

May 8, 2013

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Office of Patent Examination Policy  
Mail Stop Comments-Patents  
Commissioner for Patents  
PO Box 1450  
Alexandria, VA 22313-1450

**Re: COMMENTS ON PROPOSED USPTO RULE CHANGES TO IMPLEMENT  
THE PLT**

Dear M. Bahr:

The USPTO proposed rule changes to implement the Patent Law Treaty are intended to address the passage of the PLT together with the Patent Law Treaty Implementation Act of 2012 (PLTIA) Title II. However, both the PLTIA and the proposed rule changes, go well beyond just implementation of the Patent Law Treaty.

## **I. PLTIA (TITLE II)**

### **A. Background**

The Patent Law Treaty was ratified by the US Senate many years ago. At that time, the USPTO had prepared a proposed set of statute revisions to implement the PLT. While those proposed changes were sent to the leadership of Congress, they were never actually submitted to Congress itself.

Prior to the USPTO preparing those proposed statute changes, the CAFC in 2008 (Aristocrat case mentioned on pg. 21797 of the proposed rules, right-hand column, at the bottom), addressed an issue concerning a language inconsistency in our current statute specifying unavoidable revival in certain sections and unintentional revival in other sections. Aristocrat challenged the USPTO's right to revive an application based upon the unintentional standard. The CAFC sidestepped the issue, indicating that regardless of whether USPTO had the legal right, such could not be used as a defense in the courts. Thus, the issue became mute. However, as the PLT required patent offices to provide a standard for restoration and revival, the USPTO at that time used the opportunity and inserted in their proposed statute changes, uniform language

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making both the unintentional and unavoidable standards available in all cases. However, that proposed legislation never reached Congress.

Over the years, the USPTO continued to indicate that they would get back to the PLT implementing legislation. During this time, they did indicate that in connection with the restoration of the right of priority in PCT applications, the US would only provide for unintentional revival and would not provide for the ability to revive based upon due care (unavoidable standard). However when the USPTO finally submitted the PLTIA to Congress in the Fall of 2012, they went so far as to completely eliminate the unavoidable revival standard for the entire US patent system. This was not required by the PLT.

It is quite surprising that when the PLTIA was submitted to Congress in the Fall of 2012, none of the Bar Association, nor others, appear to have objected to the complete elimination of the unavoidable standard. What is even more surprising is that the USPTO took it upon themselves to propose such elimination without previously consulting the Bar Associations, nor providing any justification as to why they were eliminating such unavoidable standard. There were no statistics published as to the extent of use or nonuse of the unavoidable standard, nor any information concerning the effect on users of the elimination of this standard. Nevertheless, as such legislation has been passed by Congress, presently the unavoidable standard no longer exists.

#### **B. Effect of Elimination of Unavoidable Revival Standard**

The effect upon PCT filings is that if an applicant has missed the 12 month priority date and desires to file a PCT application within the 2 month restoration period thereafter, should he use the RO/US, he will only be able to obtain restoration under the unintentional standard, which is not widely accepted in the rest of the world. Should the applicant believe that he has reasonable cause to reach the due care standard (unavoidable), he will have the option of filing his application in RO/IB, or upon entry into the national phase in any particular country submit his evidence at that time to support his claim for restoration under the due care standard of that country.

For any US application that goes abandoned for any reason, there is only the unintentional standard which requires the payment of \$1700 (large entity) and \$850 (small entity) and no reduction yet for micro entities.

It must be noted that PLTIA increased the situations in which abandonment occurs and revival under the unintentional standard will now have to be requested. In addition to abandonment for failure to respond to an office action, failure to respond to the payment of the issue fee, failure to respond in a reexamination proceeding and failure to pay a maintenance fee after the 6 month

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grace period, PLTIA now requires revival for failure to claim a foreign priority under 35 USC 119(a-d), failure to claim a provisional priority under 35 USC 119(e), and failure to claim a continuation priority under 35 USC 120. All these now are abandonments requiring revival under the unintentional standard.

### **C. Replacement of Unavoidable Revival**

The PLTIA changes to 35 USC 41 (A)(a)(7) relating to revival fees, now only identifies the \$1700 revival fee. Of interest is that it adds “The Director may refund any part of the fee specified in this paragraph, in exceptional circumstances as determined by the Director.”

Thus, effectively PLTIA has reversed the process with respect to an applicant believing he can meet the unavoidable standard. Instead of submitting his request for unavoidable delay and paying a low fee (the old law), he now must request revival and payment for unintentional delay (\$1700) and then the burden is on the applicant to request a refund based upon his exceptional circumstances. The PLTIA has thus replaced the “unavoidable” standard with an “exceptional circumstances” standard.

Unfortunately, neither the legislation nor the current proposed rules to implement the PLT/PLTIA even address the issue of what kind of “exceptions” will be accepted, how is this exception request submitted, what kind of refund will be given, etc.

### **D. Language of Restoration**

It is believed another unfortunate issue relating to the PLTIA concerns the language used for the restoration procedure. The PLT itself refers to the “restoration” of priority right or “reinstatement” of rights. During the discussions of the PLT at WIPO, there was great criticism against the PLT in that it was “extending” the Paris Convention from 12 months to 14 months. The argument presented at that time to accept the PLT was that the PLT was not “extending” the Paris Convention by an additional 2 months, but was rather “reinstating” or “restoring” the original 12 month priority claim.

While the current USPTO proposed Rules to implement the PLT/PLTIA uses the language of “restoration”, unfortunately, the PLTIA legislation that was passed by Congress actually recites “extending by an additional 2 months” the 12 month Paris Convention date. Such language of “extending by an additional 2 months” is used throughout the PLTIA and is very unfortunate language introduced into our statute when the history of PLT is clear that PLT does not “extend” the 12 month period. Perhaps the PLTIA legislation is in conflict with the Paris Convention?

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## **II. PROPOSED RULES BY USPTO TO IMPLEMENT THE PLT AND PLTIA**

### **A. Comments on PLT/PLTIA Proposed Rule Changes**

#### **1. Certified Copies**

In the existing rules, when claiming a foreign priority, Rule 1.55 requires that the claim for priority be submitted within a 4/16 month deadline. However, the certified copy of the application need only be submitted before paying the issue fee. In the proposed rule changes for 1.55, it now requires the certified copy also within 4/16 month limit, otherwise a petition and fee is required.

Furthermore, the proposed rules extend this requirement of a certified copy by 4/16 months in connection with proposed rule 1.57 relating to the new PLT procedure of “filing by reference” where the application is filed by reference to a foreign application. Here again the actual certified copy is required by 4/16 months otherwise a petition and fee must be filed.

To hold the applicant responsible for certified copies is impractical when it is a foreign country that must provide the certified copy and the applicant can do little about it.

The provision in rule 1.55(i) for an “interim copy” which can be accepted in the absence of a certified copy, does not adequately address the situation of a foreign country which does not provide certified copies within the required time limits and there is little that the applicant can do about it.

Either “interim copies” should be extended to permit the applicant to file a temporary paper copy of the foreign application without certification, so long as he provides the certified copy by the issue date, or the requirement of certified copies being submitted within a fixed period of time should be removed entirely from all these sections.

#### **2. Exceptional Circumstances**

The proposed rules do not address the complete language introduced by PLTIA in section 41 (A)(a)(7) relating to revival fees. That section establishes a single revival fee of \$1700 but permits refunds in exceptional circumstances as determined by the Director.

It is believed that this exceptional circumstances was intended to provide the reverse equivalent of the unavoidable standard, where under the old law the applicant requested the unavoidable

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standard and now under the new law he must request the unintentional standard but can provide exceptional circumstances for a refund.

Unfortunately, the proposed rules do not even address this exceptional circumstance standard. It is suggested rules be provided for a standard of submission, a petition form, etc., to put into effect this ability for applicants to effectively achieve the old unavoidable standard. Also, it should establish a fixed refund if applicants then meet that exceptional standard.

It would also be suggested that perhaps the rules could indicate that if an applicant achieves the “exceptional” standard, that in response the USPTO provide the refund and at the same time indicate that having met such exceptional standard, they have effectively established a Due Care level. If the rules could establish that this exceptional standard equals a Due Care standard, applicants might then be able to utilize that as evidence for other countries that they have met a Due Care standard in connection with restoration of their rights under PCT.

### 3. Fees

The fee set for revival (only one standard of unintentional) is \$1700/\$850. This is a decrease from the previous fees for unintentional abandonment.

As the petition for revival (unintentional) is now applied to payment of maintenance fees after the grace period, the rules point out correctly, that since they no longer require the payment of both the petition fee and the surcharge fee, revival of maintenance payments after the 6 month grace period is cheaper under the new rules than under the old rules.

However, the rules fail to point out that now, failure to provide claims for priority (as well as certified copy) by the 4/16 month deadline is considered abandonment and a revival fee of \$1700/\$850 is now required. This compares to the fees previously set forth in section 37 CFR 1.17(t) of \$1420/\$710. That is quite a sizeable increase.

## **B. Comments on Areas Going Beyond PLT/PLTIA**

Many of the proposed rule changes go beyond implementing PLT/PLTIA. For example:

### 1. Oath/Declaration

The AIA permitted filing of an oath/declaration until the Notice of Allowance. Unfortunately, an applicant never knows when a Notice of Allowance will be coming and therefore has no way of knowing when will be the last day by which he can submit the oath/declaration. Accordingly, after AIA, the USPTO introduced the issuance of a “Notice of Allowability” which would be

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sent in those cases where the case was ready for a Notice of Allowance but no oath/declaration was yet submitted by the applicant. This gave the applicant a short window of time in which to submit the oath/declaration, after which the Notice of Allowance would be sent.

The Technical Corrections Bill of the AIA, corrected the AIA so that now the oath/declaration is to be submitted before payment of the issue fee. As a result, there is no longer the extra needed Notice of Allowability since the applicant can now receive the Notice of Allowance and thereafter submit the oath/declaration before paying the issue fee.

The proposed rules therefore indicate that where the oath/declaration has not been submitted, the Notice of Allowability will be sent together with the Notice of Allowance and will indicate simply that the oath/declaration is missing but can be submitted until the payment of the issue fee.

This is discussed in proposed Rule 1.495 and I believe is acceptable without any comments.

## 2. Patent Term Adjustment

The proposed rules will require that an application be in condition for examination within 8 months of the filing, or commencement of the national stage for PCT applications (proposed rule 1.704).

While I am sympathetic to this request, one of the items defined in proposed rule 1.704(f), as a requirement for being in “condition for examination”, is the submission of “any certified copy of the previously filed application”.

Obtaining a certified copy from certain foreign patent offices is a very difficult and timely procedure. While in most cases 8 months may be sufficient, to force an applicant to lose patent term adjustment time when providing the certified copy is out of his control, seems inequitable and punitive.

It is therefore suggested that either the requirement for the submission of the certified copy by 8 months be entirely removed, or at the minimum, an “interim copy” procedure be introduced. (Note however, that the “interim copy” provisions currently existing rule in 1.55 are inadequate and should itself be modified as well, as previously discussed.)

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### III. UNITY OF INVENTION

For years all the Bar Associations have been requesting that US move from restriction practice to unity of invention practice. Despite the many promises from the USPTO, they have not yet addressed this issue.

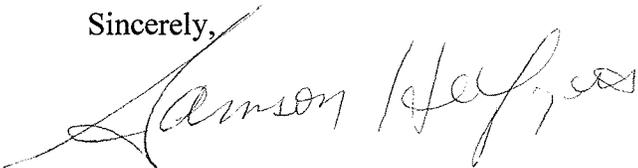
In the proposed rules, USPTO indicates that because of its inability to change to a unity of invention standard, they were forced to take a reservation with respect to Article 6(1) of the PLT. USPTO recognizes that US stake holders would prefer the unity of invention rule and indicates it is in the process of studying the necessary changes to meet such standard.

It is believed that the change to a unity standard is urgent for procedural harmonization.

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The comments are those of the writer and do not necessarily reflect the comments of the entire firm.

Sincerely,



Samson Helfgott

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