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May 30, 2000

United States Patent and Trademark Office
Box Comments -Patents
Commissioner for Patents
Washington, DC 20231

Attention: Ms. Karin L. Tyson

**Re: Comments on Notice of Proposed Rulemaking for Implementing the
Patent Term Adjustment for the New 20 Year Patent Term**

The Japan Machinery Center for Trade and Investment (JMC) hereby submits comments on Notice of Proposed Rulemaking, Federal Register Vol. 65, No. 63, March,31, 2000, Changes To Implement Patent Term Adjustment Under Twenty-Year Patent Term.

JMC is a nationwide association of 380 firms that manufacture and export machinery products worldwide. JMC was established in 1952 under Japan's Export and Import Transactions Law to represent the interests of Japanese machinery exporters and investors.

JMC has some of concerns about the proposed regulation as discussed below and we thank you in advance for taking these comments into account before issuing any final regulation.

Comments on the Proposed Regulation

1. Patent Term of Divisional and Continuation.

Rule 1.702(f). The provisions of this section and §§ 1.703 through 1.705 apply only to the original application

It may be appropriate that the rule prevents the harmful effects of old art dominating the market over a long period of time by limiting the provisions of the patent term adjustment to the "original application." However, there is no definition of the "original application" in the Rules. There should be a clear definition of "original application" in the Rules.

If the term "original application" is used to mean a parent application versus its divisional or continuation application, the rule would indicate that the original application is entitled to patent term adjustment even if a patent issues on its divisional or continuation application earlier than the original application. However, if a patent issues for the divisional or continuation application first, there should be no need to adjust the term of the parent application.

Also, when there is a restriction requirement, the time period, which is adjusted, may change depending on which subject matter is chosen in the parent application. If the applicant elects in the original application the claim group which is very difficult to be allowed, the applicant may obtain a patent term adjustment by repeating continued examinations, while filing divisional applications for claim groups which can be easily allowed, thus patenting these claim groups early. On the other hand, if the applicant elects in the original application the claim group which is easily allowed, the applicant will not obtain a patent term adjustment even if the applicant repeats continued examination on divisional applications for claim groups which are difficult to be allowed.

Therefore, the language "apply only to the original application" should be changed to "apply only to the application for which a patent is issued first." Alternatively, the rules should provide a definition for "original application" to that effect.

If the patent term is not adjusted for a divisional application or a continuation application, then it naturally follows that the patent term for a divisional or continuation is 20 years from the filing date of the original application. This means the patent term of the divisional application or the continuation application expires earlier than the original application for the time period adjusted on the original application, even if a patent is issued for the divisional or continuing application after the original application. This will have an awkward effect, leaving room for confusion as to whether the term of the patent for the divisional or the continuation is entitled to the same term adjustment as the original. Therefore, in order to avoid such confusion, the Rules should state clearly that applications other than the original application will expire 20 years from the filing date of the original application.

2. Extension of Time by Foreign Applicants

Rule 1.704(b). . . . an applicant shall be deemed to have failed to engage in reasonable efforts to conclude processing or examination of the application for the cumulative total of any periods of time in excess of three months that are taken to reply to any notice or action by the Office

This provision could affect foreign applicants, in particular, ones from non-English speaking countries, unfairly, because such applicants, compared to domestic applicants, often are in need of extensions. In light of this need, at least a one month extension for foreigners should be considered as not coming under the "failure to engage in reasonable efforts to conclude prosecution" provision.

3. Publication of Adjusted Patent Term

Rule 1.705(d). If the patent is issued on a date other than the protected date of issue and this change necessitates a revision of the patent term adjustment indicated in the notice of allowance, the patent will indicate the revised patent term adjustment.

This provision addresses a treatment of when a patent is issued on a date other than the scheduled date of issue. The objective of this provision is to ensure that the revised patent adjustment date, which is different from the patent adjustment date given in the notice of allowance, appears on the patent. However, there is no provision for indicating the patent term adjustment on the patent in the first place when the patent issues on the planned day under normal circumstances.

Consequently, there should be a provision which assures the patent adjustment term be indicated on the patent itself, so that the public is not required to check the prosecution record just to know the adjusted term of each patent.

4 Period of Adjustment Due to Delay During Appeal to Board

Rule §1.703(a)(4). The number of days, if any, in the period beginning on the date four months after the date a notice of appeal to the Board of Patent Appeals and Interferences ... was filed

This rule indicates that the USPTO is required to respond within four months after the filing of the notice of appeal. However, Appellant is not required to submit a Appellant's brief together with the notice of appeal. Appellant has at least two months to file the Appellant brief and the time can be extended up to additional five months. Thus, the appeal procedure on the merits does not start until the filing of Appellant's brief. Therefore, "beginning on the date four months after the date a notice of appeal to the Board of Patent Appeals and Interferences ... was filed" should be "beginning on the date four months after the date an Appellant's brief was filed."

5 Period of Adjustment Due to Delay After Issue Fee Payment

Rule §1.703(a)(6). The number of days, if any, in the period beginning on the date four months after the date the issue fee was paid and all outstanding requirements were satisfied and ending on the date a patent was issued.

It is not clear from the language of the rule whether the “all outstanding requirements” include the submission of a priority document. In the current USPTO practice, if the priority document is not submitted, a patent is issued without the priority data. And when it later turns out that the priority document was submitted before the issuance of the patent, a certificate of correction is issued. Therefore, the delay of the processing of a priority document before the patent issues does not influence the timing of the patent issuance. Therefore, the priority document should be excepted from the “all outstanding requirements.”

We thank you again for your kind consideration of these comments.

Sincerely yours,

Shuji Ogawa
Executive Managing Director
Japan Machinery Center for Trade and Investment