

## REPORT

## USPTO ISSUES FINAL RULES IMPLEMENTING THE HAGUE AGREEMENT

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On April 2, 2015, the United States Patent and Trademark Office (USPTO) published final rules enabling applicants to file a single, streamlined, standardized international design application in one language that can be registered or examined in any country that is a member of the 1999 Geneva Act of the Hague Agreement Concerning International Registration of Industrial Designs ("Hague Agreement").<sup>1</sup> The final rules will take effect on May 13, 2015.

Currently, a United States design applicant seeking global protection must file separate design applications in each country or intergovernmental organization for which protection is sought, and thus must comply with the formal requirements imposed by each country or intergovernmental organization. The Hague Agreement provides for centralized international registration of designs and international renewal of registrations. The final rules simplify the application process and reduce the costs for a United States applicant seeking to obtain design protection in a number of foreign countries. The new rules also allow applicants to have an international design application examined in the

USPTO to obtain protection of their design in the United States.

The final rules include numerous rule changes and new rules, and should be consulted before filing an international design application in the USPTO and/or designating the United States in an international design application. This Special Report focuses on the major changes to United States practice in patent law that will result from the final rules. In particular, this Special Report discusses in detail the newly created "Subpart I" of the "Rules of Practice in Patent Cases" in the Code of Federal Regulations, which is directed specifically to international design applications,<sup>2</sup> in addition to several other notable rule changes outside of Subpart I.

## I. THE NEW FUNCTIONS OF THE USPTO

### A. USPTO as an Office of Indirect Filing

The USPTO will now act as an office of indirect filing that transmits international design applications to the International Bureau. The major functions of the USPTO as an office of indirect filing include: (1) receiving and according a receipt date to international design applications; (2) collecting and, when required, transmitting fees due for processing international design applications; (3) determining compliance with applicable requirements regarding secrecy of certain inventions and licenses to export and file

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<sup>1</sup> The rules specifically implement under Title I of the Patent Law Treaties Implementation Act of 2012. The USPTO already implemented the Patent Law Treaty under Title II of the PLTIA. See our November 7, 2013 Special Report entitled "USPTO Issues Final Rules Implementing The Patent Law Treaty," available at [www.oliff.com](http://www.oliff.com), for additional information about Title II of the PLTIA.

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<sup>2</sup> See 37 C.F.R. §1.001 - §1.071

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applications in foreign countries; and (4) transmitting an international design application to the International Bureau, unless prescriptions concerning national security prevent the application from being transmitted.

**B. The USPTO as a Designated Office**

The USPTO will also act as a designated office ("United States Designated Office") for international design applications in which the United States has been designated as a Contracting Party (i.e., a Contracting Party to the Hague Agreement, or "CP") in which protection is sought. The major functions of the United States Designated Office include: (1) accepting for national examination international design applications which satisfy the requirements of the Hague Agreement; (2) performing an examination of international design applications in accordance with 35 U.S.C. Chapter 16; and (3) communicating the results of examination to the International Bureau.

**II. FILING AN INTERNATIONAL DESIGN APPLICATION IN THE UNITED STATES**

**A. Who May File an International Design Application in the United States**

**i. Filing through the USPTO**

To file an International Design Application through the USPTO (i.e., as an Office of Indirect Filing), an applicant must have at least one of the following connections to the United States: (1) nationality; (2) domicile; (3) habitual residence; or (4) a real and effective industrial or commercial establishment in the territory of the United States. The final rules do not discuss what constitutes a "real and effective industrial or commercial establishment" in the United States. However, other international intellectual property agreements (such as the Paris Convention and the Madrid Agreement)

have defined this term to mean an establishment at which some industrial or commercial activity takes place, although it need not be the principal place of business. According to this definition, for example, a mere warehouse normally would not qualify.

**ii. Filing in the International Bureau**

For international applications that are filed through the International Bureau, and that designate the United States, the application may be refused for examination by the USPTO as the United States Designated Office if the applicant is not one of the following: (1) sole or joint inventors; (2) legal representative of a deceased or legally incapacitated inventor; or (3) an assignee, obligated assignee, or person having sufficient proprietary interest.

**B. Formal Requirements for Filing an International Design Application**

**i. Mandatory Contents of an International Design Application**

An international design application must be written in at least one of English, French or Spanish. In addition, the international design application must be accompanied by: (1) a request for international registration; (2) data concerning the applicant (such as the name and address of the applicant); (3) a prescribed number of copies of a reproduction or, at the choice of the applicant, of several reproductions of the international design that is subject of the international design application; (4) an indication of the product or products that constitute the industrial design; (5) an indication of the designated Contracting Parties; (6) prescribed fees; (7) the Contracting Party or Parties in respect of which the applicant fulfills the conditions to be the holder of an international registration; (8) the number of industrial designs in the international design application, which may

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not exceed 100, and the number of reproductions or specimens of the industrial designs accompanying the international design application; (9) the amount of fees being paid and the method of payment; and (10) an indication of the Contracting Party claimed by the Applicant.

**ii. Fees**

The basic fee for filing an international design application is 397 Swiss francs. This fee includes the filing of one design in the international application. For each additional design within the same international design application, there is an additional charge of 19 Swiss francs. Other applicable fees will vary depending on the contents of the application and the jurisdictions designated. To determine the applicable fees for a particular international design application, see WIPO's "Hague System Fee Calculator."

<http://www.wipo.int/hague/en/fees/calculator.jsp>

**iii. Form and Signature**

An international design application designating the United States should be presented on a form established by the International Bureau or any form having the same contents or format, and must be signed by the applicant.

**iv. Additional Mandatory Contents Required by Certain Contracting Parties**

Additional mandatory contents may also apply if the Contracting Party claimed by the applicant requires the following information to obtain a filing date: (1) the identity of the creator of the industrial design; (2) a brief description of the reproduction or of the characteristic features of the industrial design; and (3) a claim.

**v. Optional Contents**

An international design application may also contain the following optional contents: (1) two or more (but no more than 100) industrial designs; (2) a request for deferment of publication or a request for immediate publication; (3) indications concerning the identity of the creator of the industrial design and a brief description of the reproduction or the characteristic features of the industrial design, if not a mandatory content of the Contracting Party; (4) the name and address of Applicant's representative; (5) a claim of priority under the Paris Convention; (6) a declaration that the product or products that constitute the industrial design have been shown at an officially recognized international exhibition; (7) any declaration statement or other relevant indication that may be specified in the administrative instructions for the application of the Hague Agreement; (8) a statement that identifies information known by the applicant to be material to the eligibility for protection of the industrial design concerned; and (9) a proposed translation of any text contained in the international design application for purposes of recording and publication, if the text is not in English, French, or Spanish. Applicants for an international design application that designates the United States will not be able to request deferment of publication.

**C. Priority Claims in an International Design Application**

An international design application may claim, under the Paris Convention, the priority of one or more earlier-filed applications filed in or for any country party to that Convention, or any member of the World Trade Organization. A priority claim must contain an indication of the name of the Office where such filing was made, the date of the filing, the number of the filing, and whether the priority claim relates to less than all

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the industrial designs contained in the international design application. In addition, an international design application designating the United States may claim the benefit of an earlier filed nonprovisional application or international application designating the United States.

#### **D. Representation in an International Design Application**

An applicant in an international design application may appoint a representative before the International Bureau. Only one representative may be appointed before the International Bureau; however, a partnership or a firm will be regarded as one representative. The appointment of the representative may be made in the international application, or in a separate communication which may relate to one or more specified international applications or registrations of the same applicant or holder, provided they are signed by the applicant or holder of the registration.

Applicants of international design applications also may be represented before the USPTO as an Office of Indirect Filing ("Office") by a practitioner registered or granted limited recognition by the Office. The practitioner may act by appearing in person or signing a paper in practice before the USPTO in a patent case, or be appointed, in writing signed by the applicant, giving the practitioner power to act on behalf of the applicant and specifying the name and registration number of each practitioner.

#### **E. Transmittal of the International Design Application to the International Bureau**

The new rules provide that when the USPTO acts as an Office of Indirect Filing, the transmittal of the international design application to the International Bureau must be made by the Office. The new USPTO fee for transmitting the

international design application to the International Bureau is \$120.

When the Office transmits the international design application to the International Bureau, the Office must also notify the International Bureau of the date on which it received the application from the applicant. The Office also must notify the applicant of the date of receipt of the application, and of the fact that it has transmitted the international application to the International Bureau.

Once the application has been transmitted by the Office to the International Bureau, all further correspondence regarding the international design application should be sent directly to the International Bureau. Any reply to a communication sent to the applicant by the International Bureau must be filed directly with the International Bureau to avoid abandonment or other loss of rights.

#### **F. Deferment of Publication**

A request for deferment of publication of an international design application is available, provided the international design application does not designate the United States, or any other Contracting Party that does not permit deferment of publication.

### **III. INTERNATIONAL APPLICATIONS THAT DESIGNATE THE UNITED STATES**

#### **A. Mandatory Requirements for Applications that Designate the United States**

For applications that designate the United States, additional mandatory requirements include: (1) a claim; (2) data concerning the identity of the creator; and (3) an inventor's oath or declaration.

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**i. The Claim**

The claim of an international design application designating the United States must be in formal terms with regard to the ornamental design for the article (i.e., specifying the name of article) as shown, or as shown and described. More than one claim is not permitted for purposes of the United States.

**ii. Inventor's Oath or Declaration**

An international design application designating the United States must include the inventor's oath or declaration. The oath or declaration must be filed no later than the date on which the issue fee is paid to avoid abandonment.

**B. Other Requirements  
Relating to Form and Content**

An international design application that designates the United States must also meet certain requirements with regard to the form, the description, and reproductions, which we discuss in detail below.

**i. Description**

The description of an international design application that designates the United States must include a specification as prescribed by 35 U.S.C. §112, and preferably include a brief description of the view or views of the reproduction. For international applications that designate a Contracting Party other than the United States, and that also require a description, additional description requirements may apply. For example, a Contracting Party may require that the description be directed to features that appear in the reproduction of the industrial design, and/or that an additional fee may apply if the description exceeds 100 words.

**ii. Reproductions**

Reproductions in international design applications must comply with certain requirements under the Hague Agreement.<sup>3</sup> Some notable provisions include: (1) the reproductions must be in the form of photographs or other graphic representations, and may be in black and white or color; (2) matter which is shown in a reproduction but for which protection is not sought (i.e., matter that is not being claimed) may be indicated in the description or by means of dotted or broken lines; (3) the photographs and graphic representations must be of "professional standard," and must be of a quality permitting all the details of the industrial design to be clearly distinguished and permitting publication; and (4) the industrial design represented may comprise shading and hatching. No Contracting Party may require more than one view where the design or product is one-dimensional, or more than six views where the product is three-dimensional. In addition, a Contracting Party may refuse international registration of an international design application on the ground that the reproductions contained in the international registration are not sufficient to fully disclose the industrial design.

**iii. Title**

The title of the design must designate the particular article. If an international design application does not contain a title for the design, the USPTO may establish a title.

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<sup>3</sup> For a comprehensive description of the reproduction requirements, see Rule 9 of the Common Regulations Under the 1999 Act and the 1960 Act of the Hague Agreement, and Part Four of the Administrative Instructions for the Application of the Hague Agreement (as in force on January 1, 2014), available at [http://www.wipo.int/hague/en/legal\\_texts/](http://www.wipo.int/hague/en/legal_texts/).

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### **C. Filing Date**

The filing date of an international design application in the United States is the date of international registration determined by the International Bureau under the Hague Agreement. However, the applicant may petition the Director of the USPTO to accord the international design application a filing date other than the date of international registration, if the applicant believes that the international design application is entitled to a different filing date. The petition must include a showing to the satisfaction of the Director that the international design application is entitled to the different filing date, and must be accompanied by a fee of \$400 (\$200 for small entity; \$100 for micro entity).

### **D. Inventorship**

Under the new rules, the inventors in an international design application designating the United States is the creator or creators set forth in the publication of the international registration. Any correction of inventorship can be made in accordance with the rules already in place for correcting inventorship in a nonprovisional application.

### **E. Applicant in an International Design Application**

If an international design application that designates the United States is applied for by a person other than the inventor (i.e., the assignee, person to whom the inventor is under an obligation to assign the invention, or person who otherwise shows sufficient proprietary interest in the matter), that person must have been identified as the applicant for the United States in the international stage of the international application or as the holder in the publication of the international registration under the Hague Agreement.

### **F. Petition to Excuse Unintentional Delay Available**

If an applicant fails to act within prescribed time limits under the Hague Agreement in connection with requirements pertaining to an international design application, a petition may be filed to excuse the failure to act -- as to the United States -- if it can be shown that the delay was unintentional. A petition to excuse unintentional delay must include: (1) a copy of any invitation sent from the International Bureau (2) the required reply, unless previously filed (e.g., a continuing application or petition to convert the international design application under 35 U.S.C. Chapter 16 to a design patent application; (3) a fee of \$1,700 (\$850 for a small entity); (4) a certified copy of the originally filed international design application, if required; (5) a statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition was unintentional. The Director may require additional information where there is a question whether the delay was unintentional.

### **G. Converting to a Design Application Under 35 U.S.C. Chapter 16**

An international design application that designates the United States and is filed with the USPTO as an Office of Indirect Filing may be converted to a regular design patent application (i.e., a United States non-provisional application) upon petition. To be available for conversion, the international design application must meet the filing date requirements for a United States non-provisional application. A petition for conversion must be accompanied by a fee of \$180, and must be filed prior to publication of the international registration. The conversion of an international design application to a design application under 35 U.S.C. Chapter 16 will not entitle the applicant to a refund of the transmittal fee or of any fee forwarded to the International Bureau.

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If the petition is granted prior to the transmittal of the international design application to the International Bureau by the USPTO, the international design application will be completely converted to a design patent application under 35 U.S.C. Chapter 16. However, if the petition is granted after the transmittal of the international application to the International Bureau by the USPTO, the international design application will be converted only with respect to the United States.

A petition for conversion of an international design application will not be granted in an abandoned international design application, absent a grantable petition to excuse unintentional delay by the applicant.

#### **IV. EXAMINATION OF AN INTERNATIONAL DESIGN APPLICATION THAT DESIGNATES THE UNITED STATES BY THE USPTO**

##### **A. Timing of the Examination**

For any international design application that designates the United States, the USPTO will conduct an examination in accordance with the applicable United States patent laws. For each international design application to be examined, the USPTO will send to the International Bureau a notification of refusal where it appears that the applicant is not entitled to a patent under the law with respect to any industrial design that is the subject of the international registration. The notification of refusal should be sent within 12 months from the publication of the international registration. If the USPTO has not sent a notification of refusal to the International Bureau within the period of 12 months from publication of the international registration, it will send a notification of the delay to the International Bureau.

Examination of the international design application as to the form and content of the application will be made by the International Bureau. Therefore, an international design application may not be refused by the USPTO on the grounds that requirements relating to the form or content of the international design application have not been satisfied.

##### **B. Notification of Refusal**

The Notification of Refusal will contain: (1) the number of the international registration; (2) the grounds on which the refusal is based; (3) where the grounds of refusal refer to similarity with an industrial design that is the subject of an earlier application or registration, a copy of a reproduction of the earlier industrial design; and (4) a time period for reply to the notification to avoid abandonment. Any reply to the notification of refusal must be filed directly with the USPTO as an Office of Indirect Filing, and not through the International Bureau.

The current United States rules governing replies to Office Actions in design patent applications also apply to the replies to a Notification of Refusal. For example, no changes in claim scope will be permitted when revising the drawings in response to an Office Action. In other words, while the drawings may be amended to overcome a rejection or objection, it will not be possible to introduce any new matter with respect to the drawings originally filed with the International Bureau.

##### **C. Only One Independent and Distinct Design Permitted**

Only one independent and distinct design will be examined in an international design application designating the United States. If more than one independent and distinct design was claimed in the international application, the examiner will require the applicant to elect one

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independent and distinct design for prosecution on the merits. This requirement may be made either in the Notification of Refusal, or in another Office Action. The determination of what constitutes an independent and distinct design will be made according to the usual United States design application restriction practice described in MPEP §1504.05.

**i. Notification of Division**

If an examiner requires an election of an independent and distinct design, a divisional application claiming benefit to the international design application may be filed for the non-elected design(s). The USPTO will notify the International Bureau of the filing of the divisional application.

**V. MISCELLANEOUS RULE CHANGES**

**A. Definition of an International Design Application:**

Under the new rules, the definitions of "national application" and "nonprovisional application" will be amended to include an international design application. In addition, unless otherwise provided for in the rules, the terms "design application" and "application for a design patent" includes an international design application that designates the United States.

**B. No Facsimile Filing Permitted:**

The new rules will include an international design application amongst the correspondence for which facsimile transmission is not permitted. If an international design application is submitted by facsimile, it will not be accorded a filing date. In addition, similar to national and international applications filed under the Patent Cooperation Treaty (PCT), the filing of color drawings by facsimile is prohibited in an international design application.

**C. Continued Prosecution Application (CPA) and International Design Applications:**

Under the new rules, a CPA of a prior nonprovisional application may be filed where the prior nonprovisional application is a design application, but not an international design application. The commentary to the rule change states that the filing of a CPA of a prior nonprovisional international design application would not be appropriate. This is due to the fact that a CPA is itself a design application under 35 U.S.C. Chapter 16. Thus, a CPA is subject to different statutory and regulatory requirements than a nonprovisional international design application.

**D. Information Disclosure Statements:**

An Information Disclosure Statement (IDS) may be filed without the need for a fee or statement if the IDS is filed within three months of the date of publication of the international registration under the Hague Agreement, or before the mailing date of the first Office Action.

**E. Expedited Examination of International Design Applications:**

Under the new rules, expedited examination is available for international design applications that designate the United States. In order to qualify for expedited examination, the international design application must have been published under the Hague Agreement.

**F. Publication of International Design Patents:**

International design applications will not be published by the USPTO. International registrations are, however, published by the International Bureau.

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**G. Extended Patent Term:**

All design patent applications, including those filed as United States design patent applications under 35 U.S.C. Chapter 16, as well as international design applications designating the United States, will have a set patent term of 15 years, starting from the date of patent grant. The extended patent term will take effect for all design patent applications filed on or after May 13, 2015.

**H. Petitions for Color Drawings No Longer Required:**

Under the new rules, color drawings are now permitted in a design application. The filing of a petition to submit color drawings will no longer be necessary to submit the color drawings. The new rules require at least one set of color drawings if submitted to the USPTO via electronic filing, and three sets of color drawings if not submitted to the USPTO via electronic filing. This new rule does not affect utility patent applications, which will still require a petition to submit color drawings.

**VI. BENEFITS OF FILING AN INTERNATIONAL DESIGN APPLICATION UNDER THE HAGUE AGREEMENT**

**A. Provisional Rights:**

Under the Hague Agreement, international design applications will be published within six months after registration of the international design (or immediately after the registration, if requested by the applicant). In other words, the registration for the international design may publish before the USPTO has completed substantive examination of the international design application. This will create provisional rights for design patents, which allows patent owners to collect damages for any infringement

that occurs prior to issuance of the patent by the USPTO.

**B. Streamlined Filing of Design Applications:**

Upon implementation of the new rules, a United States design patent applicant will be able to file a single application containing multiple designs in multiple foreign jurisdictions. In addition, the application can be filed in one language and with fees using only one currency. Ultimately, this should provide many applicants with a more efficient, cost-effective method for protecting their designs internationally. Moreover, because applicants may file more than one design in a single application, applicants may be able to establish an earlier priority date for multiple designs using a more cost-efficient process.

**VII. RECOMMENDATIONS**

The new ability to file international design applications may provide a more cost-efficient and simple method for obtaining protection in multiple international jurisdictions. The decision of whether to file an international design application (rather than a traditional United States non-provisional design application, and/or one or more direct foreign design applications) is one that should be made on a case-by-case basis. For example, in deciding whether to file an international design application, prospective applicants may want to consider such factors as: (i) the number of jurisdictions in which the applicants would like protection, (ii) whether the applicants will be filing line drawings or photographs (as the requirements may vary in each jurisdiction), or (iii) the need for provisional rights, among other considerations.

In addition, applicants should take caution when preparing their drawings for filing in an international design application. The

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International Bureau merely provides examination as to the form and content of the design application. Each Contracting Party that is designated at the time of filing of the international application will perform substantive examination of the international design application. Thus, the various requirements relating to the different Contracting Parties, particularly with respect to the drawings, will govern whether the application will be entitled to a patent within each jurisdiction. For example, with regard to the United States, any requirements relating to shading and the claiming or disclaiming of certain subject matter will apply once the USPTO undertakes substantive examination of the international design application. As discussed, the scope of the design reflected in the drawings in an international application cannot be changed during examination by a designated office. Thus, drawings that do not conform to United States requirements may contain flaws that are fatally deficient to obtaining a United States design patent.

Applicants should also take care to ensure, *before* filing the international design application, that at least one set of drawings submitted as part of the international design application designating the United States will adhere to the requirements of United States law. Similarly, applicants should take care to ensure, *before* filing the international design application, that at least one set of drawings submitted as part of an international design application filed in the USPTO and designating other countries will adhere to the requirements of each of those other countries. To this end, we recommend preparing multiple "embodiments" of a single design to ensure that at least one embodiment will meet the necessary drawing requirements for the various jurisdictions that are being designated in the international application.

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