

PCT for the Americas

How PCT Has Been a Success for a US Multinational *Procter & Gamble*

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Who is Procter & Gamble?

\$83.5 Billion sales (Fiscal 07-08)

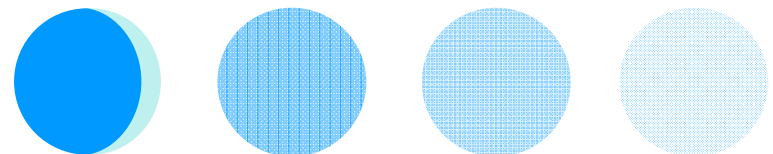
300 Brands in 160 countries

24 Billion-dollar Brands

#1 or #2 Brand in over 80% of categories

5 Billion consumers

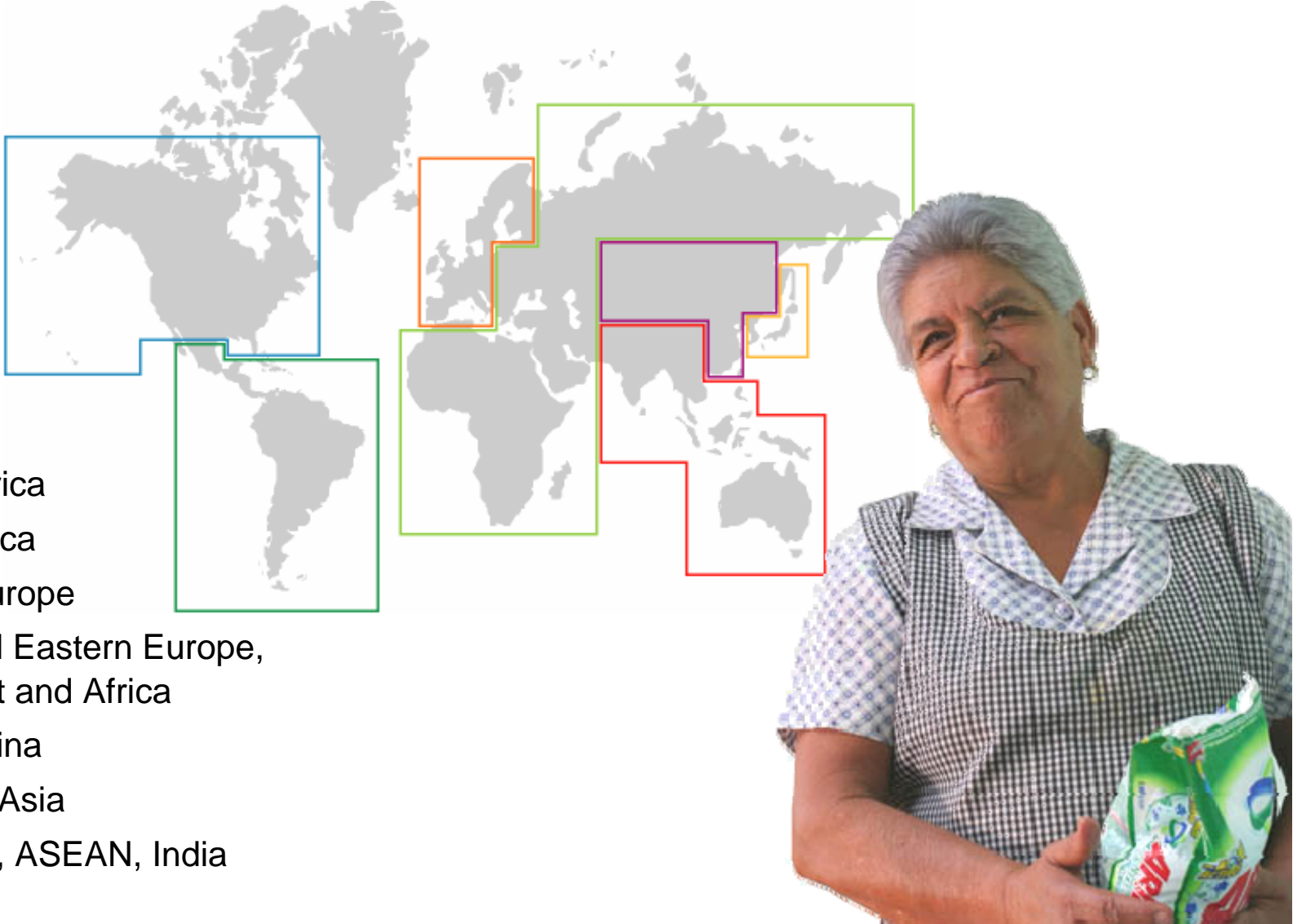
140,000 employees in 80 countries





P&G's Billion-Dollar Brands

Worldwide Operations



A world map is shown with several regions outlined in different colors. The regions are: North America (blue), Latin America (green), Western Europe (orange), Central and Eastern Europe, Middle East and Africa (light green), Greater China (purple), North East Asia (yellow), and Australasia, ASEAN, India (red). To the right of the map, a woman with short grey hair, wearing a blue and white checkered shirt and a grey vest, is holding a bag of detergent.

- North America
- Latin America
- Western Europe
- Central and Eastern Europe, Middle East and Africa
- Greater China
- North East Asia
- Australasia, ASEAN, India

R&D Investment

>\$2.1 Billion in FY 2007-2008

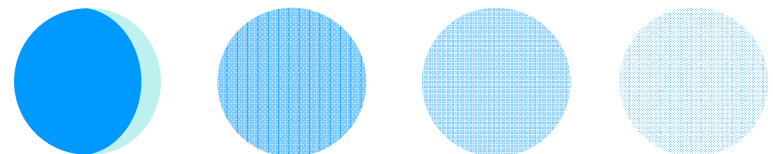
~ 9,000 scientists

25 R&D centers in 12 countries

Intellectual Property

Over 45,000 active patents

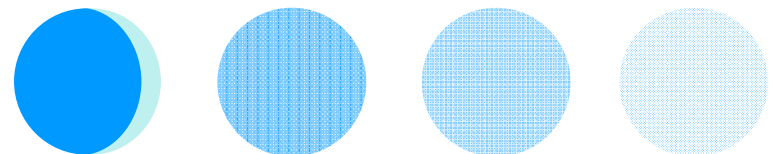
Over 140,000 trademarks



P&G's Use of the PCT

Continuous use since December 1990

Have filed about 11,000 PCT applications

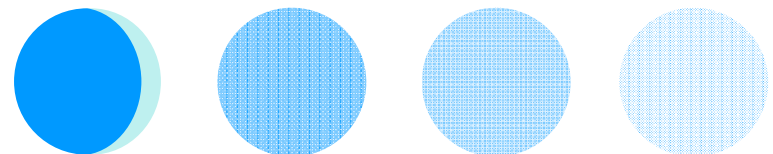


How has P&G benefitted from using the PCT?

Controlling costs

Maximizing Flexibility and Efficiency

Improving Patent Portfolio Management

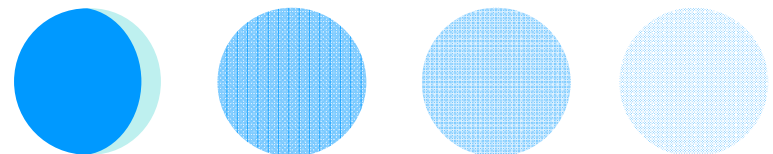


Global Patenting is Costly

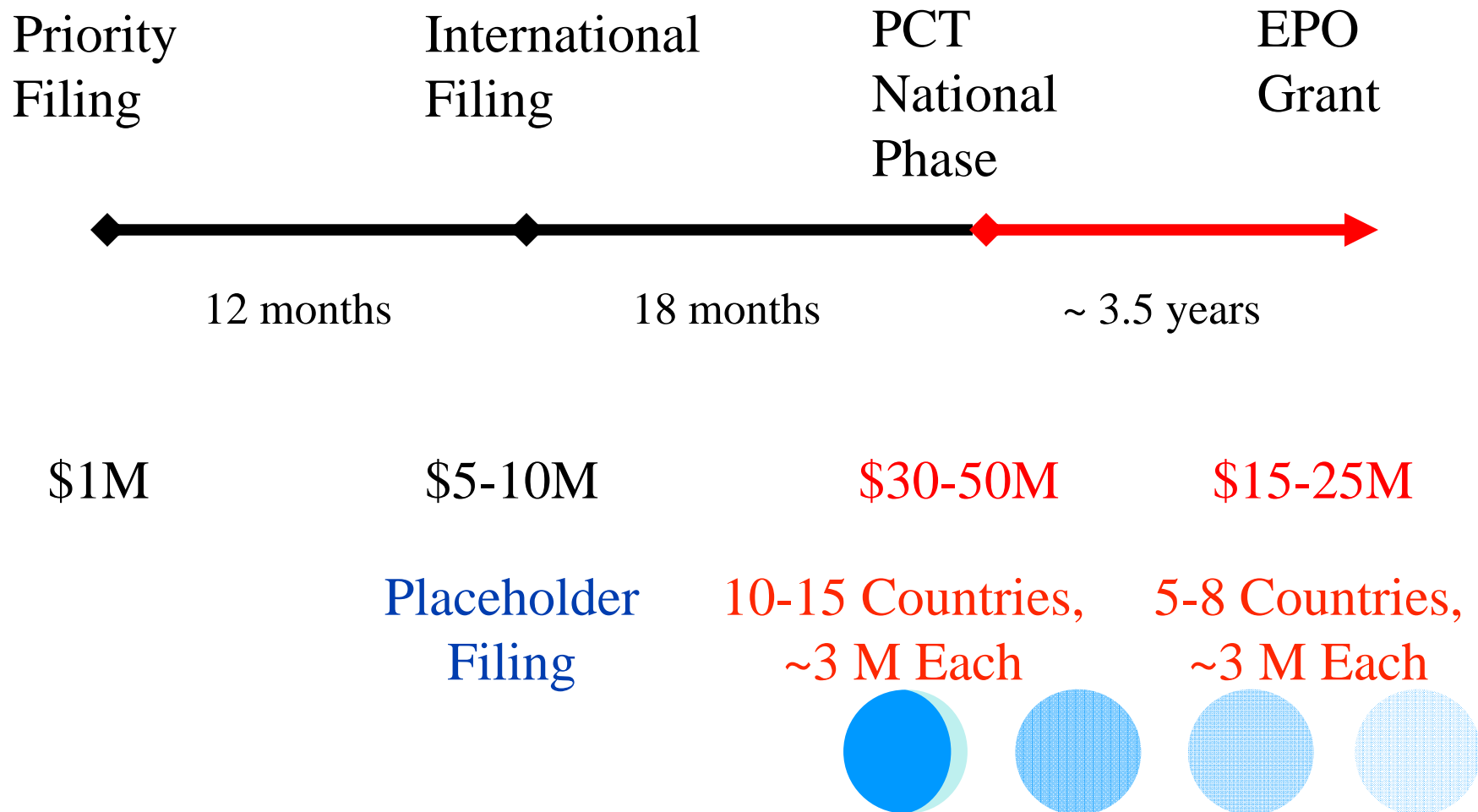
Obtaining & Maintaining Patents on a
Single Invention in the 50+ Major
Countries of the World Costs More
Than ...

US \$ 700,000

over the 20-year life of the patent.

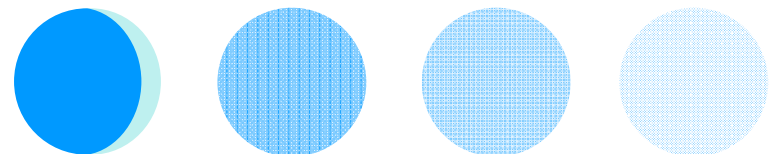


Timeline for Patent Filings



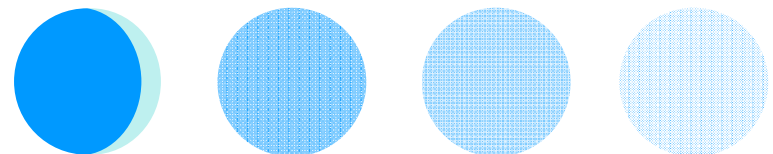
Controlling Costs

- Many first filings are made just in advance of a consumer or market test. Need time to read results before spending large amounts of money for international filings
- Use of PCT gives 18 months beyond the priority year to gather legal, technical and commercial information.
- Change tier or abandon cases at PCT national phase entry



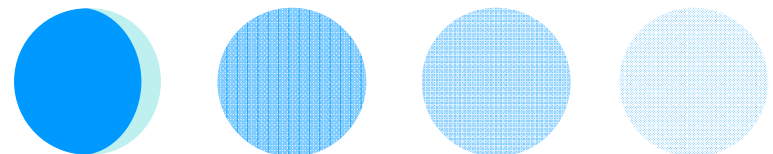
Controlling Costs

- Increase efficiency in foreign filing operations
- Gain valuable information (International Search Report & International Search Authority/Written Opinion) and an opportunity to advance prosecution worldwide with minimum effort/cost.



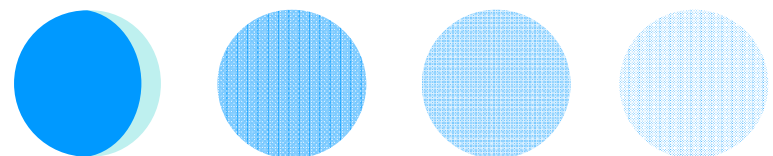
Maximizing Flexibility and Efficiency

- At 12 months, one application, one filing, one language, one set of standards, for all PCT member countries
- Ability to file electronically
- Ability to submit declarations with PCT application to satisfy formal requirements in many countries
- Ability to submit one certified priority document for all PCT states
- Ability to add/change priority claims (up to 16-months)



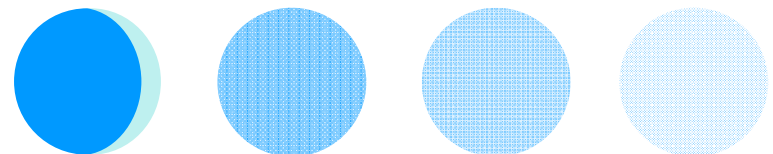
Maximizing Flexibility and Efficiency

- Ability to reserve filing options in ALL PCT member states – not uncommon to add on countries at national phase entry as needs change
- Ability to amend claims for publication helping secure provisional protection
- Ability to stop or postpone publication (up to about 17½-months)
- Ability to easily add/change inventors and applicants having effect in all designated states



Maximizing Flexibility and Efficiency Controlling Costs

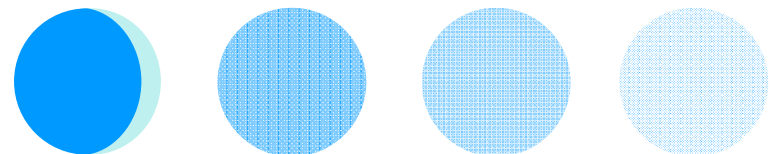
Early Information on Novelty and Inventive Step
via the International Search Report and Written
Opinion



Maximizing Flexibility and Efficiency

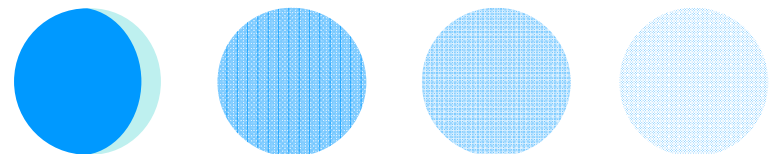
Under the Optional PCT Chapter II Examination, an applicant has:

- Ability to submit amendments to all parts of the application that apply in all elected states
- Ability to address and eliminate issues in all elected states relating to novelty, inventive step and industrial applicability with a single submission



Maximizing Flexibility and Efficiency

Many PCT states, as well as several non-PCT countries give significant weight to a favorable International Preliminary Report on Patentability. The time (increased efficiency) and money saved (controlling costs) by not having substantive prosecution in these countries can be considerable.

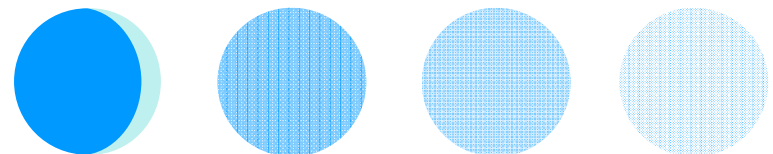


Maximizing Flexibility and Efficiency

More Time to Find Global Partners

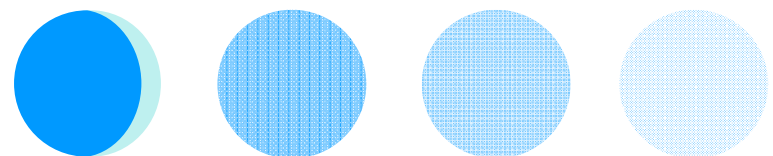
- *Licensees*
- *Venture Capitalists/Joint Venture Partners*
- *Contract Manufacturers/Suppliers/Distributors*

Publication is “Global Advertising”



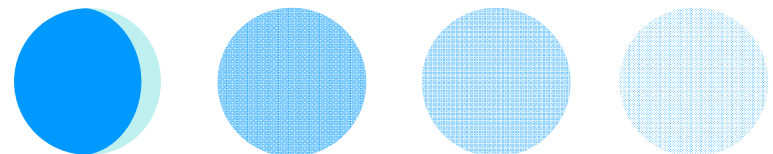
Improving Portfolio Management

- Making the right patenting decisions at the right time and with maximum knowledge
- Review global status at each decision point on timeline, including at PCT national phase entry



In Summary:

Through the use of the PCT, P&G gains sufficient time to gather information BEFORE making the final, costly decisions on where to seek patent protection, reserves options to enter the national phase in all PCT states for the extra 18-months provided under the PCT, receives valuable information on patentability criteria, and can optionally advance foreign prosecution.



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