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Patent Prosecution and Appeal Tips From PTO Day, December 5, 2005

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Introduction

The United States Patent and Trademark Office held a conference, PTO Day, on December 5, 2005 at which they presented updated information on patent practice. This article is based on information presented at that conference and is intended merely to disseminate information that the USPTO considered important enough to present at PTO Day.

Changes to Prosecution Practice Before the USPTO

The material discussed in this section is taken from the USPTO presentation entitled *Changes Affecting the Filing and Prosecuting of Patent Applications*. It was presented by Robert W. Bahr, Senior Patent Attorney and Deputy Commissioner for Patent Examination Policy, and by Robert A. Clarke, Deputy Director of the Office of Patent Legal Administration.

Changes to Statutes and/or Fees

35 U.S.C. 103

35 U.S.C. 103(c) was amended by the CREATE Act (P.L. 108-453). Changes include renaming the former 35 U.S.C. 103(c) as 35 U.S.C. 103(c)(1) with no substantial change to the text. New subsections 103(c)(2) and (3) were established, effective for any patent granted on or after December 10, 2004.

The CREATE Act allows certain multiple owners of patent applications or patents to be treated as a common owner for the purposes of 35 U.S.C. 103(c)'s exclusion of prior art only under 35 U.S.C. 102(e), (f) or (g) in a rejection under 35 USC 103(a). This voids the need to form joint ventures to perform related research in order to obtain benefit under the prior version of 35 U.S.C. 103(c). The USPTO has published a final rule entitled "Changes to Implement the Cooperative Research and Technology Enhancement Act of 2004," 70 FR 54259, which was effective upon publication and applies to any patent granted on or after December 10, 2004



The revised 35 U.S.C. 103(c) also applies to any *reissue* patent granted on or after its date of enactment. However, the recapture doctrine may prevent the presentation of claims in reissue applications that were amended or cancelled (e.g., to avoid a rejection under 35 U.S.C. 103(a) based on subject matter that may now be disqualified under the CREATE Act) from the application that resulted in the patent being reissued.

35 U.S.C. 103(c)(2) is new. It provides that subject matter developed by another person and a claimed invention shall be deemed to have been owned by the same person or subject to an obligation of assignment to the same person if—(A) the claimed invention was made by or on behalf of parties to a joint research agreement that was in effect on or before the date the claimed invention was made; (B) the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement; and (C) the application for patent for the claimed invention discloses or is amended to disclose the names of the parties to the joint research agreement. The CREATE Act defines the term “joint research agreement” to mean a written contract, grant, or cooperative agreement entered into by two or more persons or entities for the performance of experimental, developmental, or research work in the field of the claimed invention.

The 1999 change of “subsection (f) or (g)” to “one or more of subsections (e), (f), or (g)” in 35 U.S.C. 103(c) is now also applicable to applications filed prior to November 29, 1999 that were pending on December 10, 2004.

The CREATE Act also includes the amendment to 35 U.S.C. 103(c) made by § 4807 of the American Inventors Protection Act of 1999 (see Pub. L. 106-113, 113 Stat. 1501, 1501A-591 (1999)), which applied only to applications filed on or after November 29, 1999. An applicant may overcome a rejection under 35 U.S.C. 103(a) based on subject matter (i.e., a patent document, publication, or other evidence) which qualifies as prior art only under 35 U.S.C. 102(e), (f) or (g) by invoking 35 U.S.C. 103(c) as amended by the CREATE Act. However, the applicant cannot rely on the provisions of 35 U.S.C. 103(c) to overcome obviousness double patenting rejections or rejections under 35 U.S.C. 102.

To overcome a rejection by invoking the joint research agreement provisions of 35 U.S.C. 103(c), the applicant must: 1. provide a statement signed by a 37 CFR 1.33(b) party; and 2. amend the specification (unless the specification discloses the required information) to disclose the names of the parties to the joint research agreement (see 37 CFR 1.71(g) and 1.77(b)(4) and 35 U.S.C. 103(c)(2)(C)). The final rule deletes the requirement to amend the specification to state either the date that the joint research agreement was executed and a concise statement of the field of the claimed invention; or where (i.e., by reel and frame number) this information is recorded in the Office’s assignment records. The statement must provide that the claimed invention and the disqualified subject matter were made by or on behalf of parties to a joint research agreement as defined by 35 U.S.C. 103(c); the joint research agreement was in effect on or before the date the claimed invention was made; and the claimed invention was made as a result of activities undertaken within the scope of the joint research agreement. (37 CFR 1.104(c)(4)(i) and 35 U.S.C. (c)(2)(A)-(C)). The statement should be provided on a separate sheet which must not be directed to any other matters (37 CFR 1.4(c)).



Subsequently, a new double patenting rejection based upon the disqualified prior art may apply. The applicant may file a terminal disclaimer under 37 CFR 1.321(d) to overcome the double patenting rejection. Note that the disclaimer requires common enforcement of the involved patents in addition to a common term requirement. 37 CFR 1.321(d) requires for a terminal disclaimer that the owners of the rejected application must: waive the right to separately enforce the patents; (37 CFR 1.321(d)(3)); agree that the patents shall be enforceable only during the period that the patents are not separately enforced. (37 CFR 1.321(d)(3)); agree that such waiver is binding upon the owner, its successors or assigns (37 CFR 1.321(b)); comply with 37 CFR 1.321(b)(2)-(b)(4). (See 37 CFR 1.321(d)(1)); and be signed by applicant in accordance with 37 CFR 1.321(b)(1) or patentee in accordance with 37 CFR 1.321(a)(1), as applicable (See 37 CFR 1.321(d)(2)).

The final rule eliminates the requirement for the owner of disqualified subject matter to sign the terminal disclaimer. It also eliminates any requirement in regard to the common licensing of the invention and the disqualified subject matter.

Consolidated Appropriations Act, 2005 (H.R. 4818/P.L. 108-447) ("CAA")

The CAA was signed by President Bush on December 8, 2004 and became effective upon signing. The patent fee structure provided for therein are effective through the remainder of fiscal 2006.

The CAA effectively reorganizes patent fees in general and provides for separate application (basic) filing fee, search fee, examination fee, and application size fee (an additional fee for any patent application whose specification and drawings exceed 100 sheets of paper).

The final rule regarding the CAA's patent fee structure is found at *Changes to the Practice for Handling Patent Applications Filed Without the Appropriate Fees*, 70 Fed. Reg. 30360, May 26, 2005, and became effective on July 1, 2005. For patent applications filed without the appropriate fees, the rule requires a surcharge for applications filed without search fee or examination fee; establishes a page size equivalent of 3 kilobytes per page for compact disc (CD) submissions; requires payment of the basic filing fee (by eliminating the processing and retention fee) to permit benefit of the application to be claimed under 35 USC 120; and establishes a paper size equivalent of 75% of the number of sheets of paper when the application is entered into the Office file wrapper for applications submitted via the Office electronic filing system (EFS).

The following fees are required for applications filed under 35 USC 111(a) on or after December 8, 2004: a basic filing fee (35 USC 41(a)(1)), currently \$300 for a utility application (non-small entity); a search fee (35 USC 41(d)(1)), currently \$500 for a utility application (non-small entity); an examination fee (35 USC 41(a)(3)), currently \$200 for a utility application (non-small entity); and an application size fee (35 USC 41(a)(1)(G)). If the specification and drawings exceed 100 sheets of paper, \$250 (non-small entity) for each additional 50 sheets of paper or fraction thereof is also required. If the application contains excess claims, excess claims fees (35 USC



41(a)(2)) are required. Excess claims are defined as 4 or more independent claims (excess claims fee of \$200 (non-small entity)); 21 or more total claims (excess claims fee of \$50 (non-small entity)); and any multiple dependent claim (excess claim fee of \$360 (non-small entity)). These fees are usually halved for small entities. The basic filing fee is reduced by 75% (i.e., \$75.00) *only* if: the applicant properly asserts small entity status (§1.27(c)); the application is filed via the Office's Electronic Filing System (EFS); and the application is an original utility nonprovisional application filed under 35 USC 111(a). The 75% reduction does not apply to any applicant who is a not a small entity; or to design or plant applications, reissue applications, or provisional applications.

The search and examination fees apply to nonprovisional applications filed under 35 USC 111(a) on or after December 8, 2004 and to international applications entering the national stage for which the basic national fee was not paid before December 8, 2004. They are due either on filing of an application filed under 35 USC 111(a); or on commencement of the national stage of a PCT international application. Effective July 1, 2005, the surcharge is required if the search fee or examination fee is paid on a date later than either the filing date of an application under 35 USC 111(a) filed on or after July 1, 2005; or thirty months from the priority date for an international application entering the national stage in which the basic national fee is paid on or after July 1, 2005. If any required fee is missing when an application is filed under 35 USC 111(a), the USPTO issues a notice requiring the missing item and the surcharge within a specified period of time in order to avoid abandonment. Search and examination fees *are not* required for filing a request for continued examination (RCE) under §1.114. The fee set forth in §1.17(e) for filing an RCE remains the same (e.g., \$790 for a non-small entity). Search and examination fees *are* required when the applicant files a design continued prosecution application (CPA) under §1.53(d).

For provisional applications in which the filing fee is paid on or after December 8, 2004, the basic filing fee (35 USC 41(a)(1)(D)) as revised by CAA applies (e.g., \$200 for a non-small entity). The filing date of the provisional application is irrelevant for the purpose of calculating which fee structure to apply.

For provisional applications filed on or after December 8, 2004, the application size fee (35 USC 41(a)(1)(G)) is required. The application size fee provides that if the specification and drawings exceed 100 sheets of paper, the applicant must pay a fee of \$250 (non-small entity) for each additional 50 sheets of paper or fraction thereof. The application size fee applies to nonprovisional applications (including reissue applications) filed under 35 USC 111(a) on or after December 8, 2004; provisional applications filed under 35 USC 111(b) on or after December 8, 2004; and international applications entering the national stage in which the basic national fee was paid on or after December 8, 2004.

For purposes of application size fee, the Office counts applications filed via EFS (effective July 1, 2005, the paper size equivalent is 75% of the number of sheets of paper present in the specification and drawings when entered into the file wrapper after being rendered by EFS); and tables filed on compact discs (CDs) (the paper size equivalent is 3 kilobytes per sheet of paper). The Office counts the sheets of paper of a substitute specification instead of the original specification, if the original specification is not legible (e.g., the font size is too small) or does not comply with other requirements set forth in §1.52. The Office does not count any sequence listing



under §1.821(c) or (e), or computer program listing under §1.96 if the listing is: submitted on a compact disc in compliance with §1.52(e), or submitted via the Office's electronic filing system (EFS) in ASCII text as part of an associated file of the application. See §1.52(f). However, any listing submitted via EFS in PDF as part of the specification or as TIFF drawing files *is not excluded* when determining the application size fee.

In applications filed under 35 USC 111(a) in which the processing and retention fee was not paid before July 1, 2005, the applicant must pay the basic filing fee during the pendency of the application, rather than just the processing and retention fee, to claim the benefit of the application under 35 USC 120 and 37 CFR 1.78(a). Under the CAA, the basic filing fee covers only the cost of the initial processing of an application. The Office must retain a prior-filed nonprovisional application to permit benefit of the application to be claimed under 35 USC 120 in a later-filed application.

Petition Fees, 37 CFR 1.17

Petition fees have been adjusted to more accurately reflect the Office's current cost of treating petitions pursuant to 35 U.S.C. § 41(d). Three levels of petitions fees are provided: the \$130 petition fee is retained in § 1.17(h); a \$200 petition fee has been created in § 1.17(g); and a \$400 petition fee has been created in § 1.17(f). A new form PTO/SB/17p covers the new petition fees and is available on the USPTO forms webpage. A warning against submitting personal information that can be used for identity theft is found on the new form.

Changes to Filing Mechanics/Procedures

Preliminary Amendment Presented on Filing

A patent application may include a preliminary amendment at time of filing. Publication of the application must then be based on the disclosure as amended by the preliminary amendment (37 CFR 1.215(a)). The only format usable for publication of the amended specification is a substitute specification

No substitute specification is required if the preliminary amendment is only adding or amending a benefit claim; amending claims via complete claim listing (37 CFR 1.121(c)); amending the Abstract via replacement Abstract (37 CFR 1.121(b)); or amending drawings using replacement or new sheet(s) (37 CFR 1.121(d)). A preliminary amendment filed upon entry of the national stage under 35 USC 371 is not part of the original disclosure

The Office recommends that the practitioner file a clean copy of the specification when filing the application; make a benefit claim in the Application Data Sheet; file a new application with new claim set (do not amend claims by preliminary amendment at the time of filing); avoid paying the application size fee (remember



that the filed specification, filed claim set and preliminary amendment are all counted when determining application size for purposes of 37 CFR 1.116(s). The practitioner can still file copy of executed declaration from priority application if there is no new matter. See “Changes to Patent Practice and Procedures,” 62 Fed. Reg. 53132, 53148 (October 10, 1997).

Benefit of Provisional Application With a Non-English Specification

37 CFR 1.78(a)(5)(iv) is amended to require the applicant to file an English language translation of a non-English language provisional application and a statement that the translation is accurate, in the *provisional application*.

In response to any notice mailed in a nonprovisional application that claims the benefit of the provisional application requiring the translation and statement, the applicant must file the translation and statement in the provisional application; and a confirmation in the nonprovisional application, unless the applicant amends the first sentence of the specification or ADS to remove the benefit claim.

Acceptance of Certain Non-Compliant Amendments

The Office will accept where the amendment otherwise complies with 37 CFR 1.121 and the non-compliance is limited to: inclusion of text of a canceled claim; inclusion of text of “not entered” claim. Certain variations of status identifiers in claim listing will be accepted if: the variation is one of those listed in 1296 Off. Gaz. Pat. Office 27 (July 5, 2005); or the variation clearly and accurately identifies the status of the claim to the examiner

Changes to Examination Practice

Pre-Appeal Brief Conference Pilot

The pre-appeal brief conference pilot, a quality initiative instituted by the USPTO, is designed to allow the practitioner to avoid filing an appeal brief when possible, or, alternatively, to reduce the size and cost of an appeal brief. It is intended to identify clearly improper rejections because of factual errors, clear absence of a *prima facie* case and to narrow the focus to the true issues in controversy

Office Technical Centers already provide appeal conferences after the applicant submits an Appeal Brief. Over half of these appeal conferences result in allowance or the reopening of prosecution. This pre-brief review procedure may therefore eliminate, or reduce, the time and expense to prepare an Appeal Brief and expedite the prosecution process.

Anyone filing a Notice of Appeal may utilize this procedure, except parties involved in a patent reexamination proceeding. However, the applicant must request the pre-



appeal brief conference with the Notice of Appeal or the program becomes unavailable for that appeal.

The applicant must provide; (a) a written request for pre-appeal brief conference, preferably using the USPTO Form PTO/SB/33. If the applicant chooses not to use the PTO form, label a request as "Pre-Appeal Brief Request For Review." The request must be filed with the Notice of Appeal; (b) arguments of not more than five pages, excluding the cover request form. The arguments must be succinct, clear, concise and focused and should identify clear errors or deficiencies in the *prima facie* case.

At present, there is no fee for the request for a pre-appeal brief conference. The fee for the Notice of Appeal remains. The fee for the Notice of Appeal is non-refundable, even in the event of a favorable outcome from the Pre-Appeal Brief conference.

After the applicant files the request, the Technology Center (TC) convenes a panel comprising TC managers and conferees experienced in the pertinent field of technology and including a SPE and the examiner of record. The panel reviews rejections identified by request, arguments submitted with the request, and application file. It determines whether an issue for appeal is present. The decision is generally mailed to the applicant or practitioner within 45 days of the request.

If the decision is against the applicant, the applicant may file an appeal brief either within the time remaining from the Notice of Appeal or within one month of the mailing of the decision, whichever is longer. Of course, the applicant may still pay a fee and obtain the usual time extensions if required.

Improved Reexamination Process

The Office has established a new separate Centralized Reexamination Unit (CRU) established. The CRU comprises 20 senior examiners to examine all new reexamination proceedings, and panels to review all actions. Firm processing time will be established for all reexamination proceedings so the Office will consistently handle the processing with high quality and with special dispatch set in the statute.

Second or Subsequent Reexamination Requests – Changes to Substantial New Question of Patentability

The publication entitled *Notice of Changes in Requirement for a Substantial New Question of Patentability for a Second or Subsequent Request for Reexamination While an Earlier Filed Reexamination is Pending*, 1292 Off. Gaz. Pat. Office 20 (March 1, 2005) notifies the public of current policy set forth in MPEP 2240 (8th ed. 2001) (Rev. 3, August 2005). That policy relates to a second or subsequent request for reexamination is filed while an "earlier filed reexamination" proceeding is pending, and the second or subsequent request cites only prior art which raised a substantial new question of patentability in the pending reexamination proceeding. If the prior art cited in the second or subsequent request raises only the same issues that were raised to initiate



and maintain the pending reexamination proceeding, the second or subsequent request is denied.

Revised Procedure for Recording Search and Information Printed on Face of Patent

The USPTO has revised its procedure for recording searches. The goal is to improve application files and permit reproduction of examiner searches. Under the revised procedure, the examiner records a “Classified Search” and completes a search of all documents in a subclass. The examiner then records a “Limited Classified Search” searches the subclass limited by at least one text query. The examiner must explain all search limitation(s). The examiner must include a printout of the complete search history in the application file.

On the face of the patent, “Classified Field of Search” replaces “Field of Search” and the statement: “See application file for the complete search history” directs public to review complete search history.

Change to Transitional Procedures for Limited Examination After Final Rejection in Cases Pending for At Least Two Years Prior to June 8, 1995

This change applies to any submission under 37 CFR 1.129(a) filed on or after June 8, 2005.

Under 37 CFR 1.129(a), an application eligible for transitional further limited examination as set forth in 37 CFR 1.129(a) is entitled to have two examinations after final submissions are entered and considered, with the payment of the fee under 37 CFR 1.17(r). However, if an applicant has already filed one submission under 37 CFR 1.129(a) (and the 37 CFR 1.17(r) fee), the applicant is only entitled to have one additional examination after a final Office action submission entered and considered under 37 CFR 1.129(a). Under the new procedure, the next Office action following a timely submission under 37 CFR 1.129(a) (and the 37 CFR 1.17(r) fee) will be treated as an Office action following a reply to a non-final Office action. In accordance with 37 CFR 1.113, this next Office action shall be made final. Exceptions to making the next Office action final are those set forth in MPEP 706.07(a) – 706.07(e)

Interviews

37 CFR 1.133(a)(2) is amended to permit an interview before the first Office action in any application if the examiner determines that such an interview would advance prosecution of the application. The examiner may require that an applicant requesting an interview before first Office action provide a paper that includes a general statement of the state of the art at the time of the invention, an



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identification of no more than three (3) references believed to be the “closest” prior art, and an explanation as to how the broadest claim distinguishes over such references.

Conclusion

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