IP Alert: The U.S. Joins the Hague Agreement

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On February 13, 2015, the U.S. Department of Commerce's United States Patent and Trademark Office (USPTO) announced that the United States has deposited its instrument of ratification to the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs (Hague Agreement) with the World Intellectual Property Organization (WIPO) in Geneva, Switzerland. The treaty will go into effect for the United States on May 13, 2015.

U.S. President Barack Obama enacted the Patent Law Treaties (PLT) Implementation Act of 2012, which included the Hague Agreement Implementation section adding new design provisions to the patent provisions of Title 35 of the U.S. Code. The Hague Agreement, administered by WIPO, provides a global interface for coordination of both examination and non-examination industrial design protection regimes in member countries.

WHAT HAPPENS NOW?

The USPTO will publish the Final Rules governing USPTO processing and examination of international design applications filed pursuant to the Hague Agreement in the Federal Register.

When the provisions go into effect, the U.S. will have a new international design application that entitles U.S. applicants to request design protection in the territory of the European Union, and other Contracting Parties of the Geneva Act of the Hague Agreement. Likewise, applicants of countries or regional systems that are Contracting Parties can file a Hague design application, designate the U.S. for examination and receive an examination on the merits from the USPTO. During substantive examination of the application, the applicant will need to engage U.S. counsel to respond to Office Actions issued by the USPTO.

Particular noteworthy changes in the law include the term of design patents increasing from 14 years from issuance to 15 years, and enabling U.S. domestic priority and foreign priority entitlements arising from the international design application.

Provisional rights will be available as a result from publication of the international design application designating the U.S. This provision sets forth that a patent owner may be entitled to a reasonable royalty for any person who makes, uses, offers for sale or sells in the U.S. the claimed invention, or imports the invention into the U.S., during the period between publication of the patent application and the date the patent issued. While provisional rights will be now available for design patents that mature from international design applications, 35 U.S.C. § 289 remains unchanged and sets forth a unique remedy only available for the infringement of a design patent.

While the Hague System enables a simplified filing procedure to member countries, it is not a “one-size-fits-all” approach. To accommodate the simplified processing, a single set of drawings is used in the application for all of the designated countries. Under the Hague System, the local substantive examination process remains unchanged and the legal standard for obtaining a design patent is not affected. Hence, the applicant’s country selection and drawings should be based on dynamics, including strategies to maximize design rights, and whether the intellectual property rights (IPR) regime of the member country accepts partial designs, shaded or unshaded figures, the strength of IPR enforcement, where the product would be sold, potential copying, design prosecution and examination cost, and the like. Another consideration is timing, as the WIPO standard deadline for publishing international design applications is six months from registration filing, and the period for examination can end up being 12-18 months from the filing date. Furthermore, the applicant’s quality of design drawings, including shading, contouring and further features of the drawings, will still need to be addressed and customized prior to filing a design application under the Hague Agreement.

Banner & Witcoff will continue to monitor and report on final rules as more information becomes available from the USPTO.

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