

Why Bypass Continuation Is Best For Nat'l Phase Patent Entry

By **Karam Saab** (July 27, 2021)

The U.S. is unique in that a Patent Cooperation Treaty, or PCT, application can enter national phase examination via two distinct routes: as a national phase application under Title 35 of the U.S. Code, Section 371, or as a bypass continuation application.

The applicable laws and regulations vary for each of these routes, but, in practice, is examination handled differently by the U.S. Patent and Trademark Office? Should applicants alter their U.S. national phase entry strategy to account for these variances? Analysis reveals several potential advantages gained by using bypass continuations as the preferred vehicle for U.S. national phase entry.[1]



Karam Saab

To understand USPTO trends involving 371 applications and bypass continuations, almost 625,000 applications that were nationalized from PCT applications in the U.S. between 2015 and the end of 2020 were analyzed. The most common method of entering the U.S. from a PCT application is to file a national stage application under Title 35 of the U.S. Code, Section 371.

Figure 1 shows that while the filing of bypass continuations over the past five years has become significantly more common, applicants still heavily favor 371 applications for U.S. national phase entry. Bypass continuations accounted for roughly 12.5% of national phase entry in 2015 and was up to about 19% in 2020 within the analyzed data set.

Figure 1



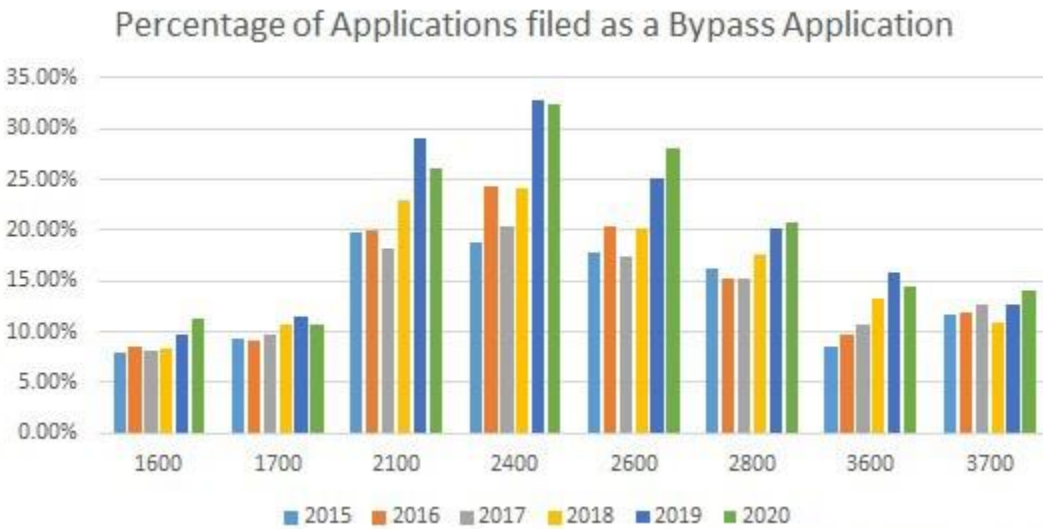
The relative prevalence of U.S. national phase entry using bypass applications compared to 371 applications does vary by USPTO Technology Center, or TC.

Figure 2 illustrates the relative percentage of bypass continuations for each year's entries into a given TC within the dataset.[2] TCs 2100, 2400 and 2600 experience the highest

relative percentage of bypass continuations. These TCs examine computer architecture and security, computer networks and cryptography, and communications, respectively. Therefore, bypass continuations appear to be most popular to use in conjunction with computer-related applications.

TCs 1600 and 1700 were found to have the lowest relative percentage of bypass continuations. These TCs examine biotechnology, organics, chemicals and materials. Therefore, in the fields of biotechnology and chemistry, bypass continuation filings tend to be less favored.

Figure 2



A key difference between 371 applications and bypass continuations is the standard used for restriction practice. When 371 applications are examined, the USPTO will apply the PCT unity of invention standard. Under the requirement of unity of invention, "one invention only or group of inventions so linked as to form a single general inventive concept" are permitted in an application.[3]

Whether a group of inventions is considered sufficiently linked is based on the inventions having the same or corresponding special technical features. Special technical features refer to "technical features that define a contribution which each of the claimed inventions, considered as a whole, makes over the prior art."[4]

In contrast, a bypass continuation is examined under the U.S. independent and distinct standard.[5] Under this standard, inventions are distinct if not connected in at least one category of design, operation or effect, and one invention is novel and nonobvious over the other.[6]

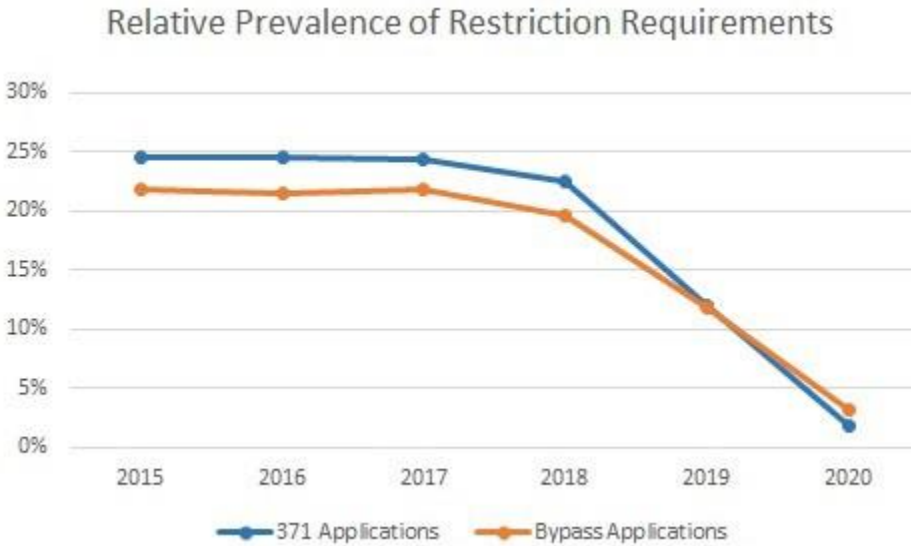
Some practitioners interpret the unity of invention standard as broader than the U.S. independent and distinct standard. But do U.S. examiners apply differing restriction standards based on the type of national phase application in practice?

Based on the data collected and illustrated in Figure 3, U.S. examiners have historically taken a slightly more aggressive stance on restriction of 371 applications under the unity of invention standard as compared to the independent and distinct standard for bypass

continuations.[7]

This trend does appear to begin to flip in 2019 and 2020. However, whether this trend will hold up as more applications from these years are examined remains to be seen.

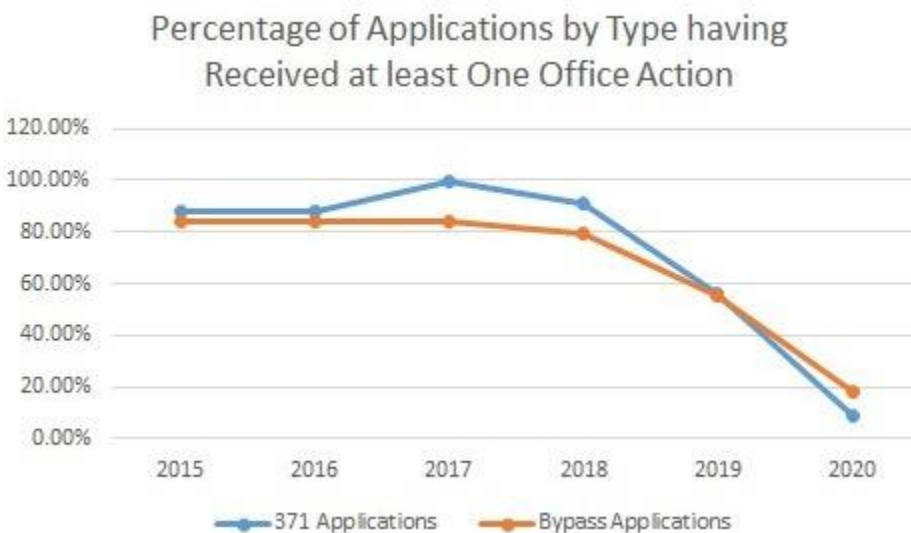
Figure 3



Does one type of national phase application result in faster examination? Figure 4 illustrates as a percentage of the annual total of each type of application whether a first office action has been received.

Considering that roughly the same amount of each type of application filed in 2019 has received an office action, with bypass continuations having a slight lead in 2020 and 371 applications having a lead for applications filed in 2018, neither route appears to have a significant advantage for applicants looking to have their applications examined more quickly or slowly.

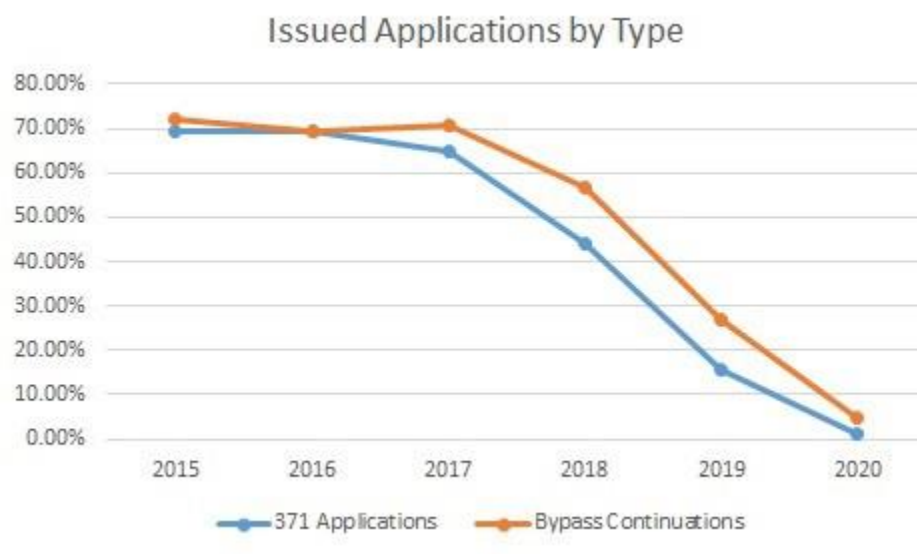
Figure 4



While little difference is evident in the percent of each type of application that has received at least one office action, there is a more pronounced difference in the percentage of each type of application that has issued.

Figure 5 illustrates a percentage of applications that have issued compared to the number of applications of that type filed in a given year.

Figure 5



In every year analyzed, a greater percentage of bypass continuations was issued than 371 applications. In 2018 and 2019, a greater than 10% difference was present in the issued percentage of cases between bypass continuations and 371 applications.

When determining which type of U.S. national phase entry application to file, there are multiple procedural differences between filing a 371 application and bypass continuation. Some of the most important include the payment of fees, translation and the availability of continuation-in-part filings.

For 371 applications, at the time of national phase entry into the U.S., which is no later than 30 months from the application's initial priority date, at least the basic national fee must be paid. For a bypass continuation, all fee payments at the time of filing can be avoided.[8]

For a PCT application filed in a language other than English, an exact English translation of the PCT application is required to be filed.[9] Therefore, even minor typographical corrections must be made separately under Title 37 of the Code of Federal Regulations, Section 1.121.

A bypass continuation that claims priority to a non-English PCT application will require a certified translation of the PCT application to be filed.[10] However, there is no requirement that the English bypass continuation be an exact translation of the PCT application from which it claims priority.

Not only does this allow the English bypass continuation to introduce minor changes, such as typographical edits, but a bypass continuation can also function as a continuation-in-part

application, allowing new matter to be introduced to the application. Such new matter is prohibited from inclusion in a 371 application.

While no one particular statistic shows a large advantage of one U.S. national phase entry application over the other, multiple small advantages are present in the data analyzed for bypass continuations.

Notably, bypass continuations have a higher issuance rate and lower restriction rate than 371 applications. The statistical advantages of bypass continuations regarding restriction and issuance combined with the ability to delay fee payment and the ability to introduce new matter to the bypass continuation gives a number of statistical advantages to bypass continuations.

In view of these advantages, applicants looking to enter the U.S. national phase should consider evaluating their default practices to use bypass continuations as their preferred U.S. national phase entry route.

Karam J. Saab is a partner at Kilpatrick Townsend & Stockton LLP.

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[1] Data current through April 13, 2021. Please note that due to publication delays, application data is only available through about the end of 2020. Specifically, under MPEP §1120(IV), "The projected publication date normally will be the later of: (1) eighteen months from the earliest filing date claimed; or (2) fourteen weeks from the mailing date of the filing receipt." Therefore, a 371 application filed in late December 2020 would not be made available for public inspection until April 2021.

[2] Data from Technology Centers 2900, 3900, and 4100 were excluded due to low numbers of applications.

[3] Regulations under the Patent Cooperation Treaty, Rule 13.1.

[4] *Id.*, Rule 13.2

[5] 37 CFR 1.141

[6] MPEP §802.01

[7] The drop-off in prevalence of restriction requirements in 2019 and 2020 appears due to these applications not having been picked up for examination yet.

[8] A surcharge of \$160 for late fee payment is required when fees are ultimately paid.

[9] MPEP §1893.01(d).

[10] MPEP §2304.01(c).