Changes to Implement the Patent Business Goals
Notice of Proposed Rulemaking (NPR)

64 FR 53771 (October 4, 1999),
1228 OG 15 (November 2, 1999)

The Fed. Reg. Notice may be accessed at:
Advance Notice of Proposed Rulemaking (ANPR) - First of Three Steps

- 63 FR 53497-53530 (October 5, 1998)
- 1215 OG 87 (October 27, 1998)
- Comment period closed 12/4/98
  - all comments are available on PTO Web site
    - http://www.uspto.gov/web/offices/pac/dapp/opla/comments/anpr/
  - 10 Intellectual Property Organizations
  - 10 Law firms
  - 9 businesses
  - 60+ other comments
Notice of Proposed Rulemaking (NPR) - Second (Current) Step

• NPR published:
  – 64 FR 53771 (October 4, 1999)
  – 1228 OG 15 (November 2, 1999)
  – Goals:
    • From applicant’s perspective: reduce paperwork burdens and simplify processing requirements
    • From PTO’s: support Patent Business Goals
  – NPR includes 11 items from ANPR plus other items to provide additional benefits
Comments on NPR; Final Rule

• Submit written comments by: Dec. 3, 1999
  – e-mail: regreform@uspto.gov
  – fax (703) 308-6916,

• For questions, contact Senior Legal Advisors, in Special Program Law Office (703) 305-9285:
  • Hiram Bernstein, or Robert Bahr

• The third step - which is the final rule:
  – will be on a fast track
  – implementation by Spring/Summer 2000
    • public should have sufficient lead time to prepare for compliance
Patent Business Goals

- **Goal 1:** Reduce PTO processing time to 12 months or less for all inventions.
- **Goal 2:** Establish fully-supported and integrated industry sectors.
- **Goal 3:** Receive applications and publish patents electronically.
- **Goal 4:** Exceed our customers’ quality expectations, through the competencies and empowerment of our employees.
- **Goal 5:** Assess fees commensurate with resource utilization and customer efficiency.
The Rulemaking Objective

😊 What did we want to do: make changes that would maximize applicant’s patent term:

– make submissions easier for applicants
  • reduce or simplify requirements
  • clarify requirements (make easier to understand)
    – took some difficult to understand rules and revised them to make them easier to comply with
– studied petitions that are filed to see where problems from applicant’s perspective were arising
– eliminate processing steps that caused delays in PTO
The Rulemaking Process

😊 How did we go about doing it:

- went back to basics and reconsidered what formal requirements continue to be necessary and what can be eliminated

- operations from beginning (OIPE) through prosecution (Corps) to end (Publication) were canvassed:
  - what is delaying processing of newly filed applications?
    - fees related to small entity status, proof under § 1.44
  - what is delaying prosecution/examination of applications?
    - suspension of action for CPAs to permit IDSs, amdts.
  - what is delaying publication of patents?
    - drawing informalities, C of Cs caused by red ink amdts.
ANPR Topics Proposed in NPR

1) Simplifying request for small entity status (Topic 1)
2) Harmonizing standards for patent drawings (Topic 5)
3) Printing patents in color (Topic 6)
4) Reducing time for filing corrected or formal drawings (Topic 7)
5) Permitting electronic submission of voluminous material (Topic 8)
6) Requiring copies of U.S. applications cited in IDS (Topic 9)
7) Imposing limits on preliminary amendments and supplemental replies (Topic 12)
8) Amending by replacement paragraphs/claims (Topic 13)
9) Creating a rocket docket for design applications (Topic 15)
10) Changing multiple reissue application treatment (Topic 17)
11) Eliminating pre-authorization of payment of issue fee (Topic 19)
**ANPR Topics Not Proposed in NPR**

1. Requiring sep. surcharges and supplying filing receipts (Topic 2)
2. Permitting delayed submission of an oath/dec., and changing time period for submission of the basic filing fee and English translation (Topic 3)
3. Limiting the number of claims in an application (Topic 4)
4. Limit on number of references cited, statement of personal review, and “unique” description requirements (Topic 9)
5. Refusing IDS consideration under certain circumstances (Topic 10)
6. Providing no cause suspension of action (Topic 11)
7. Providing for presumptive elections (Topic 14)
8. Requiring identification of broadening in reissue appl. (Topic 16)
9. Creating alt. review procedures for appl. under appeal (Topic 18)
10. Reevaluating the Disclosure Document Program (Topic 20)
11. Create PTO review service for applicant-created forms (Topic 21)
Rules completely rewritten to clarify:

- § 1.14: defines and clarifies when “status” information about an application and “access” to an application is available and to whom it is available

- § 1.33: clarifies who may change a correspondence address, see also slide 16

- § 1.173: consolidates reissue requirements for filing spec., including claims, and drawings
Plain Language (cont’d).

- § 3.71: defines single and partial assignees, and how assignee(s), after becoming of record in a proceeding/application, can take action

- § 3.73: relates the taking of action by an assignee under § 3.71 and provides additional requirement under § 3.73 to submit proof of the appropriate assignee to take action, thus making it clear that two requirements are involved: 1) the action to be taken, and 2) proof of the proper assignee (to take the action)
Fees, §§ 1.22(b), 1.22(c), 1.26(b)

.Itemization will be required when multiple fees made by a single payment, § 1.22(b)

Will define the “date of payment” as the date of filing of the fee paper, § 1.22(c)

Provides objective standards for seeking a refund:

- treats payments made by check and by authorization to charge a deposit account the same way
- date of payment for authorizations to charge a deposit account will be the date of filing of the fee paper, no longer the date the deposit account is debited
- will define the time period for requesting a refund to be 2 years from date of payment (replacing within a “reasonable time”), § 1.26(b)
Fees (cont’d), §§ 1.19(b)(2), 1.28(a), 1.28(c)

- increase period for requesting refunds based on small entity status to 3 months from 2 months, § 1.28(a)

If small entity fees were paid in error, the deficiency payment submission should be itemized and limited to a single application, § 1.28(c)

New fee for copy of a patent related file wrapper, § 1.19(b)(2): $250 for up to 400 pages plus $25 for each additional 100 pages
Eliminate need for small entity forms!

Small entity status may be established by:

- simple written assertion - no specific words required, e.g., check box on transmittal letter
  - Office will liberally construe written attempts to establish small entity status as an assertion
- paying any exact small entity basic filing fee
  - after filing, only written assertion acceptable
Establishing Small Entity Status, (cont’d). § 1.27

– party who can make assertion expanded to include: registered attorney/agent (need not be of record), one inventor, or a partial assignee

Requirement for good faith investigation to determine if entitled to small entity status is not changed
Correspondence Address,
§ 1.33(a)(1) (see also slides 10, 20)

😊 Prior to filing of a § 1.63 oath/dec., the correspondence address can be changed by:
(1) the party filing the case, even if filed
   – by less than all the inventors
   – by a (potential) assignee or a partial one
   – by a registered practitioner (without power of attorney), or
(2) registered practitioners identified as a representative by the party filing the application
Delete current requirement for accompanying proof of power or authority of legal representatives. Sufficient to submit § 1.63 oath/dec by identified legal representative under:

- § 1.42 (dead inventor),
- § 1.43 (insane or legally incapacitated inventor)
- 37 CFR 1.44 reserved
After issue fee is paid, a petition for entry of a claim for foreign priority will no longer be entered in view of faster patent printing, § 1.55(a)(2)(iv), (see also slides 26, 39, and 40):

- while a claim (& cert. copy) could be filed, Office will not review for compliance with conditions of 35 U.S.C. 119 (a)-(d)
  - claim would be of record but not evaluated
- patent would **not** contain priority claim info.
  - certificate of correction under § 1.323 could be filed
CIP Declarations, § 1.56(e)

😊 Adds an explicit duty to disclose all information known to be material that became available between the filing date of a prior application and a CIP application

- **Impact** - When a CIP application is filed, the standard § 1.63 declaration form can be used:
  - no longer a need for a separate CIP § 1.63 Dec.
Optionally, new § 1.76 permits submission of an Application Data Sheet containing bibliographic data in a specified format:
- rather then provide info. in oath/dec.

- **Impact** - Certain missing information need not therefore be submitted by way of a § 1.67 supplemental oath/dec (§ 1.63(c)):
  - inventor’s full name, correspondence address, residence, and foreign application information
Supplemental Oaths/Decs.,
§ 1.67(a)

 Supplementary oaths/decs. may be submitted by fewer than all the inventors to correct deficiencies or inaccuracies if the earlier filed oath/declaration complied with § 1.63(a).
Abstracts, § 1.72(b)

😊 The word length for an abstract of the disclosure would be required not to exceed 150 words:

- replaces current MPEP 608.01(b) range of 50-250 words
Priority under 35 U.S.C. 120, § 1.78(a)(2)

😊 Would permit the required priority reference under 35 U.S.C. 120 to be in the Application Data Sheet (ADS) (new § 1.76)
- If in ADS, the domestic priority reference would no longer be required in the first sentence of the specification following the title
Drawings will be as easy to file in U.S. national applications as in the PCT, as the Office will focus on what is needed for:

- communication of invention to examiner
- reproduction of drawing for printing in patent
Printing Patents in Color, § 1.84

😊 Print color drawings/photographs in color in the patent if filed as part of the application:
  – a processing fee to recover PTO cost of printing/processing shall be imposed
😊 Eliminate the current requirements for a petition and a petition fee to permit color
Time for Filing Formal Drawings, § 1.85

😊 New patent issue procedure in 4 weeks from payment of the issue fee (vs 16 weeks), requires most electronic capture of application before issue fee is paid (see also slides 18, 39, 40), and formal drawings no later than payment of issue fee, thus:

- Time for filing formal drawings will stay the same - at 3 months from Notice of Allowability, **BUT**
  - no extensions of time, not even § 1.136(b) to be permitted
- Uniform reply period for both the issue fee and any requirement for formal or corrected drawings
- See 1221 OG 14 (April 6, 1999)
Electronic Submission of Voluminous Material, §§ 1.96 and 1.821 et seq.

😊 Permit nucleotide and/or amino acid sequence listing submitted on CD-ROM, or CD-R to be the official copy:
  – Require 2 computer readable form (CRF) submissions, one of which must be an archival CD-ROM, or CD-R
  – No paper copy has to be filed

😊 Require computer program listings to be submitted on CD-ROM, or CD-R as the official copy; eliminate microfiche submissions
IDS Submissions, §§ 1.97, 1.98

- Elimination of three month window for filing an IDS in a CPA application, § 1.97(b)(1)
- The $130 petition fee would now be a $240 IDS fee for IDSs submitted between close of prosecution and payment of issue fee, § 1.97(d)(2)
- If U.S. patent application is cited in an IDS, copy must be supplied, § 1.98(a)(2)(iii)
IDS Submissions (cont’d).

In re Portola Guidelines, 64 FR 15346 (March 31, 1999); 1223 OG 124 (June 22, 1999):

- examiner is only responsible for cursory review of IDS citations which are not described

- prior art, even though listed on a patent, but whose relevance to the patentability of any claim is not actually discussed on the record, may be used for ordering and conducting a subsequent reexamination proceeding
Postponement of Action in CPAs, § 1.103

😊 CPA applications were designed to provide two more opportunities for examination of an application without the pre-processing delays associated with the filing of a new application. To preserve the two opportunities, yet retain quick action:

- Applicants may obtain a 3 month postponement of the first action in a CPA application, if request is submitted with the CPA application and accompanied by a processing fee.
 Commissioner would have the right to disapprove entry of:
- prelim amendments not filed w/i 3 mos. of non-CPAs,
- prelim amendments not filed with CPAs, § 1.115, or
- second supplemental replies (a third reply)
where:
- a significant amount of time had already been spent by the examiner on prep. of an Office action, and
- substantial rework would be required, § 1.111(a)
Amendment by Replacement
Paragraphs/Claims, or Sections, § 1.121

😊 Amendments made by “clean” copy replacement of entire numbered paragraph or claim or section

- Marked-up copy showing changes by any compare system must be submitted until electronic file wrapper (EFW) system instituted by Office

- Numbering of all paragraphs:
  - permitted when specification is in paper form, § 1.52(b)
  - not necessary with EFW, will go to substitute spec.

- Adding or deleting a paragraph will not require renumbering of other paragraphs
### Amendment by Replacement

**Paragraphs/Claims, or Sections, § 1.121 (cont’d).**

- Deletion of entire paragraph/claim by instruction permitted
- If paragraphs in specification are not numbered, amendment by substitute specification or section (if labeled) would be required
- Addition/Deletion of specific words or sentences would not be permitted
- Office considered but did not propose the making of amendments by:
  - replacement pages (like PCT)
Revivals, § 1.137(c)

For utility and plant applications filed prior to June 8, 1995, the period to be disclaimed:

- no longer has to be the entire period of abandonment
- but only the period extending beyond 20 years from earliest filing date:
  - if this is a lesser period than the period of abandonment.

- Terminal disclaimers not needed in pre June 8, 1995 applications (except designs) when revival sought solely for copendency with post June 8, 1995 applications
Elimination of provisions relating to integral nature of indicia disclosed in drawings or photographs, § 1.152(b)

- Creation of expedited treatment (§ 1.155) if:
  - submission of request with $900 fee (estimated)
  - preliminary search performed
  - statement given as to where search was made
  - IDS submitted
  - formal drawings in compliance with § 1.84
Reissues, §§ 1.173, 1.176, 1.177

😊 No transfer of dwgs from patent, § 1.173
- Statement of support for changes made to claims on filing now required, § 1.173(c)
- Permit restriction between original patent claims and claims added toward previously unclaimed subject matter, § 1.176(a)
- Eliminates requirements for independent and distinct parts, and simultaneous issuance of divisional reissues, § 1.177
- Multiple reissues must be x-refer’d, § 1.177
Eliminate Pre-authorization of Payment of the Issue Fee, § 1.311

Only allow authorizations to charge the issue fee to a deposit account in reply to the Notice of Allowance and Issue Fee Due (PTOL-85)

- PTO still waits for return of form PTOL-85(B):
  - for certain data to be printed on patent (e.g., assignee) as well as maintenance fee address

- Thus, pre-authorization to charge the issue fee is of no benefit to Office
Eliminate Pre-authorization Payment of the Issue Fee, § 1.311 (cont’d).

- Delay in issue fee payment is sometimes beneficial as it gives applicant time to:
  - submit a § 1.312(a) amendment
  - submit a § 1.97 IDS
  - file a CPA
  - make business decisions:
    - reevaluating the scope of protection
    - deciding whether to pay the issue fee
- Can have quick issuance of patent if PTOL-85(B) is promptly returned with the issue fee
Amendments After Issue Fee Paid, 
§ 1.312(b)

In view of the recently instituted fast patent publication process (in 4 not 16 weeks from payment of issue fee)(see also slides 18, 26, and 40), amendments after the issue fee has been paid must include:

- a petition to withdraw application from issue!
- an unequivocal statement that at least one claim is unpatentable
- an explanation how amendment is necessary to render claim patentable
- see 1221 OG 14 (April 6, 1999)
Reexams, § 1.550(c)(2), Assignments, § 3.81(b)

😊 In a reexam, an untimely response may be accepted if a petition to accept the response, the petition fee per § 1.17(h), and a statement of unintentional delay are filed w/i 6 mos. of mail date of office action.

😊 No longer can provide an assignment after the date the issue fee is paid in view of faster patent printing. (See also slides 18, 26, and 39)
Thank You