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December 5, 1996

Box Comments--Patents
Assistant Commissioner for Patents
Washington, D.C. 20231

ATTN: Jeffrey V. Nase

Dear Mr. Nase:

Intellectual Property Owners (IPO) appreciates the opportunity to provide comments on the Notice of proposed rule making entitled "1996 Changes to Patent Practice and Procedure" published at 61 Fed. Reg. 49934 (September 23, 1996), and 1191 Off. Gaz. Pat. Office 105 (October 22, 1996).

IPO is a nonprofit association that represents companies, universities, and individuals who own patents, trademarks, copyrights, and trade secrets. IPO members received about 30 percent of the U.S.-origin patents that were granted by the U.S. Patent and Trademark Office (PTO) in 1995.

IPO considered the proposals made in this extensive proposed rule making notice through a survey of its Board members and members of the PTO Practice Committee. The comments provided below largely reflect the results of that survey and any additional comments that were offered regarding the PTO proposals.

The proposed amendment of Rule 4 regarding certification of papers submitted to the PTO and sanctions that may be imposed were not favored. One concern that was expressed was that the notice does not make clear whether an attorney or agent registered to practice has an obligation in the case of the submission of a statement of fact to inform the party making the statement, or his or her client, of this certification effect, and the sanctions applicable to noncompliance. The sanctions which were suggested, including termination of proceedings, would obviously be much more severe than resubmitting a statement in verified form when the original presentation of papers was not verified as currently required by some of the rules.

The proposed changes to Rules 48 and 324 regarding correction of inventorship procedures were favored. In addition, the proposal to make these changes retroactive as to pending petitions at the time the rules are made effective was favored.

The proposed amendment to Rule 91 to preclude the admission of both exhibits and models into the record unless specifically required by the PTO as necessary for any purpose in examination of a patent application was not favored by a majority of people responding to the survey. One concern is that the PTO proposal

made no distinction between a 2-dimensional and a 3-dimensional model/exhibit. Many practitioners think of 2-dimensional charts, graphs, photographs, and similar physical evidence as exhibits. The proposed amendment to Rule 91 would appear to limit the manner in which an applicant could present evidence to establish nonobviousness in many circumstances. It would appear that the PTO proposal needs a good deal more consideration and clarification before it is made final.

The PTO proposals to create a new continuing application practice in Rule 53 and delete Rules 60 and 62 were favored. It must be pointed out, however, that Rules 60 and 62 have been used by many practitioners for a long period of time and the PTO should anticipate that papers will be filed containing references to Rules 60 and 62 for some time to come.

One concern in the elimination of Rule 60 is that one of the safeguards provided in Rule 60(b) regarding filing a continuation or division application has not been retained in Rule 53. In a situation where an applicant desires to file a Rule 60-type continuation or divisional application and not abandon the parent application, it will be necessary to file a copy of the parent application. In a circumstance where the Rule 60 copy provided to the PTO did not contain all the pages of the specification or all the figures of the drawing, it was possible to provide the missing pages and figures and retain the original filing date by filing a petition. One of the reasons for this provision was that applicant had manifested an intent to file a Rule 60-type continuing application and the Office already was in possession of the complete copy of that application. Under the new Rule 53 continuation or divisional practice, however, where the parent application is not to be abandoned, there is no similar safeguard for filing a continuation or divisional application. It is suggested that Rule 53 provide a statement to the effect that the filing of a continuation or divisional application will be presumed, in the absence of a clear indication to the contrary, to be the filing of an application identical in content to the parent application. In this way, any discrepancy between the content of the parent and continuation case, for example, could be rectified by petition without loss of filing date or subject matter.

The proposed amendment to Rule 113 regarding the prohibition of first action final rejections in an application was favored. However, it was not favored if it would require the proposed amendments to Rule 116 regarding amendments after final rejection.

The proposal to amend Rule 116 to severely limit the types of amendments that could be entered by an examiner after a final action was not favored. The significant restriction to consideration of amendments after final reduces the consideration of amendments after final to a clerical function. The proposed policy that examiners would not be precluded from entering amendments that put the application in condition for allowance is recognized, but is inconsistent with the language of the rule. Even with this exception, however, the significant limitation on amendments that could be entered by an examiner after final action is not consistent with the declared interest of the PTO in reducing delays in the ultimate issuance of a patent.

The concept that one would have to file a continued prosecution application to have an amendment entered that reduced the issues for appeal, or placed the application in better condition for appeal, does not help to advance prosecution. Under these circumstances, applicant would be forced into filing a continued prosecution application which must contain at least two Office Actions before it is ripe for appeal. This amounts to unnecessary work for both the Office and applicants for no sound purpose.

The proposed amendments to Rule 121 regarding the changed procedures for amending a non-reissue application drew mixed reactions from members responding to the survey. One concern that was expressed was the requirement to submit a clean copy of all pending claims when any amendment to the claims was made, and the provision that the omission of any claim with this clean copy will be considered a direction to cancel the omitted claim. The additional requirement for a clean copy is going to create additional work and an additional risk for applicants. It would appear that the PTO purpose could be accomplished and the change made more readily acceptable to the users by providing that any difference between the claims specifically directed to be canceled and the content of the clean copies be resolved in favor of non-cancellation of the omitted claims.

The majority of people responding to the survey favored the proposed amendment to Rule 121 requiring that all amendments in reissue applications and reexamination proceedings point out descriptive support for the amendments in the patent. It is suggested that the PTO clarify how an applicant would satisfy this requirement in cases where a simple editorial change is made or the amendment uses terms which find no explicit support in the patent.

The majority of people responding to the survey also favored the suggestion of the PTO to adopt similar administrative procedures in reissue applications and reexamination proceedings. The adoption of similar procedures would assist all parties, both within and outside the PTO, in learning and applying the correct procedures with greater consistency.

The proposed changes to Rule 137 regarding elimination of the one-year limit for submitting a petition for unintentional abandonment was favored, together with making that change retroactive to all pending petitions. The proposed amendment to Rule 137 regarding the adoption of a three-month period from the date of first Office notification that the application has become abandoned was not favored.

The proposed amendment to Rule 175 relating to the simplification of the requirements and procedures for filing an oath or declaration in a reissue application was favored. In addition, the proposal to make any change in this Rule retroactive to all pending reissue applications was favored.

The proposed change to Rule 176 received a mixed reaction from the people responding to the survey. Part of the problem may be a lack of understanding of the PTO position on subject matter that can be claimed in multiple reissue patents. The PTO's proposed amendment to Rule 176 would appear to permit an examiner to require restriction among claims in a reissue application except that no restriction would be required among the subject matter of the original claims of the patent. The commentary regarding the proposed amendments to Rule 177 indicates that multiple reissue patents will be permitted only when directed to distinct and separate parts of the thing patented--meaning that the thing patented is being proposed to be divided into separate parts and that those parts are patentably distinct from each other. Clarification of the PTO position would be helpful.

The proposed amendment to Rule 177 was opposed by a majority of the people responding to the survey.

The proposed amendments to Rule 193 relating to appeal practice, and specifically the prohibition on new grounds of rejection in an examiner's answer and a right to submit a substitute brief, were favored.

The proposed deletions of several Rules representing instructions as to the operations of the Office were not favored. While it is recognized that most of these rules relate to internal operations of the Office, many believe that it is important to maintain some

of these fundamental concepts in the Rules as opposed to being buried in the Manual of Patent Examining Procedure. Simply eliminating these Rules eliminates an important safeguard to the public and the user communities in that any change to the practices and policies contained in these Rules must be subject to publication of a notice of any proposed changes and an opportunity for the public and user communities to provide comments.

We appreciate the opportunity to present these comments. If we can be of any further assistance, we would appreciate the opportunity to work with the PTO to develop solutions acceptable to both the PTO and the user community regarding the proposed Rule changes.

Thank you for your consideration.

Sincerely,

Herbert C. Wamsley

Herbert C. Wamsley
Executive Director