



November 21, 2003

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Notice of Proposed Rulemaking  
Changes to Support Implementation of the United States  
Patent and Trademark Office 21<sup>st</sup> Century Strategic Plan  
68 Fed. Reg. 53816 (September 12, 2003)

Dear Mr. Commissioner:

In the Federal Register Notice dated September 12, 2003, the U.S. Patent and Trademark Office requested public comments regarding the above identified Notice of Proposed Rulemaking. Presented herein are the comments of the Intellectual Property Law Section of the American Bar Association ("IPL Section of the ABA"). These views have not been submitted to the House of Delegates or Board of Governors of the ABA, and should not be construed as representing policy of the Association. The IPL Section of the ABA appreciates the opportunity to offer comments on the rule and practice changes proposed by the Office in the subject notice.

The goal of the proposed rules is to "transform the Office into a quality focused, highly production, responsive organization supporting a market-driven intellectual property system." The rules seek to improve "the patent application and examination

process by promoting quality enhancement, reducing patent pendency, and using information technology to simplify the patent application process.” The IPL Section of the ABA supports these goals of the Office, and believes many of these rules to contribute to achieving these goals.

The IPL Section of the ABA, however, believes that several of the procedures set forth in the proposed rules are contrary to these goals and would adversely affect the patent prosecution process. More specifically, the objectionable proposed rules relate to the following rules:

- (1) §1.4 Nature of correspondence and signature requirements;
- (2) §1.57 Incorporation by reference;
- (3) §1.105 Requirements for information;
- (4) §1.111 Reply by applicant or patent owner to a non-final Office Action;
- (5) §1.213 Nonpublication request; rescission of a nonpublication request; notice of subsequent foreign filing; and
- (6) §1.291 Protests by the public against pending applications.

The IPL Section of the ABA further provides comments in support of changes to 37 C.F.R. § 1.705 Patent term adjustment determination.

The comments of the IPL Section of the ABA regarding these rules is as follows:

**(1) Nature of correspondence and signature requirements**

The Office proposes that 37 C.F.R. §1.4 include a provision for filing electronically created correspondence at the Office with electronic signatures when such correspondence is filed by facsimile transmission, or hand-carried or mailed to the Office for entry in a patent application, patent file, or reexamination proceeding. The IPL Section of the ABA agrees that it would be favorable to allow such electronic signatures. However, more flexibility should be afforded to the public. According to the proposed rules, if the specified format is not used, the document will be treated as unsigned. This can have serious consequences for the applicant/assignee. Applicants should be given a short time period for correcting the format of the signature without any penalty.

Section 1.4(d)(1)(iv) distinguishes between an “actual name” and a “complete name.” This distinction, however, may cause confusion, which could lead to inadvertent violations causing the paper to be treated as unsigned. This result may not be detected until after a patent is issued, and thus may give rise to questions of abandonment,

validity, and enforceability of the patent. These harsh adverse consequences for an inadvertent error will deter use of electronic signatures.

There is a proposed requirement that the signer “personally insert” his or her electronic signature by the use of numbers and/or letters. This provision does not recognize the realities of patent prosecution. Many practitioners do not prepare their own documents. Instead, secretaries, administrative assistants and associates prepare the actual papers. To provide for this situation, the provision should allow for the signature to be “personally inserted” or to be inserted under the practitioners “direction and control.” This would allow other authorized individuals to insert the electronic signature of the practitioner.

The Office has requested comments on different manners of presenting the electronic signature. One proposal would dictate the order of the names. A second proposal would require capitalization of the entire family name. This alternative may result in confusion in some names. For example, confusion may result in names where it is unclear whether multiple capitals exist, e.g., MacKenzie or Mackenzie. As a result, the IPL section of the ABA would suggest that the rule dictate the order of names rather than capitalization.

The IPL Section of the ABA would also recommend that the Office allow flexibility of electronic signatures. The use of electronic signatures will be a new concept for many and errors may occur when the rule is first implemented. Adverse inferences

should not result when a good-faith effort appears to have been made to present an electronic signature in a document.

**(2) 37 C.F.R. § 1.57: Incorporation by reference**

The Office has requested comment concerning proposed § 1.57(a), which permits an applicant to add drawings or text that were "inadvertently omitted" from a pending application if the proposed addition is contained in a prior filed application to which priority is claimed. The application must be amended to include the text prior to the close of prosecution. Further, the application must contain, on the filing date, a claim for priority or benefit of an earlier-filed patent application. For example, a claim for benefit to an earlier U.S. application contained in a transmittal letter filed with an application would be sufficient to invoke the provisions of proposed § 1.57(a).

The IPL Section of the ABA generally supports the concept of this provision as an additional safeguard for applicants who file applications that inadvertently omit pages of specification or sheets of drawings that were contained in an earlier-filed application for which a claim for benefit is contained in the application. However, the rule raises two questions.

1. Must a declaration accompany the amendment which says that the omission was inadvertent? The office should consider deleting "inadvertently" from the rule.

2. How far down the chain of priority can one reach to find the omitted matter?

As the rule is written there is no limit. This opens the possibility of obtaining patent protection for something disclosed but not claimed in a patent that issued many years ago.

Section 1.57(b) requires use of the magic language "incorporated by reference" to identify material that is being incorporated by reference. Rather than make use of magic language mandatory, the rule should say that when this language is used the referenced material is incorporated by reference. But, the rule should not preclude the use of other language to make an incorporation by reference. Form should not prevail over substance.

It is common practice when describing an invention that has several parts or steps to describe one or more parts or steps with reference to an issued patent rather than to describe that part or step in detail. For example, one could say in describing a vehicle having a brake that the preferred brake, or the brake shown in the drawing, is a hand brake like that disclosed in U. S. Patent No. 9,999,999. The patent application may say that the preferred brake for the vehicle is disclosed in U. S. Patent No. 9,999,999. If the Examiner considers this brake to be an essential feature of the invention that must be disclosed in the application, the proposed rule precludes the applicant from amending the application to provide a description of the brake disclosed in the referenced patent. But, if the applicant had used the magic language of the

proposed rule the amendment could be made. This rule elevates form over substance. It should be revised to reflect current practice.

The limitation of material that can be incorporated by reference to patent literature assures that the referenced material will be available. For examples, part (d) of the rule forbids incorporation by reference by hyperlink or other form of browser executable code. This provision makes sense since often Web pages that are available at the time a document is written may not be available when the document is received by a reader. When that occurs, the reader may only be able to obtain the referenced material from the author.

**(3) 37 C.F.R. § 1.105: Requirements for information**

The Office proposes to broaden examiners' investigative powers by adding to paragraph (a)(1) of §1.105 a provision that empowers examiners to demand from applicants "[t]echnical information known to applicant concerning the interpretation of the related art, the disclosure, the claimed subject matter, other information pertinent to patentability, or the accuracy of the examiner's stated interpretation of such items." The demands could be made in the form of interrogatories or requests for stipulations to which applicants may agree or disagree.

The change to rule 105 is intended "to elicit the aspects of the knowledge of persons of ordinary skill in the art pertinent to analyzing patentability from the art of

record” in a form that “differ[s] markedly from the format of the existing examples, which generally require specific documents.”

The IP Law Section of the ABA opposes the proposed rule for three primary reasons: it will not give the Office access to better information than current Rule 105, it will burden both the Office and applicants, and it is subject to abuse by shifting the burden of showing patentability to applicants, contrary to 35 U.S.C. §§ 102 and 103. The proposed rule would be particularly onerous on *pro se* inventors.

The current rule ensures information quality by requiring information to be requested in the form of specific documents. Specific documents are necessary to credibly determine such important facts as the level of ordinary skill in the art, which is determined through evidence based on the following indicia: the type of problems encountered in art, prior art solutions to those problems, rapidity with which innovations are made, sophistication of the technology, and the educational level of active workers in the field. “The actual inventor's skill is not determinative” of the level of ordinary skill in the art. *Custom Accessories, Inc. v. Jeffrey-Allan Indus., Inc.*, 807 F.2d 955, 962-63 (Fed. Cir. 1986).

Perhaps the subjective knowledge of an applicant, which itself is not determinative, might lead to evidence related to the level of ordinary skill. However, without published documents, the accuracy of an applicant’s subjective knowledge is open to question. Indeed, the applicant’s memory of such things as the type of



problems encountered in the art or the rapidity with which innovations are made will be imperfect. Yet the Office has no way to weigh the accuracy of an applicant's memory based on a cold record. In contrast, published documents related to the level of skill in the art are much more credible. Therefore, the Office should seek documents, not an applicant's quasi-testimony, directed to the indicia of the level of ordinary skill.

In addition to failing to give the Office access to better information, the proposed rule stands opposed to the primary function of examination—conducting a thorough search—by diverting examiners' attention to the unproductive endeavor of drafting interrogatories and stipulations. Writing, checking and editing interrogatories and stipulations to produce accurate, specific and useful responses take time away from searching. Furthermore, training examiners in the skill of drafting interrogatories and stipulations will reduce time available for searching and examining other patent applications, further exacerbating the pendency problem.

Even if the Office has no plan to train examiners in the use of interrogatories and stipulations—which, if true, would be alarming—so much of an examiner's time would be wasted by applicants disputing the propriety and scope of an interrogatory or stipulation that the authority to use interrogatories and stipulations would not be helpful. For an idea of how onerous and contentious interrogatories and stipulations can be, one need only look at any patent dispute in a federal court.

Yet even if these difficulties inherent in empowering examiners to request information through stipulations and interrogatories could be overcome, the very exercise of requesting the information the Office proposes is wasteful. For example, suppose an examiner requests an applicant's interpretation of the distinctions among claims. (The Office posits such a circumstance as one in which an interrogatory would be appropriate.) Rather than draft an interrogatory, the examiner could have simply read the claims. The examiner in this example will have wasted his time drafting the interrogatory and the applicant's time having to respond to it.

Nevertheless, an examiner might request an applicant's interpretation of the distinctions among claims where the application contains a large number of independent claims. (The IP Law Section of the ABA notes that the proposed rule does not require a large number of independent claims as a predicate to an interrogatory or stipulation). An applicant's predictable and accurate response to such an interrogatory would be to recite the words used in the first independent claim, then to discuss any words that are different in any subsequent independent claims and provide technical or lay definitions for each of the different words. That kind of response merely provides information the Examiner could and should have acquired on his own during the first examination. Thus, to elicit the applicant's interpretation of the distinctions among claims burdens applicants and does not improve patent quality.

Similarly, if an examiner attempts to elicit the applicant's interpretation for the intended breadth of the claim terms, the examiner will likely receive in response a

definition of the claim terms according to a technical or lay dictionary. This information is easily obtained by the examiner. Going through the process of asking for it in an interrogatory or stipulation merely adds an additional procedural step. Therefore, the Office should not empower examiners to request responses to interrogatories or stipulations for the purpose of eliciting the applicant's interpretation for the intended breadth of the claim terms.

Finally, the IP Law Section of the ABA opposes the proposed rule because it exposes applicants to abuse. Without explicit limitations on the breadth of the rule, an examiner may use interrogatories and stipulations to shift the burden to the applicant to show why the claims are patentable, rather than the Examiner making a prima facie showing of unpatentability as required by 35 U.S.C. §§ 102 and 103. For example, an examiner may request responses to interrogatories that seek information related to the distinctions between the claims and a plurality of prior art documents cited in an applicant's information disclosure statement. This puts the applicant in the position of having to distinguish the claims from prior art documents even before the examiner has conducted a search or applied a single reference against any claim. Therefore, at the very least, the proposed rule should only authorize interrogatories after a rejection has been made and disputed.

In conclusion, the IP Law Section of the ABA opposes the proposed rule 105 because it will not give the Office access to better information than the current rule 105. In addition, the proposed rule threatens the primacy of conducting a thorough search by

diverting examination resources to the unproductive endeavor of drafting interrogatories and stipulations. Finally, the proposed rule exposes applicants to abuse by shifting the burden to show unpatentability away from the Office, and may place the burden to show patentability on applicants. This burden would be particularly onerous on *pro se* inventors, who may not understand the ramifications of the responses. In addition, such a procedure would significantly increase the prosecution costs for applicants; responses would require significant time due to the potential prosecution history estoppel being created.

**(4) 37 C.F.R. § 1.111: Reply by applicant**

The amendments proposed to this section would prohibit the entry of a supplemental reply as a matter of right unless it was filed within six months from the mailing date of a non-final Office Action and was clearly limited to: (A) cancellation of a claim(s); (B) adoption of an examiner's suggestion(s); or (C) placement of an application in condition for allowance. While it is recognized that supplemental replies may be abused and burdensome and thus must be limited, the proposed rule offers a bright-line test that is unduly restrictive, will be unfair to applicants in many situations, and will prolong the examination process and increase the burden on the PTO in many instances.

A supplemental reply that is filed and associated with the application file before an examiner begins consideration of the original reply to a non-final Office Action should always be considered, in particular if it is limited to the three instances specified in paragraph (a)(2)(i). The current practice that permits the PTO to ignore (not enter) a supplemental reply when a substantial amount of work has already been conducted by the examiner would appear sufficient to safeguard the interests of the PTO in maintaining the efficiency of the examination process.

There may be other justifiable reasons for filing a supplemental reply other than the specific reasons identified in paragraph (a)(2)(i), such as an amendment to take into consideration the teachings of new prior art or to reduce the issues for an appeal following an interview by the examiner. In addition, an applicant has an obligation under § 1.133(b) to file a complete written statement of the reasons presented at an interview as warranting favorable action and it is desirable to file such a statement before the next Office Action by the PTO to avoid potential adverse consequences to patent term adjustment where such a paper is filed after the notice of allowance is mailed.

In the discussion of this proposed change, the PTO suggests that if the next Office Action is a final rejection or a notice of allowance, applicants could file a request for continued examination and request entry of the supplemental reply. However, it would appear that applicants could request entry of the supplemental reply in response to a final Office Action without filing a RCE, although it is recognized that there would be no entry of such an amendment as a matter of right without filing the RCE.

Failure to enter the supplemental amendment may prolong the examination process since that amendment may not be entered in response to a final Office Action. In this situation, applicants would be required to file a continuing application or an RCE in order to obtain entry of the supplemental amendment that had been filed even before the issuance of the final Office Action. Moreover, many Supplemental Amendments are used to correct inadvertent errors appearing in the claims of the prior amendment, which errors were detected after the filing of the original response. Allowing the Supplemental Amendment to be entered simplifies the issues and the rejections to be made in the next Office Action. The IPL Section of the ABA thus does not support the proposed rule, but instead favors the current practice under § 1.111(a)(2) that permits the disapproval of a second or subsequent supplemental reply that unduly interferes with an Office Action being prepared in response to the previous reply.

**(5) 37 C.F.R. § 1.213: Nonpublication requests**

Proposed rule 1.213(a)(4)(ii) states that for an applicant to sign a nonpublication request, it must be applicant's intent at the time the nonpublication request is filed that the application will not be the subject of an application filed in another country or under a multilateral international agreement that requires publication at 18 months. According to the discussion associated with this proposal, it is not sufficient if there is simply an *absence* of any intent or plan concerning the filing of any counterpart application that

would be subject to 18 month publication. The Comments state that “the applicant must have an affirmative intent not to file a counterpart application that would be subject to eighteen-month publication, and not just the absence of any intent or plan concerning the filing of any counterpart application that would be subject to eighteen-month publication.” See, page 53838. It is believed that this position is extreme, is not based upon the statute and would be unduly burdensome.

A nonpublication request must be filed at the time of filing a U.S. application. The statute does not require publication of a U.S. application where no application is filed in a foreign country or under an international agreement that requires publication at 18 months, regardless of the intent of applicant at the time of filing the U.S. application. The intent of applicant at the time of signing the nonpublication request should be irrelevant so long as there is compliance with the statutory requirements mandating publication under the prescribed circumstances.

The proposed interpretation by the PTO requires an applicant to formulate an “intent” whether to foreign file the application or not a year before the decision must be made. Often, this is much too early for an intent to be decided. Applicant may be waiting for money from investors or licensees before deciding whether to foreign file or not. If an applicant does not have the resources for foreign filing, but would file abroad if additional funds were discovered during the year, does that applicant have an “intent” to file abroad? The imposition of an “affirmative intent” also provides an additional “gray

area,” which leads to litigation of the issue to determine whether the applicant had an “affirmative intent” or not.

The IPL Section of the ABA believes that the PTO should not inquire about the intent of applicant or lack thereof which exists at the time a U.S. application is filed, and instead look at whether or not the application has been subject to the activity that requires publication in the United States.

Moreover, as noted in the Federal Register Notice, the Office previously issued a Notice of July 1, 2003, with a detailed explanation of the procedures for filing and for retracting such a nonpublication request. Among other matters, that notice stated that if the applicant filed a notice with the Office that a foreign application had been filed, it was not necessary to rescind a previous nonpublication request. One of the proposed amendments to Rule 213 changes this procedure, which was only clarified four months ago. Under the proposed rules, it will not be sufficient for an applicant to notify the Office that a foreign or International application has been filed. Instead, a request to rescind the previous certification must also be filed. No explanation is provided for this reversal of procedure. It is respectfully submitted that the amendment to Rule 213(b) to require both a request to rescind the nonpublication request and a notice of foreign filing should not be made.

The IPL Section of the ABA further notes that Rule 213 is proposed to be amended to specifically state that filing a request to rescind a nonpublication notice



without determining that a nonpublication notice was indeed filed amounts to a violation of Rule 10.18(b) of the code of ethics for patent attorneys and agents, and could subject the individual to sanctions under that code. It is respectfully believed that all mention of Rule 10.18 should be deleted from the proposed rule change

**(6) 37 C.F.R. § 1.291: Protests by the Public Against  
Published Applications**

The proposed amendment requires identification of the real party in interest filing a protest and gives the Examiner discretion to ignore subsequent protests filed by a single party. The purpose of the rule is to prevent harassment. The Office provided no statistics or other evidence that there is currently a problem with multiple protests being filed by a single party. Identification of a party may result in a protest not being filed and pertinent art not being reviewed by the Examiner. A better solution would be to require that the party submitting the protest to identify any prior protests that the party has filed, or to certify that it has not filed any prior protest.

Currently, there is no procedure for a member of the public to call pertinent prior art to the attention of the Examiner in a published application. The proposed rule would permit such submissions only upon the consent of the applicant. That change does not assure that the Examiner would be given pertinent prior art that he or she would not

otherwise receive. If the prospective protestor seeks permission of the applicant to file a protest, the applicant would undoubtedly ask the prospective protestor to provide a copy of or identify the prior art that is to be submitted. When that is done the applicant has a duty to call the art to the attention of the Examiner. The same result could be obtained today by sending the art to the applicant with a reminder of his duty of disclosure.

The Office should reconsider the rule and permit a third party to independently submit pertinent prior art after publication. To avoid undue burden on the Examiner through the submission of boxes of document, the rule could limit the number of references and require the explanation of pertinence that the rule currently requires.

**(7) 37 C.F.R. § 1.705: Patent term adjustment determination**

The IPL Section of the ABA supports the proposed change to allow a request for reconsideration regarding patent term adjustment to be filed within thirty days of the issue date of the patent in the event that the patent indicates a revised patent term adjustment. Currently, a request for reconsideration may only be filed if the patent issues on a date other than the projected date of issue. Since the application files are now sent off-site after the Notice of Allowance has been issued, it has become virtually impossible to address any errors in the Notice of Allowance without filing a paper. Even after filing a paper, there is considerable delay to resolve issues, with papers often not

being matched with the file. The errors being addressed in the paper being filed may be the result of a Office error, such as an improperly entered Examiner's Amendment, failure to acknowledge receipt of the priority document, or failure to return an Examiner-initialed PTO Form 1449. In such cases, there should not be any reduction in patent term adjustment. If the patent is issued with a reduced patent term adjustment, the patentee should be given the opportunity to request reconsideration of that adjustment.

## **CONCLUSION**

The IP Law Section of the ABA appreciates the opportunity to comment on the proposed rules for implementing the 21<sup>st</sup> Century Strategic Plan in patent practice. Thank you to the Office for providing this opportunity.

If there are any questions regarding these comments, please do not hesitate to contact me.

Sincerely,

Robert Sacoff  
Chair  
Section of Intellectual Property Law  
American Bar Association