COMMENTS OF THE SECTION OF INTELLECTUAL PROPERTY LAW OF THE AMERICAN BAR ASSOCIATION
November 22, 1996

In Response to 1) U.S. Patent and Trademark Office Proposal Making Miscellaneous Amendments to Patent Rules of Practice - 60 Fed. Reg. 49820, September 23, 1996; and
2) PTO Rulemaking Re Registration Examination for Patent Practitioners and the Establishment of a Continuing Education Requirement and an Annual Fee for Registered Patnet Practitioners - 60 Fed. Reg.

Introductory Note:

These comments and the resolutions included herein are presented in response to a notice published by the United States Patent and Trademark Office entitled "1996 Changes to Patent Practice and Procedure," 60 Fed. Reg. 49820 (Sept. 23, 1996). The rule changes proposed in the notice are described therein as an effort to simplify procedures, eliminate unnecessary rules, and reduce regulatory burdens, although, as described *infra*, the effect of the changes is substantially more significant than that description communicates.

Subject No. 1 -- Published Notice Generally

Form of Notice. The Section feels it necessary to make an initial comment that is critical of the nature and form of the notice that the PTO has published. The PTO's purpose in publishing the notice and requesting comment is, presumably, to obtain helpful comment from outside sources. Yet the structure of the notice is not, in our view, consistent with the best input that might have been available. The notice is itself very long, running almost 50 pages as published. The topics dealt with are, as the following discussion shows, disparate and not linked by any common purpose or theme. Further, at least several of the proposed changes would have substantial effect on the rights of persons having business before the agency; yet not even the general nature of these changes are communicated by the title or initial discussions in the notice.

It is therefore the Section's view that the format and length of the notice has had the effect of unduly obscuring the points upon which the PTO is seeking input. Members of the Section have found, in conversations with practitioners, that many of those who have actually reviewed the notice are still unaware of the major revisions that are being proposed. In the Section's view this generally poor level of communication was predictable given the format of the notice; the Section suggests that, in the future, the PTO try to publish notices that are

shorter and of narrower focus, and in which the introductory materials are more communicative of the specifics being proposed. This would be preferable, in the Section's view, even though it would come at the cost of needing to publish a greater number of notices overall.

Subject No. 2 -- Statement of Support for Amendments to Reissues and Reexaminations

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-1 Resolved, that the Section of Intellectual Property Law favors, in principle, the imposition of a requirement that all substantive amendments to the claims in a reissue or reexamination proceeding be accompanied by a statement explaining where such amendments find support in the specification.

DISCUSSION

1. *Prior Section Positions.* The Section has taken a position favoring the position that reexamination should include a check for compliance with the enablement requirement of section 112, first paragraph.

> Section favors in principle a requirement that the U.S. Patent and Trademark Office in conducting reexamination of a patent shall do so under conditions providing that the basis for and scope of reexamination should include compliance with all aspects of 35 U.S.C. 112 except for best mode.

Res. 108-6 (1993), *reprinted at* 1993 Ann. Rep. 118.

2. *Present Law and Procedure.* Currently, the owner of a patent is permitted to amend the claims in both reissue and reexamination proceedings. The procedures of the PTO do not require the owner to state where those amendments find support in the specification of the patent under consideration, although the owner is not precluded from doing so. The PTO is statutorily permitted at present to consider questions of improper support in reissue proceedings. This is not the case in the reexamination of existing claims, where the grounds of consideration are limited to issues raised by the consideration of patents or printed publications. 35 U.S.C. 302-03. It is the current practice of the PTO, however, to requirement that amendments to claims in reexamination proceedings be supported by the accompanying patent disclosure.

3. *General Need for Flexible Procedures and Minimal Formal Requirements.* The primary purpose of examination in both reissue and reexamination proceedings is to determine whether the claims under consideration are patentable. While this determination can, in the case of reissues, include a significant question regarding the support for the claims under section 112, first paragraph, such an issue is not necessarily present.

At the same time, the efficient prosecution of reissues and reexaminations requires that the PTO be able to determine quickly whether various potential grounds of rejection exist. This depends, in turn, on the necessary information being available to Office personnel readily.

In the Section's view, prosecution should be structured to permit the relevant issues in the proceeding to be joined and resolved as quickly and efficiently as possible. Because of the general importance of the patent rights at issue in reissues and reexaminations, and the increased emphasis in those proceeding on timeliness, the Section feels that is appropriate for a practitioners to be required to state, at the time of amendment, the basis for the amendments being presented. These proceedings involve patents that have already undergone *ex parte* examination, and the presentation of amendments during them should be considered an unusual event. In addition, the fact that an amendment is needed can nearly always be characterized as the result of the patentee's actions during original prosecution, rather than those of the PTO or any third parties. Accordingly, it is appropriate to place somehwat greater burdens on the patent owner. This is the position taken by Resolution 103-1.

Subject No. 3 -- Characterization of Rejections as Final in First Actions in Continuing Applications

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-2 Resolved, that the Section of Intellectual Property Law favors, in principle, Section 132 of Title 35, U.S.C., being interpreted to require the PTO to issue a second action on the merits in each patent application where the applicant for patent files a timely response to an initial rejection, and Specifically, the Section favors the issuance of a rule prohibiting examiners of the PTO from issuing final rejections in the first actions on continuing applications independent of any changes to current after-final practice..

DISCUSSION

1. *Prior Section Positions.* The Section has taken no prior positions on this issue.

2. *Present Procedure.* The PTO is presently permitted to designate an action on the merits as "final" where the action either repeats the same grounds of rejection posed in the preceding action, or where any changes in the grounds of rejection are the result of amendments made by the applicant. In continuation applications the agency has made practice of making the first action in the continuing application final, where it repeats the grounds of rejection made in the last action in the parent application. This practice, known as "first action final," is particularly prevalent in cases where the continuation has been filed without a preliminary amendment.

3. *Proposed PTO Action.* The practice of imposing a final rejection on first action has been criticized bitterly by members of the bar. They assert that the practice is unjust, in as much as the applicant has paid an entire new filing fee to set up the continuation, but receives essentially no further prosecution on the merits. The result is commonly the need to file yet another continuing application with another filing fee. Practitioners claim that the practice is driven in the PTO by the peculiarities of the productivity-monitoring scheme that the PTO applies to the examining corps, which does not distinguish between the successful conclusion of prosecution on the merits and the mere refiling of applications as continuing.

In its notice, the PTO proposes to promulgate Rule 113(c), which would eliminate first action final practice. The notice states that the action is to be taken in tandem with the proposals to limit the ability to prosecute patent applications after final rejection. *See* the discussion, *infra*. Thus, in the words of the notice the two proposed changes are to be looked upon as *quid pro quo*.

4. *Section 132; Illegality of First Action Final Practice.* The Section is of the view that the exchange posited in the notice is fundamentally in error. Section 132 states that, in an application where a rejection has been posed and a response filed, "the application *shall* be reexamined." (emphasis added). This provision was inserted at the inception of the agency's authority to close prosecution on the merits; Congress designed it to ensure that applicants would receive the ability to make at least two presentations to the agency in favor of granting the patent.

The Section is therefore of the opinion that the PTO's practice of issuing first-action final rejections is contrary to law, and thus impermissible. It does not view the PTO's proposed concession as a proper part of a bargain; rather, it views the action as one that the PTO is legally required to take. The Section thus rejects the PTO's basic assertion that the proposal to create 113(c) should viewed in the context of an exchange. This is the position taken by Resolution 103-2.

The Section notes that it offers in the next section of this Report constructive suggestions for dealing with the stated problems of after-final practice. The remarks in this section consequently should not be construed as a complete rejection the concerns expressed in the notice.

Subject No. 4 -- Revision of After-Final Practice

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-3 Resolved, that the Section of Intellectual Property Law favors, in principle, the view that a primary goal of the examination process is to conclude, as diligently as is reasonably possible, the process of determining whether the applied-for invention is patentable, and Specifically, the Section favors the examination process being structured to

encourage investigation of the merits of applications that are under final rejection and opposes further restriction to entry of after-final responses.

DISCUSSION

1. *Prior Section Positions.* The Section adopted the following resolution in 1992:

> Section favors in principle relieving patent applicants fro the burden of paying for unnecessary extensions of time following a final rejection; and Specifically, the Section favors adoption by the U.S. Patent and Trademark Office of a practice of issuing a notice closing prosecution on the merits when only formal requirements remain outstanding.

Res. 103-2A (1992), *reprinted at* 1992 Ann. Rep. 98.

The Section adopted a resolution in 1995 favoring the simplification of after-final practice:

> Section favors, in principle, a revision of the Patent and Trademark Office practices and procedures relating to the examination and processing of patent applications after a final rejection, to simplify and make more efficient such examination and processing so as not to unnecessarily delay examination under a system where the term of a patent normally expires 20 years from the earliest effective filing date in the United States.

Res. 103-16 (1995), *reprinted at* 1995 Ann. Rep. 113.

The Section adopted a position in 1993 favoring the elimination of file-wrapper continuation practice in favor alternate arrangements:

> Section favors in principle eliminating file-wrapper continuation practice and providing applicant with the ability after final rejection to purchase a further examination of the same application which is equivalent to the examination of a file-wrapper continuation application.

Res. 103-1 (1993), *reprinted at* 1993 Ann. Rep. 100.

2. *Present Practice.* Rule 113(a) permits amendments to be entered after the imposition of a final rejection if they place the application in better condition for appeal. The prior practice was for examiners of the PTO to consider responses after final on their merits, provided that such consideration did not require further search. The general consensus among members of the Section is that the willingness of the examining corps to consider amendments after final has decreased over time, and that the corps is now less likely to consider amendments under Rule 116 on the merits than was previously the case. The opinion among members of the

patent bar is that this general tendency is the result of the PTO's internal mechanisms for measuring the productivity of individual examiners, who do not receive credit for considering amendments after final that fall short of placing the application in condition for allowance.

3. *Changes Proposed by the PTO.* The notice proposes to amend Rule 116. The change would delete the provision that expressly permits the entry of amendments placing the application in better condition for appeal. The only remaining provision in Rule 116(a) would be directed to amendments that cancel claims, or that comply with a previously direction stated by the agency. Simultaneously, the PTO proposes to amend Rule 116(b), striking the current text and providing that any amendments filed after final that do not meet the requirements of Rule 116(a) must accompanied by a request for further prosecution. The Section takes this latter statement to require the simultaneous filing of a continuation, appeal, or other action.

3. *Analysis.* The Section is of the opinion that the rule changes proposed by the PTO are not sound. Although the PTO states in the notice that individual examiners will still have the discretion to consider amendments after final on the merits, the practical effect of the new rule will be to virtually ensure that no such prosecution occurs. Where the examiner of a finally rejected application is of the opinion that an amendment will advance prosecution, there will be a great incentive to take the applicant's offer of further prosecution, most likely a continuation application. Even if the amendment were to place the application in condition for immediate allowance, the employee-monitoring system in the PTO will provide the examiner with a strong incentive to indicate such allowance only after forcing the applicant to actually file the further application. The PTO's notice is conspicuously silent on what motivations, if any, will exist for the examiners to adopt a contrary practice.

The Section believes that this state of affairs would seriously degrade the effectiveness of patent prosecution. Members are under the impression that significant negotiations between the applicant and the examiner still take place routinely after the imposition of final rejection. They see the proposed rule change as choking off those negotiations and requiring the filing of a substantially increased number of continuation applications. This would, in the view of the Section, increase the cost of prosecution and introduce greater inefficiency into the examination process.

In the view of the Section, the PTO's proposal suffers from at least one fundamental flaw: the proposal measures the efficiency of the examination process by looking at the pendency of individual applications, rather than the overall transaction that related applications together comprise. Thus, in the Section's view, the PTO's proposal reflects a preference for prosecutions in which many continuing applications are filed and disposed of sequentially. In fact, the rules appear to prefer such a scenario over one in which a single, successful application pends for length of time that is shorter overall.

The Section believes that this preference is misplaced. The best prosecution scenario is the one that requires the fewest resources of the applicant and the PTO, and which

concludes in the shortest period of time. Artificially increasing the steps that both entities must take, and the filing fees that must be paid, is not a sound choice. This is the position that Resolution 103-3 is meant to express.

The Section suggests that the PTO consider approaching this issue with a greater willingness to make changes in the underlying process. The difficulties that the Office faces in this area stem from the need to artificially distinguish between the end of one application file and beginning of the next. As the recent move to file-wrapper continuation practice demonstrates, this structure is not required by the realities of the transaction; rather it is a vestige of the historical practice forms. If the PTO is determined to rationalize the process of dealing with prosecution after final rejection, it should consider discarding the historical structure further. For example, continued prosecution could be managed by simply adopting a moderate fee that must be paid to have amendments to the application entered and examined, as of right, after final. Such a practice would dissuade applicants from long pendencies, but would provide a mechanism to conduct further prosecution when needed. Additionally, the system would be far simpler than the one described in the notice.

Subject No. 5 -- Revival of Abandoned Applications

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-4 Resolved, that the Section of Intellectual Property Law favors, in principle, the PTO, when it decides whether the owner of an abandoned patent application may revive the application, making that decision in a manner that attempts to be consistent with the common and statutory law on the point, and Specifically, the Section favors the PTO adopting a rule that permits it to exercise flexibility in adjudicating petitions to revive for unintentional abandonment.

DISCUSSION

1. *Prior Section Positions.* The Section has no prior positions on this topic.

2. *Current Practice.* The rules currently permit abandoned applications to be revived under two sets of conditions. Under Rule 137(a), the application may be revived on a showing that the abandonment was "unavoidable. Under Rule 137(b), the application may be revived if the abandonment was "unintentional." Revival under (a) has no time limit. Revival under (b) is limited to petitions filed within one year of the date of abandonment, although that time can be waived under the Commissioner's general authority of Rule 183.

3. *Proposed Changes.* The PTO proposes to amend Rule 137(b) to eliminate the requirement that petitions to revive under that provision be filed within one year. Thus, all petitions filed under that rule would henceforth be considered timely. To police the improper use of the revival provision, the PTO proposes to rely upon the requirement that the entire period before

the filing of the petition be one of "unintentional delay." That is, an applicant who purposefully manipulates the date on which the petition is filed will be refused because the delay in filing was intentional, rather than unintentional.

The purpose of the change, although not stated directly as such, is to avoid the imposition of a rigid rule in such situations, and to use instead a flexible standard that permits justice to be done in each case.

4. *Analysis*. The Section is generally in favor of making the adjudication of petitions to revive turn on the merits of each case. Thus, the Section sees value in refusing to apply rigid rules, and instead approaching the question with the ability to take into account the specifics of each situation.

At the same time, the Section sees a substantial danger, if the ability to revive applications were to become too routine. The law currently places few limits on the freedom that applicants have to change the claims within pending applications. If this freedom were coupled with the ability to resurrect long-dormant applications, there is a possibility that the resulting practice wold encourage, or at least give greater latitude to "submarine" style patent applications, in which the applicant has purposefully manipulated prosecution so as to delay issuance.

The Section therefore feels that, while the position proposed by the PTO could be soundly administered, much depends on the level of judgment that the PTO brings to the task. The Section urges that the PTO continue to require high showings to justify the revival of applications, particularly where the petition to revive has been filed substantially after either the fact of abandonment, or the applicant's receipt of notice.

Subject No. 6 -- Entry of Exhibits

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-5 Resolved, that the Section of Intellectual Property Law favors, in principle, providing a record of patent prosecution in the PTO that contains all the information that was before the agency when it rendered its decision in the particular application at issue and Specifically, the Section favors the entry of exhibits into the record of patent prosecution.

DISCUSSION

1. *Prior Section Positions*. The Section has no prior positions on this topic.

2. *Current Practice*. The current rules of the PTO permit the agency to require the applicant to produce a model or exhibit. They give the agency the power to refuse entry of models. 37 C.F.R. 1.191. They are silent as to whether the agency has the power to refuse exhibits. In

general, the PTO's current practice is to enter such items into the record of prosecution when they are submitted.

3. *Proposed Change*. The PTO proposes to amend Rule 91 to additionally empower the agency to refuse entry of exhibits. No particular justification for the change is offered, although the Section has the informed speculation that the change is designed to address filing and storage requirements within the agency.

4. *Analysis*. The Section is of the opinion that the proposed rule change conflicts with several fundamental objectives in the prosecution process. First, the applicant must have the freedom to place before the examiner all such information that the applicant considers useful and appropriate. A rule that prevents such presentations, except where the examiner "specifically" requires them, is at odds with this general principle. This particularly true where the rule extends to "exhibits" generally, which if read broadly would include some submissions of purely written information. Indeed, any restriction on this ability would be arguably inconsistent with the applicant's duty, under Rule 56, to make the Office aware of information "material" to patentability.

Further, the proposal is at odds with the basic principle that the prosecution file should, so much as is practical, contain a full record of the facts upon which the agency's adjudication was based. Thus the practice, for example, of allowing applicants to make examiners aware of exhibits, but not placing those exhibits in the corresponding file history, would be basically unwise.

For these reasons, the Section is opposed to the PTO's proposed rule change. It feels that the agency should explore other avenues of managing its storage and inventory problems, such as, for example, by investigating a surcharge to be applied to the submission of exhibits that are particularly bulky or that pose other storage problems.

Subject No. 7 -- Binding Effect of PTO Procedures

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-6 Resolved, that the Section of Intellectual Property Law favors, in principle, the PTO's internal procedures that substantially affect the substantive rights of persons outside the agency being stated in the Code of Federal Regulations in such a manner as to have the force and effect of law.

DISCUSSION

1. *Prior Section Positions*. The Section has no prior positions on this topic.

2. *Current Practice.* The PTO currently publishes some of its internal procedures in the Federal Code of Regulations. Others are published in the Manual of Patent Examining Procedure, and in the Official Gazette. Changes to the rules published in the C.F.R. are subject to notice and comment procedures. Changes in the other published statements are not.

3. *Proposed Change.* The PTO proposes to remove statements of its own internal procedures from Title 37, C.F.R. The agency has not stated any reason for the change.

4. *Analysis.* An agency's statement of its own internal rules and procedures can have the force and effect of law. Where the statement has such effect, the agency must follow the stated procedure; failure to do so is legal, and therefore reversible, error.

Whether a particular statement by an agency has such effect is governed by various factors. One is whether the statement was promulgated subject to notice and comment procedures. The another is whether the rule has appeared in the C.F.R. There is a body of case law that addresses when an agency is required to issue rules in a form that has the force and effect of law.

Accordingly, in the Section's view the PTO's proposed change to Title 37, C.F.R., could well have far reaching effects. Statements outside the C.F.R. are significantly less likely to be viewed by the courts as binding upon the PTO. The PTO's change thus would increase the agency's freedom of action. It would come potentially at the expense of persons who have business before the agency, who would no longer be able to rely upon the statements of procedure as process guarantees.

The Section is of the view that, generally speaking, the PTO should commit itself to at least the major aspects of the procedures it will use to execute its statutory functions. Thus, the Section believes that the agency should be willing to use notice-and-comment procedures to design its procedures, and to publish those procedures as rules in the C.F.R.

The proposed agency action suggests that the PTO lacks this willingness. The Section feels this is inappropriate, and offers the proposed resolution to express such a view. In the Section's view, the PTO should both encode its important internal practices as statements in the C.F.R., and give the statements the force and effect of law.

Subject No. 8 -- Reply Brief to Board of Appeals and Interferences

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-7 Resolved, that the Section of Intellectual Property Law favors, in principle, providing patent applicants on appeal as a matter of right with the opportunity to file a reply brief replying to positions expressed in the examiner's answers.

DISCUSSION

1. *Prior Section Positions.* Council of the Section approved the following resolution in September of 1995:

> Section favors, in principle, allowing the Appellant, in an *inter partes* appeal from a reexamination decision to the Board of Appeals and Interferences, to file a brief in reply to the opening brief of the Respondent and any Examiner's Answer, and, therefore, the Section specifically favors changing the provisions in proposed rules 1.963-73, title 37, C.F.R., as published in the Patent and Trademark Office's Notice of Proposed Rulemaking at 60 Fed. Reg. 41035 (Aug. 11, 1995), to permit the filing of such a reply brief.

Res. 103-4 (1995), *reprinted at* 1995 Ann. Rep. ___.

2. *Current Practice.* Under current practice the appellant in not guaranteed the right to file a reply brief to the Board of Patent Appeals and Interferences. Rather, such a brief is permitted only to the extent that the examiner has interposed new arguments or grounds of rejection in the Examiner's Answer. Whether such a condition exists is currently ruled upon by the examiner himself.

As one would expect, this procedure has produced contention and inefficiency. One party--the examiner--has control over what the other says to the reviewing body. The current practice has examiners striking reply briefs on a regular basis.

3. *Proposed Change.* The PTO proposes to remedy this situation by giving the appellant the routine opportunity to respond to the Examiner's Answer. Rule 193(b). Rather than a straightforward arrangement, however, the proposal is to permit the appellant to filing a substitute brief, which responds to the Answer. The notice does not supply a reason for this particular suggested practice. Section members have assumed that the intention is to hold the number of separate documents that form the arguments on appeal to a minimum.

4. *Analysis.* The Section applauds the PTO for making the effort to rationalize the briefing process, and for recognizing that appellants deserve the right to file a reply. It feels that both of these developments are positive and needed.

At the same time, the clear consensus among the Section is that the new proposed by the PTO is unnecessarily complex, and unworkable. Under the proposed arrangement, the substitute brief will contain portions written before the Answer, and other portions written in reply. It is therefore very likely that the appeal brief will be difficult to follow. The better, simpler practice, and the one that is followed in virtually every proceeding where a reply is permitted, is to permit the filing of a separate reply brief. The record on appeal therefore consists of opening brief, answer, and reply. Under such a structure, the arguments can be read in the order written, and the conversation during briefing can be reconstructed. While

the Section is sensitive to the need to keep the volume of briefing before the Board to a sensible level, it feels that the proposed structure would be make the job of the Board harder, not casier. A better mechanism to control the filings during appeal would be the imposition of a reasonable page limit on the submissions, particularly the reply brief.

In addition, the Section is of the general view that it would be appropriate for the PTO to place limits on the Reply Brief that correpond to those typically imposed in other settings, e.g., that the statements in the Reply Brief address arguments made in the preceding Answer, and so on. At the same time, however, the Section feels that it is fundamentally inappropriate for the PTO to give the examiner, who is essentially a party, the power to decide whether individual Reply Briefs are proper. The review should instead be placed in the authority of the Board.

Subject No. 9 -- Required Amendment by Change Pages

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-8 Resolved, that the Section of Intellectual Property Law favors, in principle, allowing the PTO to impose reasonable formal requirements on patent applicants, where those requirements provide a significant increase in the operational efficiency of the agency, and do not impose substantial costs or affect substantial rights of the applicants and Specifically, the Section favors giving the PTO discretion to impose the requirement that applicants present amendments to the specification and claims of patent applications in a manner that includes substitute pages to the application as filed.

DISCUSSION

1. *Prior Section Positions.* The Section has no prior positions on this specific topic. The Section is generally in favor of permitting the PTO to operate in a manner that allows applications to filed electronically, and to be printed at 18 months after filing. *See, e.g.,* Res. 407-1 (1992), *reprinted at* 1992 Ann. Rep. 295.

2. *Current Procedure.* The PTO has for many years employed docket clerks internally that physically enter changes into the files of pending applications, when those changes are presented by way of amendment. The agency has therefore permitted applicants to note changes by page, line and word, with instructions to alter the original pages accordingly. It has also permitted the filing of substitute pages as an alternative.

3. *Proposed Change.* The PTO proposes to require that all amendments to the specification and claims be presented by way of change pages. The motivation is apparently to simplify the entry of amendments, and to permit easier publication of pending applications, should the practice become statutory. In addition, the PTO proposes to require a clean set of the entire

claims to be filed whenever any change is made to any claim. This would sometimes involve the submission of pages that are identical to pages that already exist.

4. *Analysis.* The Section is not particularly troubled by the requirement to submit change pages into the application. This task is relatively easy to perform with modern word processing equipment, and nearly all practitioners are using such equipment at present. The Section also recognizes the general advantages to the PTO of the change-page procedure, particularly if 18-month publication is instituted.

In the other hand, the Section is of the view that requiring a duplicate set of all claims will likely be excessive in many cases. If, for example, the amendments to a particular claim to not result in a different page break to a following claim, the later substitute pages will be superfluous. Several members noted that, once warned of the PTO's practice, they would be able to reduce the need for new subsequent pages by leaving ample room at the bottom of the original pages, to accommodate future amendments.

The Section therefore recommends that the PTO modify its proposal to require only such new claim pages as are required by the amendments presented.

Subject No. 10-- *Pro Se* Certification and Representation

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-9 Resolved, that the Section of Intellectual Property Law favors, in principle, (i) making the certifications, now in Rule 10.18, applicable to all patent applicants; and (ii) giving the PTO the means to discover whether purportedly pro se aplications have been prepared with the help of others and Specifically, the Section favors amending Rule 1.4 to require such certification and to provide the power to require disclosure of whether assistance was received.

DISCUSSION

1. *Prior Section Positions.* The Section has no prior positions on this topic.

2. *Current Practice.* Under current practice, the PTO requires the signature of a registered attorney or agent to act as a certification of the various matters stated in Rule 10.18 regarding improper purpose, etc. Since this rule applies only to registered persons, there is no such certification made in papers filed *pro se.* In addition, the rules currently do not give the PTO the power to request statements, from *pro se* applicants, of whether help was rendered by other persons. This has been a loophole by which persons have been able to represent applicants in fact, while skirting the policing power of the agency.

3. *Proposed Changes.* The PTO proposes to amend Rule 1.4 by moving the certification provisions of Rule 10.18 forward. This would make them applicable to all papers filed, including those filed by applicants acting *pro se.*

The PTO also proposed to promulgate specific power to obtain information about potentially improper representation in applications filed nominally *pro se.*

4. *Analysis.* The Section recognizes the PTO's legitimate need to improve its control over applications filed *pro se.* It therefore endorses the proposed changes.

Subject No. 11-- Standards for Changing Inventorship

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-10 Resolved, that the Section of Intellectual Property Law opposes, in principle, amendment of Rule 1.48 to remove the diligence requirement and to remove the requirement on the applicant to explain how the error in inventorship occurred.

DISCUSSION

1. *Prior Section Positions.* The Section has no prior positions on this topic.

2. *Current Practice.* The PTO currently will permit the inventorship of a non-provisional application to be changed only with the filing of a verified statement detailing the error and how it was discovered. Rule 1.48. This has acted as a general impediment to the change of inventorship in pending applications. The governing statute, section 116, permits the named inventors of an application to be changed, but only on a showing of error without deceptive intent.

3. *Proposed Change.* The PTO proposes to amend Rule 1.48 in various manners. The requirement that a correction of inventorship be sought in a diligent manner would be deleted. The requirement that error be shown would be satisfied by a simple statement to that effect, which the agency would accept as truthful in all circumstances. The Rule would also no longer require a statement of facts describing the error.

4. *Analysis.* The Section is generally opposed to these changes in Rule 1.48. Their effect would essentially be to remove the PTO from examining the issue of inventorship in all *ex parte* applications. This is, in the Section's opinion, fundamentally at odds with the basic nature of the examination process. The substantive law invalidates patents that have issued in the name of incorrect inventors, in at least some circumstances. The PTO is charged with the duty of examining applications for patent for the purpose of denying issue to those applications that do not meet the standards for validity. Consequently, the PTO must examine with regard to the question of proper inventorship.

It is true, as the notice states, that the law of validity will in some cases spur the owner of the application to correct improper inventorship diligently. But this argument clearly proves too much. To the extent that the law requiring proper inventorship makes that issue self-policing, the same can be said of the law relating to novelty, statutory subject matter, obviousness, and so on. Clearly the PTO's retreat from these latter issues would be unwise; it would also be contrary to statute.

The Section feels that the PTO must take on the task of making some reasonable investigation of those potential grounds of invalidity that appear to be well founded. With regard to inventorship, the situations noted under Rule 1.48 are those in which an oath has been filed originally asserting that the proper inventor is one entity, and where a subsequent filing asserts that the proper inventor is another. Under such circumstances, it is the Section's view that the facts are inherently suspect and that an investigation into the merits by the PTO is warranted. The current practice, of requiring a showing of diligence and the absence of deceptive intent, is in the Section's view a level of investigation that is appropriate. The procedure proposed by the PTO is not.

Subject No. 12-- Relaxing Requirements of Reissue Oath

RESOLUTION ADOPTED BY SECTION COUNCIL 11/21/96

103-11 Resolved, that the Section of Intellectual Property Law favors, in principle, relaxing the existing requirements that pertain to reissue oaths while maintaining the statutory requirement for reciting the error and how it arose.

DISCUSSION

1. *Prior Section Positions*. The Section favors the removal of the requirement of "error" from the law regarding reissues:

> Section favors in principle amendment of 35 U.S.C. 251 to eliminate the requirement that "error" must have occurred in the grant of an original patent as a prerequisite for the filing of an application for reissue.

Res. 108-13 (1993), *reprinted at* 1993 Ann. Rep. 121.

2. *Current Practice*. The rules regarding the proper content of a reissue oath currently contain stringent requirements concerning statements of the precise nature of the defect in the patent under consideration, and how the defect was discovered. The requirements exceed those imposed by the statute and the current case law. In practice, satisfying the requirements of the rule has been difficult for patent owners, who have found the existing rule to virtually require them to make admissions against interest. In addition, the examining corps has

applied the requirement over-zealously, essentially treating every claim amendment as a separate "error."

3. *Proposed Change.* The PTO has proposed to amend Rule 1.175 to relax the requirements for the reissue oath. It will no longer be necessary to state the precise nature of the error, or how the error arose.

4. *Analysis.* The Section generally supports the proposed change. The contents of Rule 175 are a vestige of an earlier time, when reissue practice was subject to abuse by permitting the change of long-dormant patents. The legal rule that limits broadening reissues to the first two years after issuance has caused this early abuse to disappear. Thus, for essentially all this century the safeguards carried through Rule 175 have been somewhat superfluous. The Section supports their deletion as part of the overall process of modernizing and streamlining reissue practice.

At the same, time, however, the Section feels that it is important for the PTO to continue to carry out its statutory duty of ensuring that all reissued patents be in complaince with the existing statutory and common law. That law still requires that reissue be granted only for error. Consequently, the Section does not favor the PTO declining to investigate the subject of error completely, or the PTO adopting merely a *pro forma* requirement that the statutory standard be incanted in the reissue oath.

Introductory Note:

These comments and the resolutions included herein are presented in response to a notice published by the United States Patent and Trademark Office entitled "Registration Examination for Patent Practitioners and the Establishment of a Coontinuing Education Requirement and an Annual Fee for Registered Patent Practitioners" - 61 Fed. Reg. 51072, September 30, 1996.

Subject No. 1 -- Registration Examination For Patent Practitioners

RESOLUTIONS ADOPTED BY SECTION COUNCIL 11/21/96

103-12 Resolved, that the Section of Intellectual Property Law favors, in principle, registration of persons to practice before the Patent and Trademark Office being limited to those who have demonstrated that they possess the skills needed to be competent patent practitioners, and Specifically, the Section favors subjecting persons seeking registration to a test that is adequate to indicate whether those skills are present.