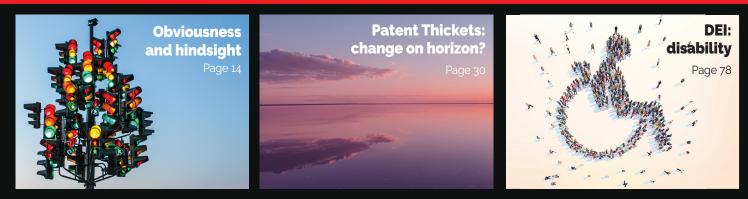
# ParticulationImage: Constrained stateBLOBAL REACH, LOCAL KNOWLEDGE<br/>www.patentlawyermagazine.comImage: Constrained state

### China's drug Patent Linkage System – is it working?

Dr. Yongqiang Qi, Partner and Patent Attorney at Corner Stone & Partners, evaluates China's drug Patent Linkage System one year on from its implementation to discover some unfortunate failings.



CTC Legal Media

## Highlights and challenges of the current patent scenario in Mexico

Sergio Olivares and Mauricio Samano of OLIVARES compare the original and new IP Law to identify continuing challenges and to evaluate when the new IP Law will truly take hold.

#### I. Introduction:

It is a fact that the last three years have been challenging for companies and law firms around the globe after the COVID-19 breakout. In Mexico, we could say that we had a double challenge because, in addition to reorganizing ourselves internally to deal with the pandemic, we also had a new IP law (LFPPI) that entered into force on November 05, 2020. This new law formalized many practices that we already had but also introduced some changes. As we will further discuss, some changes are positive from our point of view and others represent a challenge for patent owners and force us to be disruptive in designing tailored strategies to ascertain the desired protection in the current scenario.

#### II. Positive changes

#### A. Online prosecution

A few years ago, the Mexican PTO (IMPI) developed an electronic platform for filing and prosecuting patent applications. However, before March 2020, only a few law firms used this electronic platform since it had many details that needed to be addressed and was very slow to use. Nevertheless, IMPI improved the platform, and on March 2020, once the pandemic started, suddenly all applications needed to be filed electronically because the Mexican PTO remained closed from March 24, 2020, until July 12, 2020, which made physical filing impossible during this period.

Once IMPI reopened, new filings have continued to be made in the electronic platform since it has several advantages such as cost efficiency It will be quite some time before we see a petition for a Patent Term Adjustment under the new IP law. (less use of paper and ink and a person does not need to physically go to the patent office to file the application). Applications filed through the online platform have also seemed to enjoy a more expedited prosecution.

Furthermore, the Mexican PTO developed a new alternative during the pandemic in which it is possible to request electronic conversion for applications that are being prosecuted physically. By paying a small fee, the applicant may switch from physical to online prosecution which has the advantage that responses can still be filed regardless that the Mexican PTO is opened or closed.

#### B. Patent term extension

The LFPPI includes a scheme to address patent term adjustments derived from unjustified delays by IMPI in prosecuting and granting patents by way of a "supplementary certificate."

The main features of this supplementary certificate are as follows:

- The duration of the supplementary certificate should not exceed five years.
- The patent holder may request a supplementary certificate only once, by a brief that complies with the requirements set forth in the IP Law and its Regulations.
- The application must be submitted independently when replying to the notice of allowance.
- When the granting of the supplementary certificate is authorized,

#### Résumé

Sergio Olivares joined OLIVARES in 1987 and has been practicing intellectual property (IP) law for more than three decades. He has been a partner since 1994 and Chairman of the firm's Management Committee since 2009. He is proficient across all areas of IP law, but works most closely with the firm's Patent Group. Mr. Olivares is highly recommended by leading industry publications and directories as a leader in IP. He has been integral to OLIVARES' expansion into new and innovative practice areas; has been at the helm of cases that are helping to shape the standard for evaluating inventive step and novelty for pharmaceutical patents, and was involved in a landmark Supreme Court case that changed the landscape for unfair competition enforcement in Mexico. Mr. Olivares received his J.D. from the Universidad Intercontinental in 1991 and graduated from the Franklin Pierce Center for Intellectual Property in 1993.

Mauricio Samano works in the patent department of our firm. His work in OLIVARES mainly focuses on prosecuting Chemical, Biotechnological and Pharmaceutical patent applications, as well as providing technical opinions regarding patent infringement. He has experience in conducting state of the art searches and drafting patent, utility model, and industrial design applications. Additionally, he has participated in interviews with examiners of the Mexican Institute of Industrial Property (IMPI) and the United States Patent and Trademark Office.



Sergio Olivares



Mauricio Samano

IMPI will notify the applicant so that, within a period of one month, the proof of payment of fees corresponding to the issuance of the certificate's title is submitted.

Additionally, for the processing and resolution of an applicant's request for a supplementary certificate filed before IMPI, the following conditions should be met:

- The prosecution of the patent should have exceeded five years, otherwise, IMPI will resolve the inadmissibility of the petition.
- If the prosecution of the patent has exceeded five years, IMPI will determine the amount of time that corresponds to 'reasonable delays' and will subtract that amount from the prosecution period.
- If the time calculated for the reasonable delays is less than five years, IMPI will reject the request for a supplementary certificate.
- If the time calculated after considering reasonable delays is still greater than five years, IMPI will determine the number of days that corresponds to an unreasonable delay, which will be included in the extension listed in the supplementary certificate, as an extension valid for one day for every two days of unreasonable delay.

The LFPPI (our new law) considers the following to be reasonable delays:

- I. The period that elapses between the date of receipt and the date of the favorable resolution of the formal examination;
- II. The periods attributable to actions or omissions of the applicant, tending to delay the procedure for granting the patent and the extensions to answer deadlines;
- III. The periods not attributable to actions or omissions of IMPI or that are beyond its control, such as those that pass in the substantiation of any means of administrative or jurisdictional challenge or that derive from them, and
- IV. The periods attributable to force majeure or fortuitous events.

Any other delays attributable to IMPI are those that will be considered as not reasonable and will be considered for the supplementary certificate.

These new provisions will apply to patent applications that are filed starting from November 05, 2020, so it will be quite some time before we see a petition for a Patent Term Adjustment under the new IP law.

#### C. Other positive changes:

**C1)** Article 52 of our new law still provides a 12month grace period wherein public disclosures made by the applicant or his successor in title do not destroy the novelty thereof, provided that said disclosure was made within 12 months before the filing date or the priority date. Nevertheless, it broadens the activities that may qualify for getting the grace period, including now any disclosure made directly or indirectly by the inventor/s or its assignees, as well as including include any disclosure made by any third party who obtained the information directly or indirectly from the inventor/s or its assignees.

**C2)** Voluntary divisionals which have been accepted for several years by the Mexican PTO but that were not mentioned in our previous law, are now also specifically contemplated in our new law and specific timeframes for filing voluntary divisionals have also been established. However, as we will further comment, our new law also possesses some challenges in the divisional scenario.

#### **III. Challenges**

Indeed, our new IP Law provides specific support

for filing voluntary divisionals and establishes the specific timeframes for filing them. However, there are certain aspects regarding divisionals that definitely represent a challenge for patent owners in Mexico.

#### A. Cascade divisionals

As mentioned in article 100 of our new IP Law, a voluntary divisional application will only be possible if it derives from its parent case. In other words, voluntary divisionals deriving from divisionals will no longer be allowed. The only possible scenario for filing cascade divisionals is if the Mexican PTO requests the further division through a lack of unity objection. In view of this major change, applicants will now have to be creative in developing strategies to secure the possibility of being able to file future cascade divisionals. For example, applicants could file in the first divisional a set of claims that do not comply with unity of invention in order to assure that the Examiner issues a lack of unity objection, thus giving the applicant the opportunity to file further divisional applications in the future.

It is also possible to file multiple divisional applications all deriving from the same parent case. This could of course be an option in case the applicant has a clear idea of what they wish to pursue in each divisional.

#### B. Limitations on claim scope

As is also mentioned in article 100 of our law, when unity of invention is objected, any invention or group of inventions that are not included in the initial application or in the application that originated the division, cannot be included again in any of said applications. Therefore, when receiving a unity objection, the applicant needs to consider this when deciding the scope of protection that is of commercial interest to them.

#### C. Double patenting

Double patenting has long been an issue in Mexico and in the practice, Examiners tended to raise double patenting objections when there was scope overlap between the claims of a divisional and that of its parent case. However, double patenting was not defined in our previous law and so, it was feasible to argue that the only scenario in which double patenting existed was if the scope of the claims of the divisional was identical to the scope of the claims of the parent case. This argument proved successful with the Mexican Patent Office.

Article 101 of our new law mentions that a patent will not be granted to matter that is already protected in another patent or if the essential technical characteristics sought to be protected are a non-substantial variation of the matter protected in said other patent. This definitely poses a grey area on how double patenting will be assessed by the Examiners and how they will interpret a "non-substantial variation". The assessment of the Examiners will depend on the pertinent case law that will develop once these cases reach the Mexican courts.

#### Conclusions

In closing, our new IP Law offers several benefits for patent owners, and we can say that the balance is mostly positive. Hopefully, the grey areas will mostly be clarified once the upcoming new regulations of our new IP law issue; however, said regulations are still under discussion.

Also, it is important to contemplate that our new law applies to all patent applications filed in Mexico from November 05, 2020, and onwards. All patent applications with a national filing date that is previous to November 05, 2020, will continue to be prosecuted according to the provisions of our previous IP Law. By the same token, it is important to consider that divisional applications that derive from a parent case that was filed before November 05, 2020, should also continue to be studied with the provisions of the previous IP Law, regardless that they were filed after November 05, 2020.

In sum, both our new and previous IP laws will coexist for quite some time, and for this reason it will be necessary to consider the applicable law for a certain patent application when designing the prosecution strategy.

#### Our new IP Law offers several benefits for patent owners, and we can say that the balance is mostly positive.

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