

Thinking About Using The Hague System? Think Again

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On May 13, 2015, the United States Patent and Trademark Office began accepting international design applications (“IDAs”) under the Hague system. While the Hague system has been around for years, few U.S. practitioners have used it. And while some foreign practitioners are more familiar with the system, they may not be as familiar with the nuances of U.S. patent practice. With the addition of the U.S. and Japan this May and South Korea last year, the system is expected to experience significant growth over the coming years. Canada and China are amending their local laws to harmonize with the Hague system for eventual membership; Russia is also exploring membership. Given this rapid growth, U.S. and foreign practitioners are taking a closer look at the many benefits of the system. They will also be wise to consider the pitfalls as well.

The Hague system is administered by the World Intellectual Property Organization based in Geneva, Switzerland, and is designed to protect the ornamental or aesthetic aspects of industrial designs.

Such aspects include the shape of an article; two-dimensional features, such as patterns, lines or color on the surface of an article; or both. The major benefit of the Hague system is the possibility of filing up to 100 designs in 64 territories in a single application. For a list of participating territories, see [here](#).

The Hague system combines benefits of the Patent Cooperation Treaty system and the Madrid Protocol system for trademarks. As with the PCT, no country of first filing is required; like Madrid, no expensive national stage filings are required. As with Madrid, the applicant pays nearly all fees up front and centralized handling of formalities such as address changes, payment of renewal fees and ownership transfers are done through WIPO. Also similar to Madrid, the Hague system offers the possibility of avoiding the expense of hiring foreign counsel. That is only a possibility however, because like Madrid, direct communication with a designated office after filing may in some cases only be made by a registered practitioner. This is especially true in the U.S., Japan and South Korea, where IDAs will be substantively examined.

As with both the PCT and Madrid, the applicant must be affiliated with a country that is a party to a Hague Agreement to use the system. Such affiliation can be as: a national of a contracting party; a national of a member state of an intergovernmental organization which is a contracting party (such as



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the European Union or the African Intellectual Property Organization); an entity that has a domicile in the territory of a contracting party; an entity that has a real and effective industrial or commercial establishment in the territory of a contracting party; or an entity that has a habitual residence in a contracting party. This same affiliation requirement applies to valid ownership of an IDA or any resulting international registration. In other words, an IDA or any right flowing from it cannot be validly assigned to an entity that could not have filed the IDA in the first place.

As with the PCT and Madrid, each country's substantive law governs what is eligible for protection. Most Hague member countries (such as in the European Union) have a registration system. The IDA is only examined for formalities and not for patentability. Until South Korea joined the system in 2014, no member country required substantive examination. Applicants who are unfamiliar with the substantive laws of designated countries, especially examination countries, would be wise to proceed carefully when choosing whether to hire local counsel and file a direct national application or file an IDA. If an IDA meets with any substantive objections or rejections, the applicant will need to engage local counsel to respond on their behalf. Unlike Madrid, where an application can be refilled to correct any deficiencies, novelty requirement may prevent validly refilling the application. Engaging local counsel to assist in preparing an IDA to meet examination country requirements might be money well spent if a practitioner is not familiar with the laws of each desired country.

An IDA may be filed directly with WIPO or indirectly through the USPTO, regardless of whether the IDA designates the U.S. Detailed instructions for filing at WIPO can be found [here](#). IDAs that are filed directly with WIPO are subject to the provisions of 35 U.S.C. 184, which requires a foreign filing license. IDAs filed indirectly through the USPTO are automatically reviewed for a foreign filing license. The USPTO will charge a nominal transmittal fee to submit the IDA to WIPO, which is likely less than the cost of separately obtaining a foreign filing license. The USPTO has six months to submit an IDA to WIPO. Failure to meet that deadline will result in forfeiture of the IDA. Applicants may want to monitor their IDA for submission to WIPO and contact the USPTO if the deadline is approaching without transmittal.

Under either filing scheme, an IDA must contain the following elements: (1) name and address of the applicant and the contracting party which fulfills the conditions to hold an international registration, (2) representations of the product(s) which constitute the industrial design to be protected and preferably the Locarno classification, (3) the number of designs included in the application, (4) designation of contracting parties in which protection is desired, and (5) the amount of fees being paid and the method of payment. If an application is filed indirectly with the USPTO, the applicant may defer paying the filing fees until WIPO requests them. Paying the fees directly to WIPO will avoid any currency fluctuations between the dollar and the Swiss franc, the currency used by WIPO. WIPO may be paid by credit card, a WIPO account, or a bank or postal transfer. The USPTO also requires an issue fee be paid three months from a notice of allowance. The issue fee may be paid to the USPTO or to WIPO. All USPTO fees are discounted for small and microentities.

IDAs that designate the U.S. must also include a written description or specification, a claim, the identity of the design's creator(s). Identity of the creator(s) may be made in an application data sheet ("ADS"). Creators do not need to be eligible to use the Hague system, although applicants do. Inventor declaration(s) may be submitted up to three months after filing. Declaration forms are available on the WIPO website. A priority claim, designation of a U.S. representative, customer number and request for either immediate or delayed publication may also be provided. An IDA that designates the U.S. can request immediate publication by WIPO, but cannot request delayed publication. The basic filing requirements of an IDA are available on the WIPO website.

An IDA designating the U.S. may claim priority under 35 U.S.C. Section 119 and the Paris Convention to a prior filed (1) foreign application (even if the foreign country is not a Hague member), (2) IDA or (3) PCT application. Any foreign priority claim or domestic priority claim can be included in an ADS. The prior filed IDA or PCT application must designate at least one country other than the U.S. Some member countries, including the U.S., require a certified copy of any claimed priority application(s). There is currently no mechanism under the Hague system for the submission of priority documents to WIPO for transmission to the designated countries. Therefore, priority documents must be filed directly with the Office(s) requiring them.

The registration date of an IDA is the date on which the complete application is received by WIPO, which may also be the filing date if the application is complete upon filing. International registrations of IDAs are published online weekly by WIPO in the International Designs Bulletin six months after the registration date, unless a request for delayed or immediate publication is made.

U.S. design patent applications are not published. Therefore, U.S. design patent applications are not typically available to the public until they are granted. Publication of an international registration (“IR”) that designates the U.S. is a publication under 35 U.S.C. 122(b). As a result, IDAs that designate the U.S. and any U.S. applications that claim domestic benefit to or from a published IDA, will be available to the public in the USPTO Public PAIR database after publication. The USPTO has reserved application series code 35/ for IDAs. The unique benefit of publication is provisional rights in any U.S. design patent that issues from an IDA. Provisional rights allow for potential damages for infringement that occurred between publication and grant and are only available to U.S. design patents that issue from IDAs.

An information disclosure statement (“IDS”) may be filed with the USPTO without a fee within three months of publication of the international registration. Unless an applicant is acting pro se, an IDS filed after the IDA is filed must be submitted by a registered patent attorney or agent. Rocket docket petitions to expedite examination in the U.S. are permitted after an IDA has been published. Therefore it is best to file them directly with the USPTO after publication rather than on filing. Continuation prosecution applications are not available for IDAs.

The perceived benefit of the Hague system is that a single IDA may include up to 100 designs provided they are in the same Locarno class, regardless of whether the designs are similar in appearance. Keep in mind, however, that the USPTO allows only one design per patent. Therefore, if the USPTO determines that an IDA includes more than one patentably distinct design, the applicant will be allowed to keep only one design in the IDA, and will be forced to file any other patentably distinct designs in one or more additional IDAs or in U.S. national divisional applications. Given the negative effect that a restriction requirement can have on the scope of a U.S. design patent after the *Pacific Coast Marine Windshields Limited v. Malibu Boats, LLC* case, particularly where designs have similar features, practitioners will be wise to initially file different designs in separate IDAs. For Locarno Classification information see [here](#).

Designs may be represented by line drawings or digital images and may be in color or grayscale. An IDA designating the U.S. must describe any color representations in accordance with 37 C.F.R. Section 1.84, although a petition for color drawings is no longer required for any application. Broken lines may be used to disclaim portions of a design. A translucent overlay may also be used to mask unclaimed portions of a design shown by digital images. Numbering must follow the Hague requirements of 1.1, 1.2 etc ... for figures of the first design and 2.1, 2.1 etc ... for the second, and so on. Each figure should be on a separate page with no page numbers and in a separate document. WIPO recommends numbering the files instead. Representations of a design submitted indirectly to the USPTO will have the option of formatting as either a PDF or JPEG. WIPO only accepts JPEGs and TIFFs. The USPTO will convert PDFs to

JPEG before transmitting the IDA to WIPO. Therefore, applicants may prefer to file JPEGs with the USPTO. When uploading figures, choose “attach reproductions” to avoid triggering a per page fee.

If any designated country does not issue a notification of refusal (“NOR”) within 12 months of the filing date, the IDA will be deemed registered by WIPO. However, the USPTO has elected to waive this in certain circumstances to avoid any U.S. design patents issuing by default. Responses to NORs must be filed directly with the issuing country (not WIPO) and must be filed by a registered practitioner. NORs are currently provided to applicant’s representative by mail, which can be problematic in jurisdictions where permitted response time is short. WIPO is considering an e-office action program. In the meantime, if the applicant opts into the e-action program, the USPTO will send a courtesy email to applicant’s representative when a NOR is sent to WIPO.

All U.S. design patent applications filed after May 13, 2015, including those that result from an IDA or a continuation or divisional application, will have a term of 15 years from the U.S. issue date. The initial term of protection of an IR is five years, renewable for at least one five-year period with the payment of a fee to WIPO. The full term of an IR is dependent upon the longest term of any designated country. No U.S. maintenance fees or WIPO renewal of an IR are required to maintain a U.S. design patent for its full 15-year term.

U.S. participation in the Hague system has opened exciting new doors to U.S. and foreign applicants for protecting their designs abroad with reduced cost and administrative efficiency. While it was once touted as a one-size-fits-all solution to protecting designs worldwide, the addition of examination countries to the system has eliminated that possibility. As a result, patent practitioners need to ensure they adequately know the ins and outs of the protection systems they are designating in their IDA. With limited ability to correct missteps once an IDA is filed, an applicant may wish they had made the investment up front to prepare their IDA appropriately for each designated country.

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