notice of Withdrawal, available from the WIPO website at www.wipo.int/pct/en/forms/index.htm. Form PCT/IB/372 can be used not only to withdraw elections but also to withdraw the entire international application designations, or priority claims. Form PCT/IB/372 requires the following information in the appropriate boxes: the agent’s or applicant’s docket number, the international application number, the International filing date, the earliest priority date, and the name of the first named applicant. Check the relevant box to indicate exactly what is being withdrawn, and make sure the form is properly signed. Unlike the Request, the Notice to Withdraw must be signed by all applicants or by their appointed agent or the common representative. If signed by an appointed agent, powers of attorney for all the applicants must have been submitted. If powers of attorney for all the applicants have not been submitted, the notice will be considered effective only once the missing powers of attorney have been received.

The Notice to Withdraw should be sent (and is pre-addressed) to the International Bureau, although it can also legitimately be sent to the RO or the IPEA (see PCT Rule 90bis).

Once the Notice to Withdraw has been received, the International Bureau will send you Form PCT/IB/317, Notification of Withdrawal of Demand or Elections, confirming the withdrawals.

For further information on withdrawals of the international application, designations, priority claims, and elections, see PCT Article 37, PCT Rule 90bis and the PCT Applicants Guide Vol I/A paragraphs 452-463.

Box VI. CHECK LIST
This is the checklist to make sure your Demand is complete. The number of sheets must be tallied and listed, as well as any other documents, such as the postcard or transmittal.

Box VII. SIGNATURE OF APPLICANT, AGENT, OR COMMON REPRESENTATIVE
This section is where the applicant, agent, attorney, or common representative signs the Demand and identifies the capacity in which that person signs. It is only necessary that the Demand be signed by one applicant (2004 rule). Usually this person is the patent
attorney or agent. If the person is, for example, patent counsel for your company, that title should be denoted under his name. The attorney will generally be able to sign for all applicants, because a power of attorney will have been filed during Chapter I, signed by all the applicants and giving the named attorney or agent power to sign for all of them for the purposes of that International patent application. For some reason, if a power of attorney has not been filed or a new attorney is working on the case, it is good practice (though no longer required) to execute and file a new power of attorney signed by all the applicants.

**PCT Fee Calculation Sheet (Annex to the Demand)**

This sheet (PCT/IPEA/401 Annex) must be sent with the Demand, as it details the fees that must be paid. You will find this form after the instructions for the Demand. All fees should be checked online at the USPTO website (http://www.uspto.gov/web/offices/pac/dapps/pct/chapter2.htm) to ensure that current, proper amounts are being submitted.

Look up the current fees and enter them in the spaces provided, then enter the total. Select the method of payment (deposit account, check, postal money order, bank draft, cash, revenue stamps, coupons, or other).

Fees are lower if the application has already been searched at the Office in which it is to be examined. For example, if the USPTO was the ISA under Chapter I, the preliminary examination fee will be less than if the USPTO was not the ISA under Chapter I.

If you have a deposit account set up with the USPTO and that is the Office you will be using as your IPEA, be sure to check both boxes: the authorization to charge total fees and the authorization to charge any deficiency or overpayment of total fees. This way, if you have made any errors in the calculations of fees, you will receive a refund or have the additional fees charged to the account. Be sure to include the deposit account number.


**2. Transmittal**

Use the same transmittal as you used in PCT Chapter I, Form PTO-1382 (or your place of work may have its own). This is the general transmittal to be used with any communication with the receiving Office. (http://www.uspto.gov/web/offices/pac/dapps/pct/chapter1.htm).

Box I. Fill in the appropriate information in Box I: date, International application number, attorney docket number, and signature of person doing the mailing.

Box II. Do not fill out Box II. It is for the submission of a *New* International application (Chapter I).
Box III. There is no need to fill in this box when filing the Demand. This is used only for a response to an invitation from the RO/US.

Box IV. This does not apply.

Box V. Fill out this area and list the return receipt postcard, transmittal letter, payment calculation sheet, Chapter II Demand, and any other papers noting any amendments under Article 34 or any other changes the applicant may wish to submit, if applicable. Make sure the attorney/agent/common representative signs this transmittal sheet.

The packet to the receiving Office should include
- return receipt postcard,
- transmittal letter,
- payment calculation sheet,
- Chapter II Demand, and
- any other correspondence with the RO.

Be sure to make a copy of all documents for your files, after signatures have been obtained.

3. How should I send the Demand?
The USPTO is a competent receiving Office for residents and nationals of the US. The Demand should be filed in English. The RO/US accepts Demands filed electronically using EFS-Web, or via Priority Mail Express, facsimile, regular mail, airmail, and any other means of delivery by the US Postal Service. EFS-Web or Priority Mail Express procedures are highly recommended if the applicant wishes to claim the date of submission as the date of filing. Remember, Certificate of Mailing by First Class Mail (or faxing) procedures are NOT honored in PCT practice. Remember, too, that all patent-related documents (applications as well as follow-on documents) filed via EFS-Web are accorded the date and time of receipt in the USPTO.

You may also file by hand-carrying the application to the USPTO, or you may use a commercial delivery service. Note that this is different from filing US application documents. The address to which to send the Demand is MAIL STOP PCT, COMMISSIONER FOR PATENTS, P.O. BOX 1450 ALEXANDRIA, VA 22313.

Alternatively, the Demand can be filed electronically using the EFS-Web system or filed by fax to the USPTO PCT Operation Office. Keep in mind that all patent-related documents (applications as well as follow-on documents) filed via EFS-Web are accorded the date and time of receipt in the USPTO.

The correct location for hand delivery or commercial delivery services at the USPTO is US PATENT AND TRADEMARK OFFICE, 2011 SOUTH CLARK PLACE,
4. **What defects will affect the date of the Demand?**
Not electing at least one state (which is now impossible since all states are now automatically elected), or not properly identifying the International application are fatal defects in the Demand. If either of these happens, you must proceed towards the 30-month national filing deadline without international preliminary examination. You will, of course, still have the benefit of the ISA Written Opinion.

5. **What defects will NOT affect the date of the Demand?**
Formal defects, lack of signature, and missing or incomplete payment of fees will not cause you to lose your filing date. These sorts of defects will result in the applicant receiving a **Notice to Correct Defects** that will explain what needs to be corrected, plus the deadline for making such corrections. What is more, if the Demand is not filed with the correct IPEA, it will be forwarded to the correct authority with no adverse consequences.

**Ch.18/C: Documents I will Receive after Filing the Chapter II Demand**

1. **Notification of receipt of Demand by competent International Preliminary Examining Authority.** This is a sheet sent by the International Preliminary Examining Authority (IPEA) reporting the receipt of the Chapter II Demand. It lists the chosen examination authority and the date on which the Demand was received, e.g., "IPEA/US 02 Dec 2012" (if the US was chosen as the IPEA). This date should match the date the Demand was filed using EFS-Web. The notice will denote if this is the date the Demand was actually received by the Office or on behalf of the Office, or if it is the date the Office received the required corrections (if it was in response to an invitation to correct defects in the Demand).

2. **Notice advising elected Offices of the Chapter II filing**
This (formerly pink) notice is sent from the IB to the elected Offices and cc’d to the applicant, informing the elected Offices that they have been elected by the applicant in the Demand. This form used to be important under the old rules that required national entry at 20 months in many countries, but now it is somewhat redundant.

3. **Written Opinion (Chapter II)**
Usually about three months after the filing of the Demand (about 22 months from priority) the IPEA will prepare and send to the applicant a **Written Opinion (Chapter II)**, accompanied by form PCT/IPEA/408, discussing patentability of the invention. This is the PCT equivalent of a USPTO Office Action, and the applicant can respond by making amendments to the claims and specification under Article 34.

First, check any date in the **REPLY DUE** box, and docket it. It is usually three months, but it can be less. Then check the printed application data for accuracy.
Line 1 states that the Written Opinion is the first or second, etc. opinion from the IPEA. Line 2 contains a number of boxes that inform the applicant as to the content of the Written Opinion. Line 3 gives instructions about how and when to reply to the Written Opinion. Line 4 gives the final date upon which the examination process must be finished and the IPER completed. Docket this date.

The bottom boxes set out the name and mailing address of the IPEA and the name of the authorized officer (examiner) who prepared the report.

The pages following the Written Opinion (Chapter II) cover sheet set out the details of the examination, explaining which claims have been examined, which claims have been found to have novelty, inventive step, industrial applicability, etc. These are all legal matters to be considered by the attorney/agent, and there should be nothing in this text that needs to be checked or docketed by you.

3a. Response to the Written Opinion (Chapter II) - Article 34 Amendments
A response to the Written Opinion (Chapter II) may be filed by the applicant if it so desires. The applicant may reply by submitting arguments and making amendments to the claims, specification, and drawings (Article 34 amendments). The period for response is in the Written Opinion. It is usually set at three months, but be careful, because it can be set at one month. Check and docket this date.

Article 34 amendments are quite informal. The applicant is required to submit a replacement page for every sheet of the application that differs from the sheet previously filed. A letter, which must accompany the amendment, should point out all the changes that were made (Rule 66.8).

Additionally, check the Written Opinion (Chapter II) for newly cited references that were not cited in the International Search Report of ISA Written Opinion. If any such references are presented, you should review any pending US cases to make sure that these references have been submitted to the USPTO. If not, those references should be submitted in the US case using supplementary IDS.

At the end of the international examination process, at about 28 months from the priority date (two or three months before the National phase, at 30/31 months), an IPRP Chapter II is prepared by the IPEA. A copy of the IPRP Chapter II is sent to the applicant, and one is also sent to the International Bureau (IB).

The IPRP Chapter II sets out the examiner's ultimate findings regarding patentability of the invention in view of all arguments and amendments made during Chapters I and II. Note that the real examination is often performed from scratch at the National stage(s), and the IPRP Chapter II is not binding on the national examiner. But the national
examiners often rely heavily on the IPER and frequently reiterate the same arguments. A favorable IPER can lead to a swift allowance at the National stage. In countries that lack the facilities to do their own substantive examination, the IPRP Chapter II may be used as the National-stage opinion on patentability.

4a. Parts of the IPRP Chapter II

The IPRP Chapter II comes with a single coversheet (Notification of Transmittal) that contains application information and certain standard notices. Under this sheet you will find the actual IPRP Chapter II.

Notification of Transmittal of the International Preliminary Report of Patentability (Chapter II of the Patent Cooperation Treaty)

This Notification (we are not looking at the actual IPRP Ch. II yet) sets out the following:

In the upper section of the Notification of Transmittal, the applicant's address appears, followed by standard information about the application, such as application number, priority date, and filing date. In the main body of the Notification of Transmittal, on line 1, the applicant is notified that the IPRP Ch. II is being sent with this transmittal. Line 2 tells the applicant that a copy of the IPRP Ch. II with its annexes is being sent to the IB. Line 3 says that the IB will prepare any required translations of the report where required by the Offices. Line 4 is a reminder that the National phase must be entered within 30 months from the priority date (or later in some Offices), and that it is the applicant's duty to supply any translation of the application (not the report) to the elected Offices, if required. The lower section of the Notification of Transmittal shows the name and address of the IPEA and the name and phone number of the authorized officer (the examiner) who prepared the IPRP Ch. II. (This is the layout at the time of this writing, but it may change slightly in the future).

International Preliminary Report of Patentability (Chapter II of the Patent Cooperation Treaty)

The IPRP Ch. II itself usually consists of several sheets. The top of the first sheet sets out standard information about the application, such as docket number, application number, filing date, and priority date. Note especially the box marked FOR FURTHER ACTION (or similar wording), which refers to things that need to be done and dates that must be docketed. This box often refers to the Notification of Transmittal sheet.

Line 1 (again) tells the applicant that that the IPRP Ch. II has been prepared by the IPEA and is being transmitted to the applicant.

Line 2 lists the number of sheets in the report (check that they are all there) and whether it is accompanied by any annexes (sheets of the description, claims, and/or drawings which have been amended and are the basis for the report).
The date of submission of the Chapter II Demand is listed, as well as the completion date of the report, the name and mailing address of the IPEA, and the authorized officer (examiner) who wrote the report.

(This is the layout at the time of this writing, but it may change slightly in the future).

The remaining pages set out the substantive matters of the report in detail. This is the attorney's responsibility, and short of making sure that all the dates have been docketed and all the pages are present, all you have to do is give the IPRP Ch. II to the attorney with the relevant file. The IPRP Ch. II will not cite any new references (unlike the ISR or possibly the Written Opinion Chapter I or II), so you do not have to worry about filing IDSs in related US or other national cases.

The PCT stage of the patent process is now closed. The applicant does not respond to the IPRP Ch. II but may now choose whether to enter the National stage of patent prosecution in one or more elected countries/regions. The only other option is abandonment of the application. National phase entry, which occurs at 30 months from the priority date (31 months in some states such as the EPO), is discussed next.

**Ch.18/D: Fraudulent Requests for Payment of Fees**

Fraudulent Requests for Payment of Fees are very common and have become a standard practice amongst international criminals. The PCT Newsletter frequently publishes warnings and reminders that applicants should be diligent in these matters. Requests to PCT applicants and agents to pay fees that do not come from the International Bureau of WIPO are fraudulent. If you have any doubts about the authenticity of such fee payment requests, you should contact the PCT Office. Various examples of such fraudulent requests can be seen at [http://www.wipo.int/pct/en/warning/pct_warning.htm](http://www.wipo.int/pct/en/warning/pct_warning.htm).

Some of these Requests look very convincing and will contain all the correct information identifying your application, including the applicant’s and/or agent’s name. This information is gleaned from documents published on the Internet and is freely available to criminals. Some of these scams request fees for publication, searching, or examination.
It is the International Bureau of WIPO alone which publishes all PCT applications, and there is no separate fee for such international publication.

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