

Impact of Patent Statute and Rule Changes on Prosecution Practice

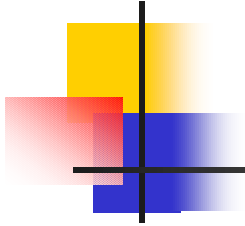
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1. This presentation is intended for informational purposes only and should not be construed as legal advice. The information in this presentation is of a general nature and may not be applicable in some situations and jurisdictions. You should neither take any actions nor refrain from any actions based on this general information.
2. As of March 23, 2001, a technical corrections bill was pending. If that bill becomes law, the 102(e) analysis herein may change.



- Continued Prosecution Considerations
- Term Extension Considerations
- Publication Considerations



Continued Prosecution Considerations

Should I File an RCE or a CPA?



Continued Prosecution Considerations (cont.)

Do I have the Option?

Type of Application

- Design – CPA only
- Utility or Plant – may have choice
- Provisional - neither



Do I Have The Option? (cont.)

Filing Date of Present Application (Utility or Plant)

- On or after May 29, 2000 – CPA not available
- Before June 8, 1995 – RCE not available
- Remember, if the present application is a CPA, the filing date is the date the CPA request was filed, not the original filing date (don't go by the filing receipt). If you file a CPA now, it will be your last.



Do I Have The Option? (cont.)

Status of Prosecution

- RCE cannot be requested if prosecution is still open or if court action is pending on the application – prosecution must be closed (appeal, final action, notice of allowance, *Ex parte Quayle* action)*. RCE has the effect of re-opening prosecution.
- CPA can be requested at any time*. A CPA request has the effect of abandoning the current application and beginning a continuing application.

*If issue fee paid, must petition to withdraw from issue (both CPA and RCE). Also, both CPA and RCE must be requested prior to abandonment.



Continued Prosecution Considerations (cont.)

If You Do Have an Option, What Are Some of the Considerations in Choosing Between an RCE and CPA?

Minor Considerations

Submission Requirement

- RCE - must be accompanied by a submission (e.g. amendment or IDS). RCE request without a submission does not toll currently running time period.
- CPA - no submission required (maybe can buy a little time, risky).
- First Action Final Practice – same for CPA and RCE (get Advisory Action indicating new issues to avoid First Action Final).



Minor Considerations (cont.)

Prosecute Different Invention

- RCE - cannot switch inventions (no divisional RCE)
- CPA - can be a divisional application
- Neither can add new matter



Minor Considerations (cont.)

Cost

RCE generally cheaper because:

- Don't have to pay for extra claims
- Can file by First Class Mail

Small Entity Status

- RCE - automatically continues
- CPA - must be reevaluated and reasserted



Minor Considerations (cont.)

Change in Inventorship

- RCE - Any inventorship change for an RCE must be done according to 37 CFR 1.48
- CPA - easy to delete inventors

Delay to Prosecution

- RCE - routed straight to the examining group
- CPA – previously forwarded straight to Examiner, but now OIPE issues filing receipt to indicate publication information (thus CPA may not reach Examiner quite as fast as RCE)



Continued Prosecution Considerations (cont.)

Major Considerations in Choosing Between an RCE and CPA

Term Extension

Application of New Term Extension Laws

- RCE does not entitle an application filed before 5/29/00 to new term extension rules
- CPA does entitle an application filed before 5/29/00 to new term extension rules



Major Considerations – Term Extension (cont.)

Effect on Term Extension

- RCE - cuts off any additional accumulation of term extension for three-year pendency provision
- CPA - start over under new term extension rules (lose any term extension accumulated in prior application under old term extension rules), but possibly take advantage of new term extension rules



Major Considerations (cont.)

Eighteen Month Publication

- RCE - can be used to altogether avoid eighteen month publication rules for applications filed prior to 11/29/00. Voluntary publication can be requested.
- CPA - subject to eighteen month publication (from effective filing date). Must submit certification and request for non-publication if non-publication desired.



Major Considerations (cont.)

Application of AIPA Change to 35 USC § 103(c)

AIPA change to § 103(c) that excludes § 102(e) art to common assignee for obviousness rejections only applies to applications filed on or after 11/29/99.

Thus, for applications filed before 11/29/99:

- RCE – old § 103(c) applies
- CPA – new § 103(c) applies



Major Considerations New/Old § 102(e) (cont.)

Application of AIPA Change to 35 USC § 102(e)

Applies only to applications filed on or after 11/29/00 or applications that have been voluntarily published. Thus, for applications filed before 11/29/00 and not voluntarily published:

- RCE – remain under old § 102(e)
- CPA – new § 102(e) applies



Major Considerations-New/Old § 102(e) (cont.)

Amount of prior art may be drastically different under new § 102(e). Sources of “new” prior art under new § 102(e):

- U.S. Applications with earlier filing date that were voluntarily published and then abandoned (under old § 102(e) not prior art since never issued)
- International (PCT) Applications with earlier international filing date that designate the U.S. and published in English (under old § 102(e), only prior art as of date of entry into national phase in U.S. and only if issues as U.S. patent).



Major Considerations-New/Old § 102(e) (cont.)

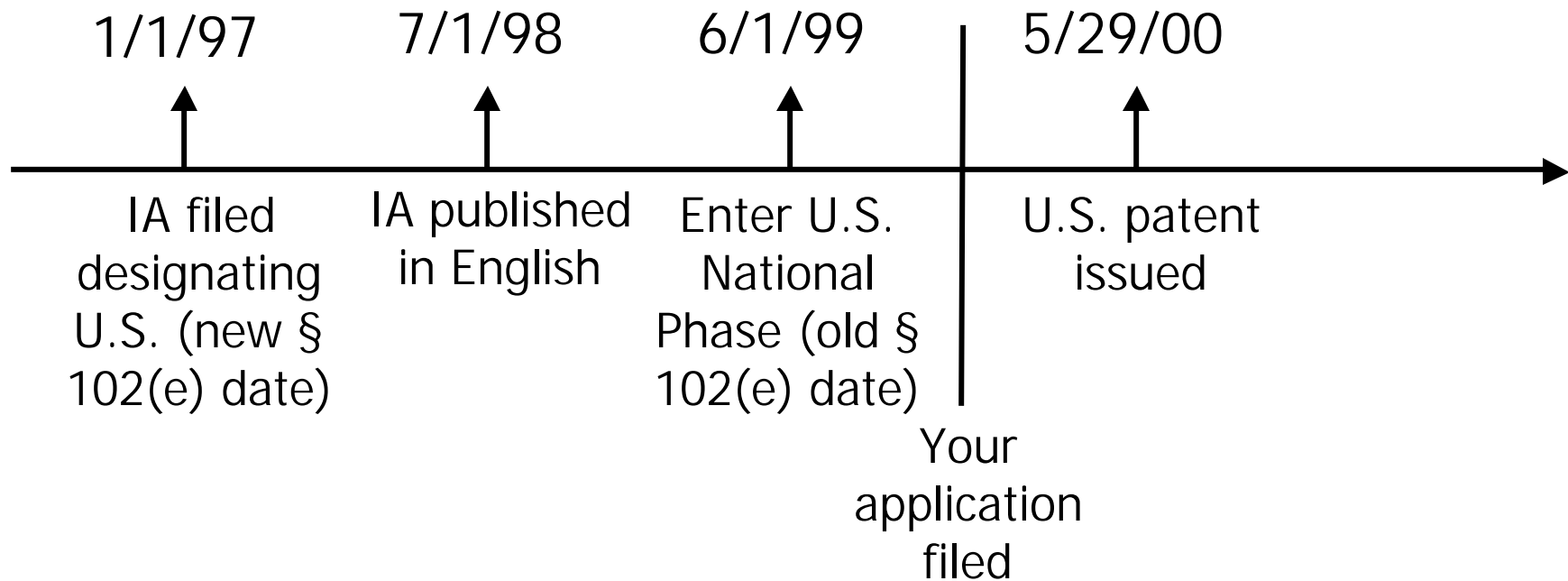
However, some references that were prior art under old § 102(e) may not be prior art under new § 102(e)

- **U.S. Patents** issued directly from International Applications are not prior art **at all** under new § 102(e) (they are prior art under old § 102(e) as of date of national phase entry in U.S.)
- But the WIPO publication of the International Application is prior art **if** it was published in English.

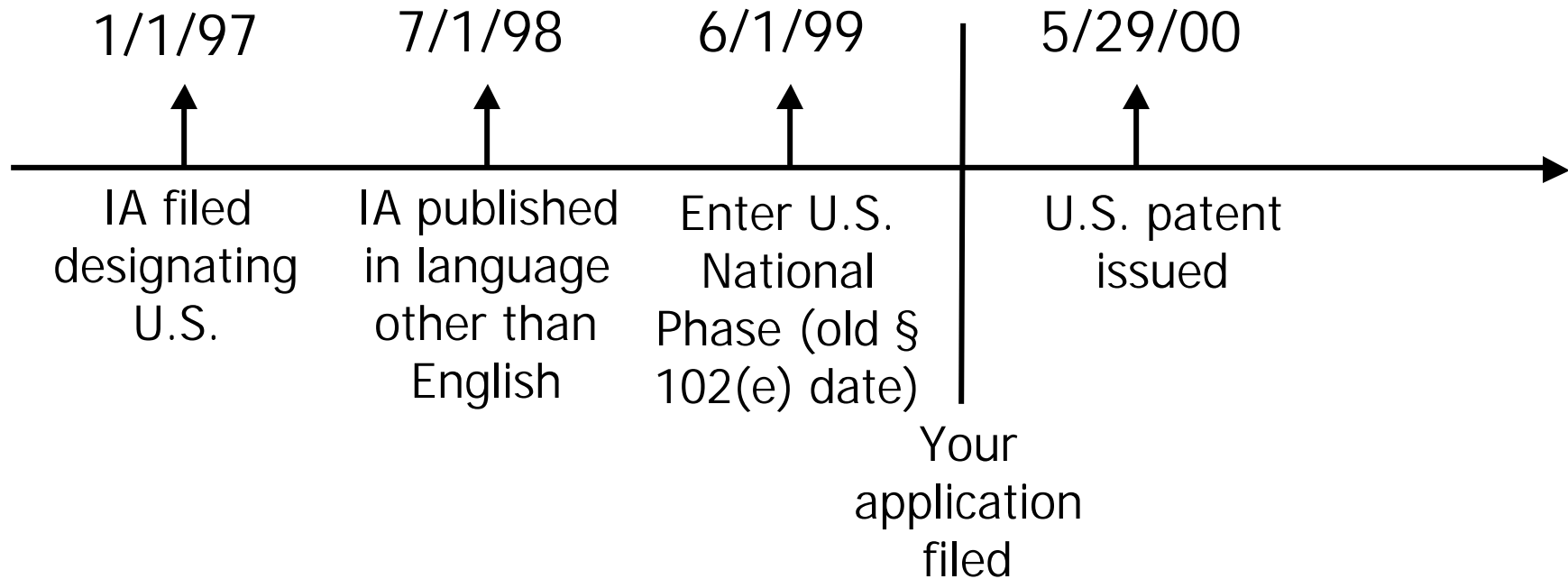


Major Considerations New/Old § 102(e) (cont.)

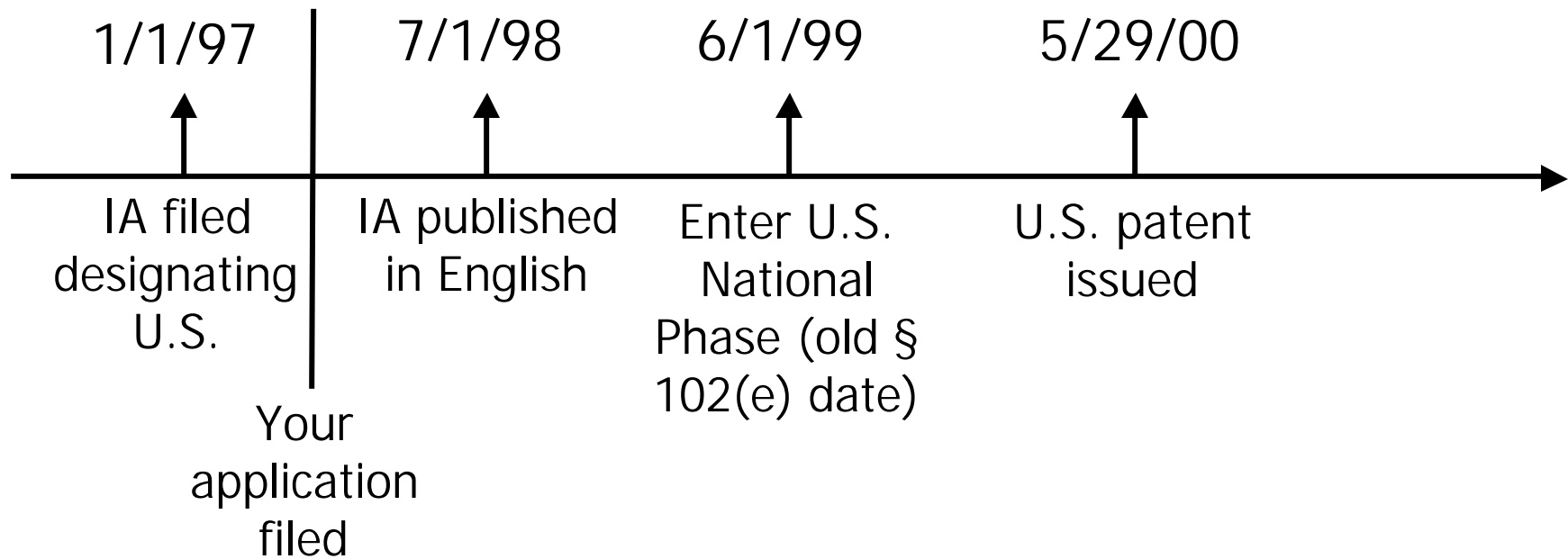
- However, if International Application not published in English, then its not prior art under new § 102(e).
- But it may still be § 102(a) or § 102(b) prior art



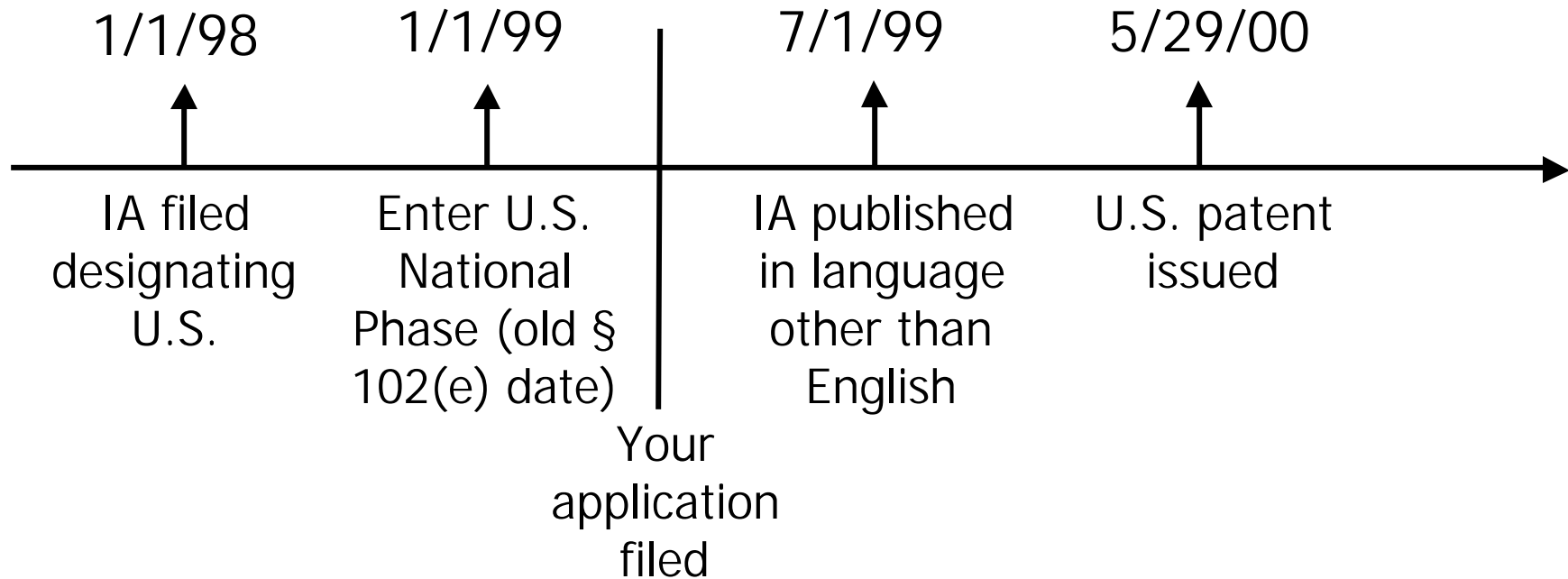
- Under new § 102(e), the U.S. patent is no longer prior art
- But the IA is prior art (up to 30 months earlier)



- Under new § 102(e), not prior art
- Not so fast, foreign language publication of IA is still § 102(a) and probably § 102(b) prior art



- Under old § 102(e), not prior art
- Also, no § 102(a) or (b) prior art
- Under new § 102(e) IA publication is prior art



- Under new § 102(e), neither the U.S. patent nor the published IA is prior art
- Also, IA publication not prior art under § 102(a) or (b) either, because published after your application's filing date



Major Considerations New/Old § 102(e) (cont.)

Other Considerations of post-AIPA § 102(e)

- Opinion work and litigation - When searching for prior art to knock out a patent, know which version of § 102(e) to apply. If new § 102(e) applies, you may have a vast new realm of foreign art to search.
- Rule 56 compliance – Make sure you submit the correct document (U.S. Patent issuing directly from an IA are **not** prior art under new § 102(e), submit WIPO publication of IA instead).



Continued Prosecution Considerations Summary

- Do you have the option
- Minor Considerations
- Major – In particular, application of new § 103(c) and new § 102(e)



Term Extension Considerations



Two schools of thought:

- 1. Aggressive (Drug Companies)
 - File on the three month deadline (using Express mail)
 - Be wary of the broad power of 37 C.F.R. 1.704(a) (Reduction for failure to engage in reasonable efforts to conclude prosecution)

- 2. Do No Harm
 - Still consider using Express mail, especially if close to deadline



Term Extension Notes

1. When going to appeal, if a dependent claim is indicated as allowable but objected to as being dependent on a rejected base claim, consider making the dependent base claim independent. This will ensure that allowable claims remain in the application after the appeal is decided (see Federal Register, Vol. 65, No. 181, page 56369, bottom of column 1-top of column 2 and 35 U.S.C. 154(b)(1)(A)(iii)).



Term Extension Notes (cont.)

2. An example under the broad power of 37 C.F.R. 1.704(a): “When the scope of the broadest claim in the application at the time an application is placed in condition for allowance is substantially the same as suggested or allowed by the examiner more than six months earlier than the date the application was placed in condition for allowance” (see Federal Register, Vol. 65, No. 181, page 56371, middle of second column).



Term Extension Notes (cont.)

3. Conversion of a provisional application to non-provisional results in term reduction and a lack of term extension. File an identical copy which claims priority to the provisional instead.
4. If you receive an incorrect non-responsive communication (i.e. you reply by pointing out that the original response was, in-fact, responsive and the examiner agrees with your reply), you may want to make sure that you do not lose term extension due to this (37 C.F.R. 1.704(c)(7)).



Term Extension Notes (cont.)

5. Supplemental Amendments requested by the examiner do not reduce term extension under 35 U.S.C. 1.704(c)(8). Consider urging the examiner to make an examiner's amendment, or at least put a statement in the amendment that it was expressly requested by the examiner.



Term Extension Notes (cont.)

6. Proposed rules requiring submission of formal drawings (37 C.F.R. 1.84) at filing to avoid term extension reduction have been eliminated in favor of requiring a submission within 3 months of the notice that the formal drawings need to be submitted. Be careful of formal drawing requirements made in an action in which allowable subject matter is indicated.



Term Extension Notes (cont.)

7. Proposed rules reducing term extension for informalities (e.g. formal drawings) or filing missing parts have been eliminated, but note the following: “If the Office determines that treating missing parts and application formalities under 37 C.F.R. 1.704(b) is causing the Office to miss the time periods set forth in 35 U.S.C. 154(b)(1), the Office will need to reconsider its original proposal to treat missing parts and application formalities as a failure to engage in reasonable efforts to conclude processing or examination **without regard to whether the applicant has been given prior reminder or notice to supply the missing part or correct the formality**” (Federal Register, Vol. 65, No. 181, page 56381, col. 3).



Should You Check Term Extension Calculations?

Federal Register, Vol. 65, No. 181, page 56387, col. 3:
“A practitioner signing the PTOL-85B does so pursuant to 37 C.F.R. 10.18, which means...that the patent term adjustment is correct to the best of his or her knowledge, information and belief, **formed after an inquiry reasonable under the circumstances**”.

It probably makes sense to make a rough calculation and see if the term extension is in the ballpark, even if client is not interested in term extension.



Filing Missing Parts vs. a Provisional

Advantages of a Provisional (followed by an identical non-provisional claiming priority to the provisional):

1. Cost is about the same (\$150 vs. \$130)
2. More time to complete filing (one year vs. ~3-4 months)
3. Patent term doesn't start until you file the non-provisional
4. No risk of term extension reduction



Filing Missing Parts vs. a Provisional

Advantages of Missing Parts:

1. No question as to matter at the original filing date (vs. a non-identical non-provisional claiming priority)



Publication Considerations



To Request or Not to Request Non-Publication?

- 1. Factors to discuss with your client:
 - Client's technology and confidentiality requirements.
 - Publication makes 102(e) prior art available more rapidly and, more importantly, makes 102(b) prior art more rapidly
 - Both defensive (against competitors) and works against client's own follow-on applications
 - Client's foreign filing frequency
 - Possible rule 1.56/10.23 issue if frequency is high even if decision has not been made



To Request or Not to Request Non-Publication? (cont.)

- 2. Disclosure in separate case which is foreign-filed (e.g. common specification)
 - (a) Is invention the “subject of a patent application filed in a foreign country...”?
 - (i) What happens if foreign filed case is subsequently amended to claim the invention?
 - (ii) Ultra-broad claim practice?
 - (iii) Mention of invention in an unrelated case which is foreign filed?
 - (b) Conservative practice = publish if described in a foreign-filed application



To Request or Not to Request Non-Publication? (cont.)

- 3. Risk of abandonment if requested and not rescinded on foreign filing
 - Abandonment will likely not be known to PTO—
patent could issue (but would be invalid)

- 4. Reasonable Royalty Right
 - Publish multiple times as claims are refined

- 5. Cost (Published applications incur an extra fee at issuance)



Publication Notes

- Reminder: If you file a CPA, you must request non-publication if desired.
- Filing receipts for CPAs now - to provide publication information



Publication Notes (cont.)

Filing receipts show whether or not non-publication is requested, as well as projected publication date.

If you requested non-publication and filing receipt does not reflect such, action is needed.

1. Request for Corrected Filing Receipt
2. Request for Confirmation of Non-Publication (advisable)



QUESTIONS?
