

PCT could solve patent problems

Intangible assets, especially intellectual property (IP), abound throughout the business world. IP has become a significant factor in productivity and economic growth. A patent is an intellectual property right granted for new inventions, which generally covers products or processes containing "new" functional or technical aspects.

Recently, Thai inventors have become increasingly interested in filing new patent applications both in Thailand and overseas. They face an important question: what is the easiest, most cost-effective way for them to protect their inventions around the world? The Patent Co-operation Treaty (PCT) may be the answer.

The PCT offers applicants seeking patent protection in multiple countries a user-friendly and efficient option by filing one "International Patent Application" under the PCT with one patent office (receiving office) in one language. The applicant can seek simultaneous patent protection for an invention in each of a large number of countries. Indeed, the effect of the international application in each "designated state" is the same as the filing of a national patent application with the national patent office of that country. Without the PCT, the applicant is required to file separate national patent applications within 12 months from the earliest filing date (priority date) of the invention with each patent office in which protection is sought.

By filing via the PCT route, applicants would have an additional 18-month period, compared to direct filing with individual national patent offices, to decide whether and in which countries they wish to proceed. This effectively

delays, by the same number of months, the costs associated with translating the application, paying national fees, and appointing local patent agents. These advantages are not available if the applications are filed directly with individual national offices.

Although the PCT does not grant an International Patent, the applicant would obtain an "International Search Report" and an "International Preliminary Examination Report" which are high-quality searches of patent documents and other technical literature. The information contained in these reports helps the applicant to better evaluate the chances of the patent being issued before incurring any costs. The applicant also benefits from the uniformity of the formality requirements and from the centralised international publication provided by the PCT system.

The decision to grant a patent remains the responsibility of each of the national offices designated in the International Patent application. At present, 137 countries are signatories to the PCT including Thailand's neighbours, Vietnam, the Philippines, Indonesia, Laos and Malaysia.

In 2006, there were 147,500 PCT International Applications filed including nine from applicants in Vietnam, 20 from the Philippines, eight from Indonesia, and 59 from Malaysia. The top five countries of origin for filing PCT applications are the United States, Japan, Germany, France, and South Korea.

Thailand is not yet ready to accede to the PCT even though there are demands from both within the country and from foreign applicants wishing to file patent applications in Thailand under the PCT. The debate about the benefits and drawbacks of PCT membership is still

ongoing in Thailand. Detractors are concerned that the PCT limits the opportunity for Thai inventors to copy and develop the inventions of international patent applications. Concerns have also been expressed that the PCT could lead to a fifty-fold increase in applications filed with the Thai Patent Office, which would further strain a system that is already plagued by delays.

These concerns, however, may be unfounded. According to a recent study conducted by this author of the patent statistics in other Southeast Asian countries that are already PCT members, it appears that during the two-year period after joining the PCT, there is an extreme reduction in the number of applications filed. Then, after this two-year period, the applications can be divided into two categories: national patent applications and National Phase of the PCT application. The number of applications filed via the PCT should be more significant than the number of national filings. Nevertheless, the total number of patent filings should be relatively equal to the number of patent applications filed before joining the PCT.

Thailand is now preparing to apply to the PCT but there is a need for further studies regarding the advantages and disadvantages of becoming a PCT Contracting State. It may take some time before Thai inventors can begin to derive the benefits from the filing of international patent applications via the PCT.

Written by Thaneeya Lalitkulthorn, Patent Agent, and Clemence Gautier, Consultant, Intellectual Property Department, Tilleke & Gibbins International Ltd. Please send comments or suggestions to Marilyn Tinnakul at marilyn.t@tillekeandgibbins.com.