Major Changes to Patent Rules

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A final rule package entitled “Changes to Patent Practice and Procedure” has been published in the Federal Register at __________ Fed. Reg. ____________ (October 10, 1997), and will be effective on December 1, 1997. Previously, major rule changes were adopted only when necessary to conform the rules of practice to changes in the patent statutes. This final rule package implements a major rules change, but was not adopted as a mandatory response to a change in the patent statutes. The final rules will make many significant changes including: (1) new procedures for filing continuation and divisional applications and the creation of a new type of application called a continued prosecution application; (2) simplified standards for oaths or declarations in reissue applications; (3) simplified requirements for establishing lack of deceptive intent in petition practice, and in the filing of papers correcting improperly requested small entity status; (4) elimination of unnecessary requirements, such as certain types of petitions to correct inventorship under §1.48(a); (5) changes in appeal practice, such as limitations on new grounds of rejection and increased admissibility of reply briefs; (6) new time frames for replies to Office actions, and for revival of abandoned applications, and new methods for presenting petitions for extensions of time; (7) modified requirements for naming of inventors, for correction of inventorship errors, and for establishing small entity status in continuing and reissue applications; (8) new requirements for making amendments in reissue applications; and (9) provisions for multiple protests by a single party based on prior art.

This final rule package was the result of an extensive review of the Rules of Patent Practice under the direction of Stephen G. Kunin, the Deputy Assistant Commissioner for Patent Policy and Projects, by Jeffrey V. Nase, former Patent Legal Administrator, Robert J. Spar, Director of the Special Program Law Office, and the Legal Advisors of the Special Program Law Office. These rule changes were proposed in a notice of proposed rulemaking entitled “1996 Changes to Patent Practice and Procedure,” published in the Federal Register at 61 Fed. Reg. 49818 (September 23, 1996), and in the Official Gazette at 1191 Off. Gaz. Pat. Office 105 (October 22, 1996). The Patent and Trademark Office received numerous public comments on this proposed rulemaking, almost all of which reflected thoughtful and careful review of the notice of proposed rulemaking. Many suggestions in the comments were adopted in the final rule, while other suggestions were deferred for consideration in the future. This rulemaking process has taken over two years due to the extensive nature of the changes to patent practice and consideration given to the public comments.

These rule changes will achieve the objective of: (1) making the rules of patent practice and procedure easier to comprehend for applicants and for PTO personnel; (2) speeding up processing of applications to decrease loss of patent term under the twenty-year

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patent term regime; and (3) reducing resources needed to prepare and process a patent application.

The Office of Deputy Assistant Commissioner for Patent Policy and Projects is also charged with, inter alia, disseminating information to the customers of the PTO concerning changes to the patent statutes, Rules of Practice and procedure concerning patent practice, as well as the PTO’s policy on patent matters. While complete information about the final rules, including implementation and training materials, shall be made available on the PTO web site at no cost, the PTO will also make available to the public for purchase a notebook and/or CD-ROM containing the complete final rule and additional explanatory materials. Details on the content, price, and means of obtaining this notebook will be explained in a forthcoming Official Gazette notice.

The following is a summary of the more significant changes grouped by subject matter rather than by numerical rule order:

I. Filing of Applications

The three rules under which an application can be filed, §§1.53, 1.60 and 1.62, have been reduced to one rule, amended §1.53, while retaining the benefits of the deleted rules, §§1.60 and 1.62, and eliminating sources of error occasioned by the deleted rules.

A. Elimination of Rules 60 and 62 (FWC’s)

Prior rules 60 and 62 have been deleted. All applications, including original, continuations, divisions, continuations-in-part and a newly created class of continued prosecution applications (CPA’s), are now to be filed under one rule, §1.53.

The benefits from deleting §§1.60 and 1.62 are:

— Applicants, including pro se and small businesses, need not have detailed knowledge of several rules for filing applications. When in doubt, or in a rush, applicants can merely cite to §1.53 and the Office will process the application based on the actual papers submitted,

— §1.53 has flexibility to provide remedies for imperfectly submitted applications:

— if a specification is submitted with a request for a CPA, see §1.53(d)(5),

— if a filing of an application references deleted §1.60, the Office will ignore the reference and process as an application with a copy of an executed oath or declaration from a prior application,

— if application filing is for a continuation or division under deleted §1.62, the Office will treat application as a CPA so long as immediate prior application
is post-June 8, 1995, or if not, Office will handle as a filing under §1.53(b), and

— common filing date problems and consequent delays are avoided, e.g.,:
  — former §1.60 required a “true copy of prior application as filed,” which was difficult to meet when one tried to generate a true copy years after the prior application was filed, e.g., as to extraneous markings whited out, and differences in pagination, and
  — former §1.62 continuation applications were improperly filed with a specification.

The advantages of the deleted rules 60 and 62 have been retained in §1.53, as amended, but without their true copy and no specification requirements that frequently led to filing date problems:

— filing of a continuation or divisional application using a copy of the oath or declaration from the prior application is still permitted, and

— the ability to delete one or more inventors by a simple statement requesting deletion, such as when filing a divisional application, is still permitted.

(An advantage not retained is the filing of a former §1.62 CIP without the need for a new specification as it is not possible to file a CIP-CPA application. However, the need to generate a new specification by photocopying or by computer is not seen to be a great burden when balanced against the advantage of increased processing speed for CPAs made possible by the prohibition of new matter filings).

**B. Filing of Applications Under New §1.53(b)**

All the types of applications that could be filed under the former rules for filing applications (§§1.53, 1.60 and 1.62) can all be filed under amended §1.53, with the one exception also noted:

— continuation, divisional and continuation-in-part applications that are filed with a new specification and a §1.63 oath or declaration continue to be filed under §1.53, §1.53(b),

— provisional applications previously filed under §1.53(b)(2) are now to be filed under §1.53(c),

— continuation and divisional applications that are filed with a specification that contains no new matter and with a copy of an executed oath or declaration from a prior application (§1.63(d)(1)(iv)) are to now be filed under §1.53(b) rather than under former §1.60 (and should contain a
sentence specifically incorporating the prior application by reference to guard against filing a specification copy that is missing a page), and

—the exception is continuation-in-part applications previously permitted under former §1.62, with a new §1.63 oath or declaration and only a preliminary amendment for the newly added subject matter, must now be filed under §1.53(b), which requires that an entire specification (and a new §1.63 oath or declaration) be submitted.

C. Continued Prosecution Applications (CPA)

Newly created CPA applications, §1.53(d), replace continuation and divisional applications under former §1.62 in that a new specification and oath or declaration are not needed.

Not permitted under CPA practice are:

— CIP applications, and

— applications that claim benefit under 35 U.S.C. 120 to an immediate prior application that is pre-June 8, 1995 (where there is an immediate prior application that is post-June 8, 1995, then an earlier application in the chain may be pre-June 8, 1995).

Attributes:

— CPA filings will be completely processed by Group/Sector (OIPE will not be involved with the processing of a CPA)

— a request for a CPA can be faxed directly to a Group, but the filing date will be the date of receipt not the date of transmission should the two differ,

— CPA will utilize from the prior application:

— the same file jacket,

— the same application number and the same filing date

— the actual filing date of the CPA will be indicated on the file jacket by a Contents entry for the Request for filing, and

— a patent issuing from a CPA will only indicate the application number and filing date of the prior parent application,

— a CPA can name the same or fewer than all the inventors named in the prior application,
— the prior application must be complete, §1.51(b), including an oath or declaration and filing fee, the CPA is a request to expressly abandon the prior application, but the abandoned status of the prior application will not operate to make the CPA file open to public inspection, 37 CFR 1.14(a)(3)(iv),

— must be timely filed,

— a specific reference to a prior application need not and should not be added to the first line of the specification of the CPA as the request for CPA filing is considered as the specific reference required by 35 U.S.C. 120.

— papers that carryover to the CPA from the prior application: Information Disclosure Statements, Terminal Disclaimers, unacted upon §1.48 petitions where correction is still required, U.S. and foreign priority claims, general authorizations to charge a deposit account, and an election where the CPA is a continuation unless otherwise indicated, affidavits under §§1.130, 1.131, and 1.132 after Terminal Disclaimers, and §3.73(b) certifications, and

— papers that do not carryover to the CPA from the prior application: small entity status requests, and an election where the CPA is a division.

The creation of the CPA will also facilitate a virtually seamless transition to the procedures for requesting further examination of an application, upon payment of a fee, set forth in pending legislation.

**D. Oath or Declaration**

Paragraph (a)(3) of §1.63 now requires that the post office address appear in the oath or declaration rather than elsewhere (§1.33), and that the oath or declaration contain the full name(s) of the inventors, a requirement which has been transferred from §1.41(a).

Paragraph (d)(1)(iv) of §1.63 permits the use of a copy of the executed oath or declaration from a prior application in a continuation or divisional application filed under §1.53(b) that names the same as or fewer than all of the inventors named in the prior application. The copy must either show the signature or have some indication that it was signed.

Paragraph (d)(4) of §1.63 provides where the power of attorney or correspondence address was changed in a prior application from that on the executed oath or declaration, the change must be identified in a continuation or divisional application.

**E. Inventorship**
The naming of the actual inventors is no longer required to obtain a filing date for an application as a result of amendment to §§1.41 and 1.53. As an inventor’s name was used to identify an application prior to issuance of a filing receipt (along with the Application No.), when an application is filed under the new rules without any identification of the inventors, an alphanumeric identifier should be supplied, §1.41 (a)(3), so that papers, e.g., information disclosure statements, submitted prior to obtaining the filing receipt can be matched with the file. The Office recommends that the inventors’ names continue to be used as the application identifier.

The filing of an executed oath or declaration under §1.63, after the application is filed, will serve to set forth the application’s inventorship, 37 CFR 1.48(f). Thus, a whole class of §1.48(a) petitions shall be eliminated as they were formerly required where an executed oath or declaration submitted an inventive entity in response to a Notice to File Missing Parts of Application that differed from the inventive entity originally set forth in the unexecuted application. Section 1.48(f) is not a petition remedy that must be requested; rather, it operates to automatically establish the inventor(s) as is set forth in the filed executed oath or declaration.

II. Deceptive Intent Issues

The generation of partial facts simply to generate an incomplete record for later review by others is not seen as adequate justification for the effort to which applicants have been required to undergo. Thus, the burden on applicants is further reduced with respect to inquiries which bear on deceptive intent issues.

A. Verification of Statements

If a practitioner submitted a statement of facts, verification, e.g., §1.68, was not required due to Part 10 of the rules that governed practitioners. However, parties other than practitioners were required to make an explicit verification with each statement presented. This has been changed so that the rules for both are now the same—that statements of facts need not be verified. Rules 1.4 and 10.18 have been amended to provide that any person (practitioner or pro se) presenting correspondence to the Office now makes the certifications previously made under 18 U.S.C. 1001 found in §1.68, and additionally makes the certifications of Rule 11 of the Federal Rules of Civil Procedure. This has permitted the Office to eliminate separate verification requirements in §§1.6, 1.8, 1.10, 1.27, 1.28, 1.48, 1.52, 1.55, 1.69, 1.102, 1.125, 1.137, 1.377, 1.378, 1.804, 1.805, 3.26, and 5.4 for any party submitting a paper thereunder.

B. Reissue Applications

Rule 1.175 was amended to reduce the former requirements of:

— for particularly and distinctly specifying all errors being corrected to
— a requirement for identification of at least one error in the original patent as the basis for reissue, §1.175(a)(1),

— for a detailed showing of facts and circumstances as to how each error arose or occurred to

— a requirement for a general statement that the errors arose without deceptive intent, §1.175(a)(2), and

— for supplying a supplemental oath or declaration specifically identifying all subsequent errors being corrected every time an amendment was submitted to

— submission of a supplemental oath or declaration prior to allowance generally stating that all errors being corrected, which were not covered by the original or a previously submitted oath or declaration, arose without deceptive intent.

**C. Petitions to Correct Inventorship**

37 CFR 1.48 (in applications) has been amended to exclude reissue applications, and to reduce the requirements for the three petitions under paragraphs (a)–(c):

— paragraph (a) of §1.48 correcting inventorship where the inventorship was initially set forth in error:

— diligence requirement deleted,

— requirement for a factual showing as to lack of deceptive intent deleted in favor of a general statement as to a lack of deceptive intent, and

— verified statement no longer required from each original named inventor, but only a non-verified statement from inventor(s) to be deleted or added,

— paragraph (b) of §1.48 correcting inventorship due to change in claims affecting inventorship:

— diligence requirement deleted, and

— paragraph (c) of §1.48 correcting inventorship due to addition to claims of subject matter added from specification:

— diligence requirement deleted,

— clarified to no longer follow the requirements of paragraph (a) of §1.48, and
— verified statement no longer required from each original named inventor, but only a non-verified statement from the person being added:

— recognizing that the correction is being made in view of the claim amendment, and

— stating that the error occurred without deceptive intent on the part of the person being added.

37 CFR 1.324 (in patents) has also been amended to replace a nebulous “satisfactory proof of facts” standard with explicit simpler requirements:

— the former practice of requiring that a petition under the section be diligently filed is not required under the amended rule,

— the former practice of requiring factual showings as to lack of deceptive intent is replaced by a requirement for a general statement as to a lack of deceptive intent, and

— the requirement for a verified statement of lack of deceptive intent from each of the original named inventors is replaced with a requirement for:

— a non-verified statement as to lack of deceptive intent from each person being added or deleted, §1.324(b)(1),

— a non-verified statement from the current inventors not submitting a statement under paragraph (b)(1) of §1.324 either agreeing to the requested change or stating that they have no disagreement with the requested change, §1.324(b)(2), and

— the former practice of requiring an executed oath or declaration under §1.63 by the new inventive entity has been discontinued.

D. Small Entity Status

Section 1.28(a) provides that a new small entity statement is not required for a continuing application (including a CPA) or a reissue application.

Section 1.28(a) also provides that payment of the small entity basic filing fee in a continuing application (including a CPA) or in a reissue application will substitute for the required reference to the small entity statement in the prior application or in the patent being reissued.

Section 1.28(a) also clarifies that the filing of a continuing application (including a CPA) or a reissue application requires a new determination by applicant of entitlement to status.
Section 1.28(c) is amended to provide that an explanation for an erroneous payment of a small entity fee is no longer required; and that payment of a fee deficiency, *per se*, is deemed to constitute a representation that prior small entity status was requested in good faith.

**E. Actions by Assignee**

Revised §3.73(b) deletes the requirements that an assignee specifically state that the evidentiary documents have been reviewed, and to certify that title is in the assignee seeking to take action.

Section 3.73(b) was also amended to provide for partial assignees submitting evidence of ownership (as partial assignees can act when they all join) by replacing the language “assignee of the entire right, title and interest” with “assignee.”

**III. Appeals**

The appeal process has been modified so as to prevent extraneous matters, such as whether an examiner’s answer with a new ground of rejection or entry of a reply brief are appropriate, from delaying a decision on the merits of the appeal, and to provide appellant with a more direct means for understanding a rejection by the BPAI of formerly allowed claims.

**A. Notice of Appeal**

Section 1.191(b) has deleted the former requirements that the appeal identify the rejected claim or claims appealed and that the appeal be signed.

**B. Examiner’s Answers**

Section 1.193(a)(2) prohibits the inclusion of a new ground of rejection in an examiner’s answer; the examiner must reopen prosecution to add a new ground of rejection. However, if an amendment under §1.116 is approved for entry for appeal purposes and appellant was advised which rejection(s) set forth in the action appealed from would be used to reject the claims as amended, then appellant has given consent that the appeal proceed on the claims as amended under §1.116 subject to one or more individual rejections set forth in the action appealed from. Accordingly, the Brief must address the different rejection(s) as appellant was advised of, and the Examiner’s Answer may include the different rejection(s).

**C. Reply Briefs**

Section 1.193(b)(1) provides appellant with the right to file a reply brief, if timely, regardless of whether the examiner’s answer raises new points of argument, thereby always giving appellant the right of making a last submission prior to review by the BPAI; the examiner must enter the reply brief, and either acknowledge its receipt and entry, or reopen
prosecution to respond to new issues raised in the reply brief. While the examiner can reopen prosecution based on the latest submission from appellant, appellant must ultimately be given the right of a last submission.

Section 1.193(b)(2) provides that a supplemental brief, when accompanied by a request that the appeal be reinstated, is an appropriate response to an Office action reopening prosecution subsequent to the filing of an appeal brief, supplemental brief, or a reply brief.

D. Oral Hearings

Section 1.194(c) provides that appellant will be notified when a requested oral hearing is unnecessary, such as when the application is to be remanded.

E. Rejection of Allowed Claims

Section 1.196(b) provides authority for the BPAI to enter a rejection of any pending claim, which now includes allowed claims that have not been appealed, in place of the former requirement for a binding recommendation to the examiner.

IV. Time Frames

Various time frames have been adjusted to provide increased flexibility for applicants.

A. Abandoned Applications or Lapsed Patents

Section 1.137 has been amended to combine subject matter from §1.139 (responses to requirements in provisional applications), §1.155 (issue fees in design applications), §1.316 (issue fees in utility or plant applications), and §1.317 (payment of outstanding balances of issue fees).

Section 1.137(a)(3) clarifies that the time period for unavoidable delay must be from the due date of the reply that was not submitted to the date of filing a grantable petition under this paragraph.

Section 1.137(b) no longer contains the one year filing period requirement for unintentional delay petitions, but clarifies that the rule continues to require that the entire delay, from the due date for the reply that has not been submitted until the filing date of a grantable petition, has been unintentional for the applicant to obtain revival based upon “unintentional” delay. Unintentional delay petitions will now be considered on a case by case basis based on the merits rather than being artificially limited to a one year period, which period has had the effect of misleading practitioners into believing that delay for a year is acceptable (which it is not).

Section 1.137(c) expands the current terminal disclaimer requirement, from only being applicable to petitions for unavoidable delay under paragraph (a) of this rule, to
petitions for unintentional delay under paragraph (b) of this rule, such that a terminal disclaimer will be required for all design applications, and for all utility and plant applications filed prior to June 8, 1995. The former six month grace period before which a terminal disclaimer was required has been eliminated.

B. Extension of Time

Section 1.136(a)(1) now provides for paid extensions of time of up to five months (formerly limited to four months), subject to any maximum statutory period for response.

Section 1.136(a)(3) permits a general authorization to treat any future reply requiring an extension of time as incorporating a request therefor. Any request or petition for an extension of time will be treated as requesting the appropriate length of time notwithstanding an inadvertent reference in the petition to a shorter period of time. Papers will be liberally interpreted as petitions for extensions of time. The mere submission of an extension of time fee will be interpreted as a constructive petition for an extension of time.

Section 1.136(a)(3) also treats a general authorization to charge all required fees or fees under §1.17 as a constructive petition for an extension of time for a concurrent or future reply requiring an extension of time.

C. Incomplete Replies

The one month time limit (or grace period) practice set forth in former §1.135(c), for permitting the completion of a bona fide but incomplete reply, is eliminated. The time limit (or grace period) practice was a source of confusion both in the PTO and with its customers. Instead, amended §1.135(c) provides that the reply may be accepted as a reply, and an action setting forth a requirement and giving a new time period for reply will be mailed. Providing a new time period would permit extensions of such period under §1.136(a) and clarify the date of abandonment in event of a failure to reply. Rule 1.135(c) only applies to replies to non-final actions.

D. Filing of Protests by the Public

Section 1.291(c) eliminates the blanket prohibition of one protest per protestors and allows for entry of additional prior art submissions. The change does not alter the need to submit the protest as soon as is possible.

V. Miscellaneous

A. Amendments

The manner of making amendments in reissue applications, §1.121(b), has been made consistent with the manner of making amendments in reexamination proceedings, §1.530(d):
— provides for cancellation of an entire paragraph from the specification (without it being rewritten in brackets),

— hand-entry of five words or less is no longer permitted,

— each submission, which includes an amendment of the claims, must set forth the status, as of the date of the submission, of all patent claims and of all added claims, even those added claims subsequently cancelled, paragraph (b)(2)(ii), and

— each claim amendment, when originally submitted, must be accompanied by an explanation of the support in the disclosure of the patent for the amendatory change, paragraph (b)(2)(iii).

Reexamination proceedings, §1.530, now provides for cancellation of an entire paragraph from the specification (without it being rewritten in brackets).

**B. Substitute Specification**

Paragraph (b) of §1.125 provides, by rule, a right to submit a substitute specification, in other than a reissue application, so long as it is accompanied by a statement that new matter is not included, and a marked-up copy.

**C. Design Drawings**

Paragraph (a)(2) of §1.152 removes the prohibition of color drawings and photographs in design applications and a petition procedure for their entry has been established in recognition of emerging new technologies.

Paragraph (b) of §1.152 clarifies that all matter (color, indicia) in original informal drawings or photographs is an integral part of the disclosure and claim, and therefore cannot be removed without raising the issue of new matter, unless disclaimed in the original application papers as provided for in paragraph (b)(1).

**D. Petitions to Expunge**

Petitions to expunge are now specifically provided for in Rule 1.59(b), and most may now be decided in the examining groups rather than in the Office of Petitions.

**E. Access**

A petition for access is no longer required to obtain a copy as filed of an application that has been incorporated by reference in a U.S. patent.