

# AIPLA

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AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION

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January 26, 2004

The Honorable Jon Dudas  
Acting Under Secretary of Commerce for Intellectual Property and  
Acting Director of the United States Patent and Trademark Office  
2121 Crystal Drive  
Crystal Park II  
Suite 906  
Arlington, VA 22202

Notice of Proposed Rulemaking  
Rules of Practice Before The Board of Patent Appeals and Interferences  
68 Federal Register 66648 (November 26, 2003)

Dear Mr. Under Secretary:

The American Intellectual Property Law Association (AIPLA) appreciates the opportunity to offer comments on the rule and practice changes proposed by the United States Patent and Trademark Office (PTO) in the subject notice.

AIPLA is a national bar association whose more than 15,000 members are primarily lawyers in private and corporate practice, in government service, and in the academic community. The AIPLA represents a wide and diverse spectrum of individuals, companies and institutions involved directly or indirectly in the practice of patent, trademark, copyright, and unfair competition law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

AIPLA appreciates the efforts of the PTO to significantly overhaul the operations of the Board of Patent Appeals and Interferences (Board) to address concerns about the duration of proceedings before the Board. To this end, AIPLA supports the improvements which include providing a sufficient number of administrative patent judges to maintain pendencies at the Board at low levels, continuing outreach programs to educate the public and examiners about Board operations, and continuing to

restructure Board operations to make proceedings more consistent, effective, and efficient for all parties involved in such proceedings.

AIPLA believes that many of the proposals in the subject rulemaking contain positive suggestions for changes in practice before the Board that will contribute to achieving the goal of securing a just, speedy, and inexpensive resolution of every proceeding before the Board. (Proposed § 41.1(b)).

However, as a preliminary matter AIPLA and its members are concerned that our opportunity for thorough evaluation of the proposal has been compromised by the timing for release of this proposed rulemaking, in conjunction with the 60 day period set for comments, that included both the Thanksgiving and end-of-December holidays, together with four other PTO notices of either practice changes or proposed rules on which the PTO seeks comments. It is unrealistic to expect that individual patent practitioners, small organizations, and even large associations like AIPLA can give complete and thorough consideration to significant proposals issued under these circumstances. Accordingly, AIPLA believes that the period for comments should be extended to provide for a more reasonable opportunity for practitioners and organizations to fully consider and comment on the proposed rules.

Subject to the foregoing, AIPLA provides the following comments and suggestions, and requests that they be considered relative to the rule and practice changes described in the notice.

### **GENERAL PROVISIONS AND PART 41 – Subparts A-C**

Before commenting on individual sections, AIPLA believes that at least part of the organization of new Part 41 is both confusing and misleading. Specifically, under proposed § 41.1(a), the scope of Part 41 is intended to govern proceedings before the Board of Patent Appeals and Interferences. Yet many of the sections in Subparts A and B relate to activities and procedures that take place before jurisdiction of the proceeding passes to the Board. See proposed § 41.35.

It is suggested that Part 41 be limited to activities, policies and practices that apply to proceedings for which jurisdiction has clearly passed to the Board. Accordingly, such proposals as

- the appeal fees in proposed § 41.20,
- requirements for notice of appeal in proposed § 41.31,
- amendments, affidavits or other evidence filed after appeal but before jurisdiction passes to the Board covered in proposed § 41.33,

- filing of the appeal brief under proposed § 41.37, the examiner's answer under proposed § 41.39, reply brief in proposed § 41.41, examiner's response to reply brief in proposed § 41.43, and requests for oral hearing set forth in proposed § 41.47

should all be removed from proposed Part 41 and retained with the regulations that govern practices and procedures before the patent examining groups.

The List of Subjects should contain a reference to 37 C.F.R. Part 10.

AIPLA considers that the proposal to amend Rule 14(e) to eliminate references to Board actions is both unnecessary and a mistake. Public access to Board actions is a matter of public policy that should be decided by the Director, not the Board or panel that issued the decision that may no longer have jurisdiction over the file. Proposed § 41.6 should be deleted and its provisions returned to an appropriate location in Rule 14 that governs access to files and information about those files.

As noted above, AIPLA supports the return of the information concerning appeal fees to Rule 17 from proposed § 41.20. The isolation of appeal fees in proposed § 41.20 is unnecessary, inappropriate in that these fees are paid before jurisdiction of an appeal passes to the Board, and likely to cause confusion among practitioners, their support staff, and PTO staff.

The AIPLA strongly opposes the proposed amendments to Rule 116 and the provisions in proposed § 41.33. The proposed amendments to Rule 116 would retain current practice for consideration of amendments, affidavits, and other evidence filed after a final rejection or other final action, but would unnecessarily limit this practice to papers filed before or with any appeal. The current policy and practice of at least providing discretion to the examiner to enter amendments, affidavits, or other evidence upon a showing of good and sufficient reasons why the amendment or evidence is necessary and was not earlier presented has served both applicants and the PTO well and has facilitated the just, speedy, and inexpensive resolution of many issues that either put the application in condition for allowance or in better form for appeal. Since the PTO retains discretion over what amendments or evidence can be entered after a final rejection or other final action, we can see no good reason to alter this policy and practice throughout the remaining pendency of the application or reexamination proceeding.

In conjunction with the comments on amendments proposed to Rule 116, AIPLA strongly opposes the unnecessarily restrictive provisions of proposed § 41.33. This section would impose highly restrictive limitations on the admittance of amendments, affidavits, or other evidence submitted to the PTO after the date the proceeding has been appealed. As we understand these proposals, once a notice of appeal is filed in

the proceeding, and the application and examination are still before the patent examiner, only those amendments that (1) cancel claims, where such cancellation does not affect the scope of any other pending claim in the proceeding, (2) rewrite dependent claims into independent form, or (3) are filed in response to a new ground of rejection or the reopening of prosecution would be permitted. We believe this unwisely disregards existing practices and procedures that assist both applicants and the PTO in reaching a just, speedy, and inexpensive conclusion to a proceeding.

A notice of appeal (\$330 fee) is often filed either by itself or in conjunction with a reply to the final Office action rather than a two month request for an extension of time (\$420 fee). Filing a notice of appeal with a reply to a final Office action also avoids the accumulation of reduction in patent term adjustment if further action by applicant is necessary. In either of these cases, the examiner has not yet considered the reply after a final Office action and many times will suggest that the claims can be put in condition for allowance or issues on appeal can be reduced or that claims can be put in better condition for appeal by the entry of certain amendments. The proposed restrictions on amendments and evidence after appeal would preclude submission and entry of these types of amendments that occur every day under present practice. While it is recognized that entry of these amendments even under the proposed procedure could be obtained by filing a Request for Continued Examination (RCE) under Rule 114 or by filing a continuing application, this simply adds unnecessary steps, costs and delays in the examination process, could have adverse term adjustment consequences, and most certainly would not contribute to a just, speedy, and inexpensive disposition of the proceeding.

Another example where amendments after a notice of appeal may be desirable to place the application in condition for allowance is where the examiner, after considering the reply after final, determines that certain product claims are allowable. In appropriate circumstances, claims directed to a process of making or using that product could be rejoined with the allowable product claims so long as the process claims depend from or otherwise include all the limitations of the patentable product. MPEP 821.04, 8<sup>th</sup> Ed. (August 2001). If applicant has not amended the withdrawn process claims during prosecution, a simple amendment to the process claims to correspond to the allowable product claim should be entered, particularly where there are no issues of utility or compliance with 35 U.S.C. § 112. Another situation that may give rise to making an amendment after a notice of appeal is filed involves the Office practice of conducting an appeals conference after an appeal brief has been filed. It is our understanding that more than half of such appeals do not go forward. While not all of the applications in which the appeal does not go forward will require an amendment without reopening prosecution, we believe it is inefficient and unfair to preclude this possibility to put the application in condition for allowance.

Significant confusion would be created in the proposals in Rule 136 and proposed §§ 41 regarding extensions of time and the consideration of papers that are filed after the period for reply or for taking further action has expired. Rule 136(a), dealing with extensions of time for the payment of a fee continues to make reference to the time for filing a reply brief, requesting an oral hearing, or replying to a decision by the Board. While a specific reference to the Board rules has been removed from proposed Rule 136(b), there appears to be nothing in that revised section that would preclude requesting an extension of time for “sufficient cause” and for a reasonable time specified when extensions of time under Rule 136(a) are not available. Indeed, proposed §§ 41.37(g) and 41.50(f) explicitly indicate that extensions of time under Rule 136(b) are available in some circumstances. Proposed § 41.4 indicates that extensions of time will be granted only for a showing of “good cause” except as otherwise provided by rule. It is not understood why a standard of “good cause” is proposed in proposed § 41.4 when Rule 136(b) permits the grant of extensions for a specified period of time for “sufficient cause.” Further, while it is recognized that several of the provisions in proposed Part 41 do contain explicit references to Rule 136, the relationship between Rule 136 and the provisions of proposed § 41.4 is not clear. A clarification is needed regarding the proposed extension of time policy and practice.

The proposed extension of time practice is particularly confusing when considered in conjunction with proposed § 41.4(b) that indicates that late filings “will not be considered absent a showing of excusable neglect or a Board determination that consideration on the merits would be in the interest of justice.” Under current practice, when a notice of appeal or appeal brief is filed late, an applicant has the option of petitioning to revive that application under Rule 137 by showing that the delay in filing an appropriate paper or fee was unavoidable or unintentional. It is not clear from the proposed § 41.4(b) whether the provisions of Rule 137 will be available for late filings of papers and fees after a notice of appeal is filed, or in what circumstances they will be available. Since papers, like a notice of appeal and an appeal brief, are filed and processed in the patent examining groups before a proceeding passes to the jurisdiction of the Board, it seems both unnecessary and undesirable to change the current standards for relief now available to applicants under Rule 137, particularly in those matters that occur before the proceeding passes to the jurisdiction of the Board. If it is decided to retain this complex array of extension of time provisions, it is requested that each Board decision or action explicitly identify which extension of time provisions, if any, is available to applicants for taking further action.

Proposed Rules 322 – 323 state that an applicant, when filing a Request for Certificate of Correction, must comply with the requirements of the respective proposed rules and be accompanied by a motion under proposed § 41.121(a)(2) when a patent is involved in an interference. Proposed § 41.121(a)(2) defines only responsive motions to amend, add, or cancel a claim, to change inventorship, or otherwise cure a defect identified in a substantive motion. Under certain circumstances, however, a patentee

may want to correct a patent prior to the date for filing responsive motions. Thus, it is believed that proposed rules 322 and 323 should be amended to refer to proposed § 41.121(a) rather than proposed § 41.121(a)(2).

There appears to be a possible overlap between proposed Rule 324(d) and in proposed Rule 324(c) regarding correction of inventorship in a contested case before the Board. Clarification is requested.

Proposed Rule 565(e) states that if a patent in the process of an ex parte reexamination is or becomes involved in an interference, the Director may suspend the reexamination or the interference. While the court acknowledged in *Ethicon v. Quigg*, 849 F.2d 1422, 7 USPQ2d 1152 (Fed. Cir. 1988) the PTO's authority to conduct orderly proceedings within the PTO so long as the statute is not violated, it did hold that a suspension of a reexamination proceeding violated the statutory requirement for processing with special dispatch. Accordingly, it is suggested that proposed Rule 565(e) reflect that the Director may suspend an interference proceeding and/or take such action with respect to the reexamination to insure orderly proceedings within the Office.

The definition of "Board of Patent Appeals and Interferences" in proposed § 41.2 stating "(1) For a final Board:" is confusing. Should this refer to "a final Board action"? Clarification is requested.

Proposed § 41.2(2) defines "Board of Patent Appeals and Interferences" to mean a Board member or employee acting with the authority of the Board for non-final actions, appears inconsistent with the approach taken by the PTO in its Notice of Proposed Rulemaking Regarding Revision of Patent Term Extension/Adjustment. 68 Fed. Reg. 67818 (December 4, 2003). In the latter Notice, a proposed distinction was drawn between a panel remand and an administrative remand. Consistent with the definitions in proposed § 41.2(2) regarding the definition of the "Board of Patent Appeals and Interferences", AIPLA supports the view that there is no distinction when it comes to eligibility for patent term extension/adjustment between a panel or an administrative remand - both are actions by the Board.

Proposed § 41.3 regarding petitions appears inconsistent with Rule 181 regarding petitions seeking supervisory review. The inconsistency relates to the time for taking action and could cause confusion and perhaps loss of an opportunity to seek supervisory review of an action taken by a PTO official. For example, if an examiner introduces a new ground of rejection into a examiner's answer, but does not indicate that it is a new ground of rejection, is appellant required to file a petition within 14 days of the examiner's answer under proposed § 41.3(e)(1)(i), or can a petition be filed within two months of the mailing date of the examiner's answer in accordance with Rule 181(f)? While there may be a justifiable reason for these different time periods for seeking supervisory review, the regulations need to clearly set forth the appropriate

mechanism and time deadlines for filing a petition. Apparently inconsistent provisions will cause confusion, are an unnecessary trap for practitioners, and should be avoided.

The provisions of proposed § 41.3(e)(2) indicate that a party may not file an opposition or a reply to a petition without Board authorization. It is not clear whether this applies only to contested cases or whether it applies to ex parte appeals and particularly situations where the jurisdiction of the proceeding has not yet passed to the Board. Again, we do not see a reason for the Board to become involved in any proceeding before jurisdiction passes to it. Revision and clarification of this proposed provision is desirable.

Proposed § 41.7 states that the Board may expunge any paper that is not authorized under this Part or in a Board order, or that is filed contrary to a Board order. While such authority may be appropriate in contested cases that occur exclusively before the Board, we are concerned that the proposed rule appears to include any paper in an application or reexamination file. For example, there appears to be no exception from this proposal under proposed Part 41 that would address an inventor's declaration, a declaration filed under Rule 132 before final action, or even a supplemental amendment filed before a notice of appeal. Further, expunging evidence, as distinguishing from simply not considering it, could potentially deprive an applicant of a complete record for court review. What if the expungement is improper? Will the PTO leave enough information in the record to make it absolutely clear what was offered and expunged so that the issue can be raised on appeal? What will be the impact of the Board's exercise of this broad authority in actions under 35 U.S.C. §§ 145 and 146 that require new evidence to be related to issues raised? If the record is expunged, it is possible that it will affect the ability to put in evidence even though the issue was in fact raised.

A related concern is that to the extent that the proposal in § 41.7 would cut off opportunities to introduce evidence in opposition to ex parte rejections, the more likely it becomes that a party may be pushed into an action under 35 U.S.C. § 145, which is an inefficient and costly way to introduce new evidence, rather than a Federal Circuit appeal. Of course, it is recognized that applicants have an opportunity to continue prosecution in a continuing application or by filing a request for continued examination, but there are circumstances where these options are not desirable, and, in general, it would be better if the Board decided a case on all of the evidence available up to the time of briefing. Accordingly, AIPLA believes that proposed § 41.7(a) is too broad and may deter, rather than facilitate, a just, speedy, and inexpensive resolution of issues in a proceeding.

Proposed § 41.8 would place an unnecessary burden on a party to a proceeding before the Board, particularly in ex parte appeals, regarding mandatory notices to the Board. Proposed § 41.8 retains the current requirement, pertaining to ex parte appeals,

of identifying the real party-in-interest in the appeal brief, but would add the additional requirement of notifying the Board of any change within 20 days of its occurrence during the proceeding. This short time period is unrealistic and unnecessary, particularly for an appeal that may lie idle at the Board for extended periods. If this information is essential, the Board should consider sending a request for updated information at the time the case is taken up for action or when the oral hearing date is set.

The current provisions of Rule 192(c)(2) require the appeal brief to identify all the appeals and interferences that will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal. Proposed § 41.8 would require the appeal brief to identify each judicial or administrative proceeding that could affect, or be affected by the Board proceeding, and require notice to the Board within 20 days of any change during the proceeding. First, it is unclear what is intended by "judicial or administrative proceeding." Does this cover any pending application, whether on appeal or in interference? Does this cover any case decided by the Federal Circuit related to an issue on appeal – e.g., obviousness? Second, the proposed time frame of 20 days as noted above is unnecessary and unfair to applicants, particularly in light of the statement (68 Fed. Reg. at 66651) that "Failure to provide a timely mandatory notice under proposed § 41.8 might result in sanctions including disqualification of counsel and adverse judgment." This requirement should be clarified and revised.

Proposed §§ 41.35(c) and 41.50(a)(1) provide for remand of an application to the examiner. While we do not quarrel with this authority of the Board, we would urge the Board to exercise it in a manner that takes into appropriate account the possible patent term extension/adjustment consequences of a remand that is tantamount to a reversal of the rejections of at least one claim in an appeal. The PTO attempted to address this issue in its Notice of Proposed Rulemaking published December 4, 2003, but for the reasons stated in AIPLA's comments on this proposal submitted January 2, 2004, we believe that proposal to be possibly ineffective and most certainly incomplete. In taking actions to dispose of appeals, the Board needs to be aware of and take into appropriate account the possible implications of its actions on eligibility for patent term extension/adjustment and seek to avoid taking action that would possibly deny some applicants potentially very valuable rights under § 154(b). For example, the Board should not remand an appeal to the examiner when the examiner has failed to establish a *prima facie* case of unpatentability, but reverse the rejection(s) and permit the examiner to take appropriate action when the file is returned to the jurisdiction of the examining group. This would entitle applicant to patent term extension/adjustment because of a successful appeal that may otherwise be denied if a remand occurred.

Proposed § 41.37(c)(1)(v) would require a concise explanation of the subject matter defined in each independent claim involved in the appeal which shall refer to the specification and to the drawing, if any, by reference characters. This requirement is unclear and could represent an unnecessarily onerous burden on the appellant that



would not contribute to the Board's consideration of the issues on appeal. What is a concise explanation? What is required? Does the explanation have to show how each claim is different? It is not clear whether this requirement would apply to all drawings and embodiments, or only a representative drawing. AIPLA is concerned that this requirement will add unnecessary complexity that will frustrate the objective of a speedy and just resolution, and instead will simply provide yet another basis for an examiner to reject the brief on formal grounds, thereby delaying in an undesirable way consideration on the merits? One of the reasons the PTO deleted (in 1992) a similar requirement related to all documents submitted in an IDS was that these "concise explanation" descriptions rarely communicated any useful information or improved the quality of examination, yet represented a significant burden on applicants and created further opportunities for those who wanted to attack the patent on the ground of inequitable conduct. This requirement should be reconsidered and either dropped or, at least clarified.

Proposed § 41.37(c)(1)(v) also would require that each claim involved in the appeal, every means plus function and step plus function limitation permitted by § 112, sixth paragraph, be identified and the structure, material, or acts described in the specification as corresponding to each claimed function be set forth with reference to the specification by page and line number, and to the drawing, if any, by reference characters. This could represent a substantially onerous and unnecessary burden, particularly when there is no issue on appeal that involves the means or step plus function limitation. In addition, it is not clear whether this requirement would apply to all drawings and embodiments, or only a representative drawing. This burden and requirement is particularly unfortunate and inconsistent with an inexpensive resolution of an appeal proceeding for the majority applications where there is no examiner's answer written in response to the appeal brief. In addition, it may not be entirely clear whether a limitation falls within the scope of § 112, sixth paragraph, and whether the PTO will interpret any claim or limitation that is not addressed in the manner required in proposed § 41.37(c)(1)(v) as falling outside the scope of § 112, sixth paragraph. A similar proposal was also raised but ultimately dropped from the PTO's 21<sup>st</sup> Century Strategic Plan.<sup>1</sup> AIPLA strongly urges that his requirement should be reconsidered and

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<sup>1</sup> The PTO proposed at one point a concept titled "More Precise Disclosures," which had as its object "clearly defining what elements correspond to a means plus function recitation, what specific, substantial and credible utility supports the claims, what embodiment(s) support a limitation written as a characteristic etc." AIPLA also strongly opposed this concept then, noting that "The current statute and *Examination Guidelines* provide in our view an adequate framework from which to undertake substantive determination of patentability once the relevant prior art is at hand. It is at that stage that issue can be more effectively joined as to whether a functional limitation is "met" by the art (e.g., whether the art exhibits "identity" of the claimed function). The examiner need not spend inordinate time struggling with claim interpretation issues to do that. If the examiner believes there is "identity" of function, under the *Guidelines* the burden can be shifted by asserting that the art is "equivalent" and the applicant can then either contest that assertion by specifically identifying the "corresponding" structure or acts" and arguing why they are not  
(continued...)

dropped from the currently proposed rules, or at the very least the rule should be clarified and revised to address only those circumstances where the scope of a means or step plus function limitation is an issue in the appeal.

We are concerned about the provision in § 41.37(c)(1)(vii) to the effect that the failure of appellant to separately argue claims which appellant has grouped together shall constitute a waiver of any argument that the Board must consider the patentability of any grouped claim separately. Our concern arises from the impact that such a waiver would have on the ultimate presumption of validity of each claim in an issued patent under 35 U.S.C. § 282. The current provisions of Rule 192(c)(7) describe only the manner in which the Board will address a ground of rejection applicable to multiple claims, and does not contain any waiver provision. AIPLA considers that the proposed waiver provision is unnecessary and possibly damaging to the statutory presumption of validity of each claim in an issued patent.

Regarding the proposed claim(s), evidence, and related proceedings appendices of proposed § 41.37(c)(viii-x), clarification is required as to whether an appendix is necessary at all when no evidence or related proceedings exist, or whether an appendix should be included with the indication “none.” Once the final regulations are adopted, it would be useful to have an example of a format and content for an appeal brief that would comply with the new regulations published with the notice of final rulemaking and ultimately incorporated into the Manual of Patent Examining Procedure.

Is the requirement in proposed § 41.37(c)(1)(ix) requiring an evidence appendix containing copies of any evidence submitted to the examiner and relied upon by the appellant in the appeal inconsistent with the provision in proposed § 41.7(b) that precludes a party from filing a paper previously filed in the same Board proceeding without Board authorization?

Proposed § 41.39(a)(2) would reintroduce the authority to add a new ground of rejection in the examiner’s answer. While we recognize that there may be circumstances where this practice is desirable to resolve the proceeding in a just, speedy, and inexpensive manner, these circumstances should be infrequent, particularly since the Office believes the prosecution of an application should occur before the examiner prior to an appeal being filed. In addition, when it is necessary or desirable to include a new ground of rejection in the examiner’s answer, the appellant

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“equivalent” to the asserted art (and hence rebut anticipation/obviousness in that fashion) or may choose to narrow the function to avoid “identity” or change the claim limitation altogether to one that is non-functional.” AIPLA Task Force On Patent Quality – Second Interim Report, April 30, 2002.

should have a full range of prosecution options that are appropriate where the PTO has introduced a new ground of rejection at an advanced stage in the proceeding.

For example, in proposed § 41.39(b)(1), an appellant faced with a new ground of rejection in an examiner's answer may request that prosecution be reopened before the primary examiner. However, this proposed provision also contains the limitation that any amendment or submission of affidavits or other evidence must be relevant to the new ground of rejection. We consider this to be unnecessarily and unduly restrictive since many events may have occurred between the close of prosecution and the introduction of a new ground of rejection that would be desirable to address if prosecution is reopened. For example, consider either new prior art that came to the attention of appellant after the close of prosecution that should be addressed in some manner, or some other problem with the claims (e.g., lack of antecedent basis, typographical errors, desire to improve the clarity of the claims) that would be desirable to address if prosecution had to be reopened. Prosecution would be reopened only because the PTO has introduced a new ground of rejection in the examiner's answer at an advanced stage of the prosecution, and this should not be a basis for limiting the types of amendments or evidence filed by appellants. While we agree that the new ground of rejection must be addressed in some manner, appellants should be free to address other issues in the proceeding at the time of reopening the prosecution.

If a reply brief is filed in response to a new ground of rejection in accordance with proposed § 41.39(b)(2), does the reply brief have to address only the new ground of rejection or all remaining grounds of rejection including those covered in the original appeal brief? It is not clear what is intended by the requirement that the appeal brief "should follow the other requirements of a brief as set forth in § 41.37(c)." Clarification is needed.

Proposed § 41.43(a)(1) provides that after a reply brief is considered and acknowledged by the examiner, the primary examiner may withdraw the final rejection and reopen prosecution or may furnish a supplemental examiner's answer responding to any new issue raised in the reply brief. This proposal reintroduces the option of a supplemental examiner's answer that is presently prohibited. AIPLA is concerned that this new freedom could lead to a repeated exchange between the examiner and appellant that would not promote a just, speedy, or inexpensive resolution of the proceeding. While there may be rare circumstances when such a supplemental examiner's answer is appropriate, we would suggest that the number of supplemental examiner's answers be limited to one unless personally approved by the Commissioner for Patents or one of his deputies.

Under proposed §§ 41.47(e) and 41.52(a), AIPLA believes that an appellant should be able to make an argument not present in the briefs if good cause is shown. The most glaring example of such a situation would be a recent relevant decision by the

Court of Appeals for the Federal Circuit that was decided either after the briefs were filed or after an original decision by the Board. The option to deviate from arguments in the record where good cause is shown is explicitly contained in proposed § 41.37(c)(1)(vii), but is inexplicably omitted from proposed §§ 41.47(e) and 41.52(a). We would urge the USPTO to be consistently tolerant of new arguments where good cause is shown.

Proposed §§ 41.50(a)(2)(i) and (b)(1) do not set any time limits for taking action to reopen prosecution. In the absence of greater clarity and uniformity in the proposed provisions relating to time limit and extension of time practice in Board proceedings, each action and decision of the Board should explicitly set forth the options, time limits, and extension of time practice available for taking further action.

In comparing proposed § 41.39(b) with proposed §§ 41.50(a)(2) and 41.50(d), what is the justification for dismissal of an appeal of all claims (proposed §§ 41.50(a)(2) and 41.50(d)) rather than those that may be subject to a new rejection as in proposed § 41.39(b)? In the absence of a compelling reason to treat these situations in a different manner, we would urge the PTO to adopt the practice that results in the dismissal of the appeal only as to the claims affected by the PTO action.

To the extent that our comments which are explicitly directed to the proposals in Subpart (B) are also applicable to the proposed provisions in Subpart (C), we urge the USPTO to consider that our objections, suggestions, and requests for clarification apply to the proposals in Subpart (C). For example, our concerns with proposed § 41.33 also would apply to proposed § 41.63. While it is recognized that the flexibility of the PTO to consider amendments and evidence after appeal may be different in an inter partes reexam than in an ex parte appeal, there is little justification for eliminating any discretion to consider entry of an amendment or additional evidence after appeal. We encourage the PTO to retain some flexibility in its regulations, recognizing that the patent owner has other options (e.g., reissue and ex parte reexams) to gain entry of amendments and other evidence that may not be as efficient (i.e., speedy and inexpensive) as the examiner exercising discretion in the entry of additional papers in a pending proceeding for resolving issues in the proceeding.

#### **PART 41 – Subpart D – Contested Cases**

Proposed § 41.102 indicates that the Board is not authorized to initiate a contested case prior to completion of any pending reexamination of each involved patent. This rule appears to be too restrictive as the filing or a request for reexamination could cause the delay of a contested case. The proposed rule may allow a potential party in a contested case to prevent or delay initiation of the contested case by initiating reexamination upon receipt of a notice that its claims have been copied. Allowing such action would not promote the just, speedy and inexpensive determination

of the contested case. Thus, it is recommended that this proposed rule be modified to prevent a request for reexamination from delaying a contested case. For example, the rule could be revised to state that no request for reexamination will be considered until after the resolution of an impending contested case. This will prevent any intentional delays in a resolution of issues of the contested case by the filing of a request for reexamination.

Proposed § 41.103 indicates that the Board has jurisdiction over any involved file, and that other proceedings for the involved file within the Office are suspended except as the Board may order. The proposed rule does not, however, indicate when such a suspension will be lifted. Likewise, the proposed rule does not indicate when an applicant must act after the suspension is lifted. As a result, many applicants will not know the timing of further actions to prevent abandonment of an application at the conclusion of a contested case. It is believed that this proposed rule should further provide for written notice to each applicant of a suspended case when the suspension has been lifted and an indication of the action necessary to prevent abandonment of the application. Such further clarification will provide parties to the contested case with certainty as to the timing of necessary actions and prevent abandonment of pending applications in the contested case.

Proposed § 41.105 indicates that an *ex parte* communication about a contested case with a “Board member or a Board employee conducting the proceeding is not permitted.” The definition of “a Board employee conducting the proceeding” is not provided. Further, the proposed rule does not state any exceptions. The commentary suggests that it is not the intent of this proposed rule to preclude, for example, contacting Board paralegals or staff to set up telephone conferences between counsel and a Board member. Thus, it is unclear why the rule precludes discussions with a Board employee. It is recommended that the proposed rule be modified by deleting “or a Board employee” and by identifying the exceptions found in the commentary to the proposed rule. This will make clear what the Board believes is and is not an improper *ex parte* communication.

Proposed § 41.106(e)(4) indicates that the date service is received does not count in computing the time for responding to time deadlines in a contested case. On the other hand, other proposed rules, such as proposed § 41.123, set due dates based upon the date of service of a paper. It is recommended that the proposed rules be reviewed and revised to provide a consistent approach in the rules.

Proposed § 41.106(f)(3) provides requirements for a certificate of service. According to section (i) of the proposed rule, the certificate of service must include the name of “each” paper being served. A listing of each paper served in each certificate of service appears to be unnecessary when a separate certificate of service must be filed

for each paper served. It is recommended that the proposed rule be amended by replacing “each” with “the”.

Proposed § 41.110(b) indicates that a party must provide an annotated copy of claims. Under current interference practice, no estoppel effect is associated with the requirement to provide annotated claims. The proposed rule should not preclude a party from subsequently arguing that the claims mean more or less than that asserted in the annotated claims, particularly in view of the fact that the paper is due early in the contested proceeding. At the time such annotations are due, counsel often have not had an opportunity to speak with those of skill in the art, speak with experts and/or gain sufficient knowledge of the technology. It is recommended that the proposed rule be modified to state that each party must provide a “good faith” annotation. It is also recommended that the proposed rule allow a party to move for modification of the annotated copy of claims upon recognition of the needed modification. Such amendments are believed to be consistent with current interference practice and proposed § 41.120(c).

Proposed § 41.110(c) indicates that any motion to amend a claim or add a “reissue” claim must include an addendum containing a clean set of claims. Parties are required to submit such an addendum when a claim is added to any pending application under current interference practice. It is believed that the term “reissue” should be removed from the proposed rule.

Proposed § 41.121(b) indicates that the party filing a motion has the burden of proof to establish that it is entitled to the requested relief. This proposed rule fails to state the burden to be met. A movant has the burden of proof and must meet that burden by a preponderance of the evidence under current interference practice. It is recommended that the proposed rule be modified to remove questions as to the burden that must be met by stating that the burden of proof is a preponderance of the evidence unless otherwise stated. This will reduce disputes over the burden of proof and help to secure a just, speedy and inexpensive resolution of contested cases.

Proposed § 41.123(b)(2) indicates that an opposition to a miscellaneous motion may not be filed without authorization and sets default times for acting. The default times, 5 and 3 days, are too short and are unnecessary. It will be the rare case when the Board can authorize an opposition and a party can prepare an opposition within five business days of the filing of a miscellaneous motion as currently specified in proposed § 41.123(b)(2)(i). The Administrative Patent Judge will always have the opportunity to set appropriate dates for the filing of such an opposition if authorization for filing is required. It is recommended that the default times be deleted from the proposed rule.

Proposed § 41.124(c) indicates that a party will have 20 minutes to present its oral argument, including any time for rebuttal. This proposed rule, when read in

conjunction with proposed § 41.124(a), could be interpreted to mean that a party will be granted 20 minutes of argument for each request for oral argument. It is recommended that this proposed rule be clarified to state that a party has a total of 20 minutes to present its oral argument, without regard to the number of outstanding requests for oral argument. Additionally, a party should have the opportunity to request additional time to present its argument. Additional time may be needed when a large number of issues have been raised and/or when the issues are particularly complex.

Proposed § 41.124(e) indicates that a transcript of an oral argument may be filed with the Board. It is recommended that this proposed rule be modified to state that the transcript will be made a part of the record upon its filing. It is unclear under the current rules and under the proposed rules whether the transcript is placed in the official record. This can be particularly relevant to the issues that the Federal Circuit and/or district courts will hear on appeal and could clarify what issues were raised during the contested case. This will also provide notice as to the consequence of filing the transcript.

The proposed sections entitled “Termination” and “Sanctions” are both labeled § 41.128. It appears from the commentary that the section entitled “Sanctions” should be renumbered as proposed § 41.129.

Proposed § 1.155 appears to have been incorrectly numbered. It is recommended that this proposed section be renumbered to be consistent with the numbering scheme of Part 41.

Proposed § 1.155(b)(1) indicates that objections to evidence must be submitted within five business days of service of the evidence. We believe this requirement is too inflexible. A party could serve thousands of pages of evidence that would need to be reviewed prior to making such an objection. It is recommended that the proposed rule be revised to allow a party to move to have additional time to object to evidence when the evidence is extensive, and that the filing of such a request automatically provides ten days to file such objections.

#### **PART 41 – Subpart E – Patent Interferences**

Proposed § 41.200(a) indicates that a patent interference is a contested case subject to the procedures set forth in “Subpart C” of this part. Subpart C, however, does not address contested cases. Subpart C addresses *Inter Partes* Appeals to the Board. Subpart D addresses contested cases. It is therefore believed that the proposed rule should be amended to cite to Subpart D.

Proposed § 41.201 provides a definition for “constructive reduction to practice”. This definition requires description and enablement of “an embodiment” within the scope of the interfering subject matter. However, under current practice, description

and enablement of the entire interfering subject matter, a subgenus within the interfering subject matter or a specific species within the interfering subject matter constitutes a constructive reduction to practice. It is recommended that the rule, or commentary to the rule, make clear that this proposed definition does not require a written description of a specific species within the scope of the interfering subject matter. Such amendment or commentary will make the rule consistent with existing interference practice and case law.

Proposed § 41.202(a)(2) indicates that a suggestion for an interference should identify all claims the applicant believes interfere and show how they “should” correspond to one or more counts. The inclusion of the word “should” appears misplaced, and it is recommended that it be deleted.

Proposed § 41.202(b) precludes patentees from suggesting an interference. Thereafter, the proposed rule suggests that a patentee may be able to file a protest. However, current Rule 99 strictly limits submissions within two months of publication of the application to unmarked copies of patents and publications filed without explanation. As a result, it is recommended to delete reference to the ability to file a protest, or to include a citation to current Rule 99.

Proposed § 41.203 provides a definition for interfering subject matter. This definition involves a two-way analysis inquiring whether the subject matter of a claim of one party would, if prior art, anticipate or render obvious the subject matter of a claim of the opposing party and vice versa. While this definition conforms to recent Board and Federal Circuit case law, it is recommended to change the test to a one-way analysis. This will prevent the improper issuance of a genus claim to a party when another party invented a species within the genus prior to the invention of the genus.

Proposed § 41.204(a) defines the requirements of a priority statement. The proposed rule provides that the statement “must include all bases on which the party intends to establish its entitlement to a judgment on priority and must include documentary support for each basis when the documentary support is a unique record under the control of the party or its real party-in-interest.” This proposed rule appears to be a requirement for a party to expose its entire priority case along with a requirement to submit all of its priority proofs. This is contrary to the indication in the commentary that this proposed rule greatly simplifies the formal requirements of current preliminary statement practice. In addition, the rule is confusing as to what is required and should be amended to specifically state the requirements of the filing. To the extent that this proposed rule merely intends to continue certain practices of filing preliminary statements, it is recommended to revise the proposed rule consistent with those practices retained from current Rules 621-629. Clarification of the timing of such statements is also requested.



Proposed § 41.207(d) provides for a presumption that a party has abandoned, suppressed or concealed interfering subject matter if the accorded date of the party's earliest constructive reduction to practice is more than one year after the party's actual reduction to practice. Under current practice, a finding of abandonment, suppression and/or concealment is a legal conclusion based on underlying factual inquiries. The decision is made on a case-by-case basis not simply presumed based upon such a short period of time. To the extent that this provision was intended to change the law so that the presumption conforms to other "statutory" provisions of the law, this change should be made through statute, not rule, particularly since there is no case which presumes abandonment, suppression or concealment based upon a one year period between actual reduction-to-practice and earliest constructive reduction-to-practice. It is recommended that this provision be deleted in its entirety or at a very minimum extended to eighteen months.

Proposed § 41.208(a)(4) provides for seeking judgment on the issue of priority or derivation through motion practice. The timing of such motions is unclear. While the commentary to the rule suggests that there will ordinarily be a second phase in the interference for resolving priority and derivation issues, it is unclear under what circumstances, if any, an Administrative Patent Judge will require the filing of such motions prior to the resolution of either threshold issues or count scope issues. Clearly, a party in an interference should not be required to expend its resources to present a costly priority case when the other party has no standing. Likewise, a party to an interference should not be required to present priority proofs at a time in the interference when the count has not been finally resolved. Clarification is requested.

Proposed § 41.208(c)(4)(ii)(A) requires a party to show in a motion to broaden a count why the broadened count does not include prior art subject matter. In essence, this provision requires a movant to prove a negative. In the past, the Board has been reluctant to impose such a requirement. This reluctance should be continued. It is recommended that this provision be deleted. Instead, an opposing party should be permitted to attack the motion based on the grounds that the broadened count encompasses prior art subject matter.

Proposed Rule 41.208(c)(5)(i) requires a party to show in a motion to add a claim why the added claim "would be patentable in the patent or application." Under current practice, the "showing of patentability" required of a party moving to add a claim is a showing that the added claim finds written description support in the moving party's patent or application. See 1217 Off. Gaz. Pat. & Tm. Office 17-18 (1998). A moving party is not required to show that claims are enabled or patentable over prior art, i. e., to prove a negative. It is therefore recommended that the proposed rule be revised to be consistent with current practice to require a showing of "written description support" as opposed to a showing of "patentability." After the filing of such a motion, an opposing party should be permitted to oppose the addition of claims on the basis of a lack of

enablement or on prior art grounds, and the moving party should be permitted to respond to the opposition. Such revision will simplify the procedure, eliminate issues that need not be addressed by a moving party and reduce disputes over what is required of a moving party when adding a claim.

Proposed § 41.208(c)(5)(iii)(B) provides a requirement for designating a claim as not corresponding to a count. The requirement includes providing an explanation of why the claim does not interfere with “any” claim of an opponent’s involved application. It is unclear why this provision is added. There are numerous interferences where there are two or more counts. In such cases, a claim could be properly designated to correspond to only one of the counts but not both counts. However, under the proposed rule, a party could never make the requisite showing that its claim was incorrectly designated to correspond to one of the counts when there are other involved claims of its opponent that are interfering within the meaning of proposed § 41.203(a). It is recommended that this requirement be deleted from the proposed rules.

We appreciate the opportunity to provide comments on these proposed rules and would be pleased to assist in any way we can.

Sincerely,

A handwritten signature in black ink that reads "Michael K. Kirk". The signature is written in a cursive, flowing style.

Michael K. Kirk  
Executive Director

**From:** mkirk@aipla.org [mailto:mkirk@aipla.org]  
**Sent:** Wednesday, February 18, 2004 4:21 PM  
**To:** Nase, Jeffrey  
**Subject:** Corrected Comments on the Rules of Practice Before the BPAI

Jeff,

On January 26, 2004, I forwarded to the USPTO the comments of the American Intellectual Property Law Association on the proposed changes to the rules governing practice before the Board of Patent Appeals and Interferences. It has been brought to my attention that the word "not" was missing in the 4<sup>th</sup> line on page 16. That oversight has been corrected in the revised attached letter. Would you please substitute the attached letter for the original letter sent to you on January 26<sup>th</sup>? Thank you for your understanding. My apologies for the confusion.

Mike