

## DEPARTMENT OF COMMERCE

## Patent and Trademark Office

## 37 CFR Part 1

[Docket No. 950207044-5044-01]

RIN 0651-AA71

## Patent Appeal and Interference Practice

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Final rule.

**SUMMARY:** The Patent and Trademark Office (PTO) is amending the rules of practice in patent cases relating to patent appeal and interference proceedings. The changes include amendments to conform the interference rules to new legislative requirements and a number of clarifying and housekeeping amendments.

**EFFECTIVE DATE:** This document is effective April 21, 1995, except § 1.11(e) which is effective March 17, 1995.

**FOR FURTHER INFORMATION CONTACT:** Fred E. McKelvey by telephone at (703) 603-3361 or by mail marked to the attention of Fred E. McKelvey at P.O. Box 15647, Arlington, Virginia 22215.

**SUPPLEMENTARY INFORMATION:** A Notice of Proposed Rulemaking was published in the *Federal Register* (59 FR 50181) on October 3, 1994, and in the Official Gazette of the Patent and Trademark Office (1167 Off. Gaz. Pat. Office 98) on October 25, 1994. In response to a request for written comments, twenty-six written comments were received. A public hearing was held on December 7, 1994, at which four witnesses testified. The written comments and the suggestions made at the public hearing represent the views of fifteen individuals and corporations and three patent law associations, namely, the Committee on Interferences of the American Bar Association, the Interference Committee of the American Intellectual Property Law Association and the Japan Intellectual Property Association. These comments and suggestions are addressed below in the discussion of the rule changes to which they pertain. A number of suggested rule changes, though meritorious, cannot be adopted at this time because they are believed to be outside the scope of the present rulemaking. Accordingly, those suggestions will be the subject of a future rulemaking.

The provisions of the rules, as amended, will be applied in pending interferences to the extent reasonably possible. However, it is the desire of PTO to avoid applying the rules, as

adopted, to pending interferences where substantial prejudice would result. For example, generally speaking, in cases where the periods for filing preliminary motions and preliminary statements have been set, the current preliminary motion and preliminary statement rules will apply, although parties are free to voluntarily comply with the rules as amended. Generally speaking, in cases where the testimony periods have been set, the current testimony and record rules will apply. The question of whether substantial prejudice will result in a particular case is a matter within the discretion of the administrative patent judge or the Board.

### I. Amendments Responsive to Adoption of Public Laws 103-182 and 103-465

As indicated in the Notice of Proposed Rulemaking, several of the amendments to the interference rules (i.e., 37 CFR 1.601 *et seq.*) are responsive to Public Law 103-182, 107 Stat. 2057 (1993) (North American Free Trade Agreement Implementation Act, hereinafter NAFTA Implementation Act), which amended 35 U.S.C. 104 to permit an applicant or patentee, with respect to an application filed on or after December 8, 1993, to rely on activities occurring in a "NAFTA country" to prove a date of invention no earlier than December 8, 1993, except as provided in 35 U.S.C. 119 and 365. On December 8, 1994, which was subsequent to publication of the Notice of Proposed Rulemaking, Public Law 103-465, 108 Stat. 4809 (1994) (Uruguay Round Agreements Act) was signed into law, which further amended 35 U.S.C. 104 to permit an applicant or a patentee, with respect to an application filed on or after January 1, 1996, to rely on activities occurring in a WTO member country to prove a date of invention no earlier than January 1, 1996, except as provided in 35 U.S.C. 119 and 365. Section 104, as amended by Public Law 103-465, reads as follows:

#### Section 104. Invention made abroad.

(a) IN GENERAL.—

(1) PROCEEDINGS.—In proceedings in the Patent and Trademark Office, in the courts, and before any other competent authority, an applicant for a patent, or a patentee, may not establish a date of invention by reference to knowledge or use thereof, or other activity with respect thereto, in a foreign country other than a NAFTA country or a WTO member country, except as provided in sections 119 and 365 of this title.

(2) RIGHTS.—If an invention was made by a person, civil or military—

(A) while domiciled in the United States, and serving in any other country in connection with operations by or on behalf of the United States,

(B) while domiciled in a NAFTA country and serving in another country in connection with operations by or on behalf of that NAFTA country, or

(C) while domiciled in a WTO member country and serving in another country in connection with operations by or on behalf of that WTO member country, that person shall be entitled to the same rights of priority in the United States with respect to such invention as if such invention had been made in the United States, that NAFTA country, or that WTO member country, as the case may be.

(3) USE OF INFORMATION.—To the extent that any information in a NAFTA country or a WTO member country concerning knowledge, use, or other activity relevant to proving or disproving a date of invention has not been made available for use in a proceeding in the Patent and Trademark Office, a court, or any other competent authority to the same extent as such information could be made available in the United States, the Commissioner, court, or such other authority shall draw appropriate inferences, or take other action permitted by statute, rule, or regulation, in favor of the party that requested the information in the proceeding.

(b) DEFINITIONS.—As used in this section—

(1) the term "NAFTA country" has the meaning given that term in section 2(4) of the North American Free Trade Agreement Implementation Act; and

(2) the term "WTO member country" has the meaning given that term in section 2(10) of the Uruguay Round Agreements Act.

Section 2(4) of the NAFTA Implementation Act is codified at 19 U.S.C. 3301; § 2(10) of the Uruguay Round Agreements Act is codified at 19 U.S.C. 3501.

The Notice of Proposed Rulemaking proposed adding a new paragraph (r) to § 1.601 defining "NAFTA country" to mean "NAFTA country" as defined in section 2(4) of the NAFTA Implementation Act and "non-NAFTA country" to mean a country other than a NAFTA country. One comment questioned whether "NAFTA country" should be defined in the rules to include the United States. The answer is no. "NAFTA country" as used in 35 U.S.C. 104 has the meaning given that term in section 2(4) of the NAFTA Implementation Act, which refers to only Canada and Mexico. Another comment observed that the proposed terms "NAFTA country" and "non-NAFTA country" do not appear to contemplate that inventive acts may occur in a foreign place that is not part of any "country" and suggested either using the phrase "outside the United States or a NAFTA country" instead of "non-NAFTA country" or else defining "non-NAFTA country" to mean "a place other than the United States or a NAFTA country." The comment is well

taken. In view of the comment and the amendment of 35 U.S.C. 104 by the Uruguay Round Agreements Act to permit reliance on activities in WTO member countries, the proposed term "NAFTA country" is replaced in §§ 1.622, 1.623, 1.624 and 1.628, which set forth the requirements for preliminary statements and for correcting preliminary statements, by the phrase "NAFTA country or WTO member country" and the proposed term "non-NAFTA country" is replaced by the phrase "place other than the United States, a NAFTA country or a WTO member country." Furthermore, the references in §§ 1.622(b) and 1.623(a) to the "second sentence of 35 U.S.C. 104" have been changed to "35 U.S.C. 104(a)(2)" to reflect the fact that 35 U.S.C. 104 as amended by the Uruguay Round Agreements Act includes paragraphs (a) (1), (2) and (3). For example, § 1.622(b) is revised to read:

(b) The preliminary statement shall state whether the invention was made in the United States, a NAFTA country (and, if so, which NAFTA country), a WTO member country (and if so, which WTO member country), or in a place other than the United States, a NAFTA country, or a WTO member country. If made in a place other than the United States, a NAFTA country, or a WTO member country, the preliminary statement shall state whether the party is entitled to the benefit of 35 U.S.C. 104(a)(2).

For the above-stated reasons, § 1.601 is revised by adding new paragraph (r), which, as proposed, defines "NAFTA country" to have the meaning given that term in section 2(4) of the North American Free Trade Act Implementation Act, Pub. L. 103-182, 107 Stat. 2057 (1993). However, since, as noted above, the term "non-NAFTA country" is not being adopted, the proposal to also define that term in § 1.601(r) is hereby withdrawn. Section 1.601 is also revised to include a new paragraph (s) that defines "WTO member country" to have the meaning given that term in section 2(10) of the Uruguay Round Agreements Act, Pub. L. 103-465, 108 Stat. 4809 (1994).

Section 1.684, which relates to the taking of testimony in a foreign country, is removed and reserved in view of the amendments to §§ 1.671-72. Section 1.672 is amended by revising paragraph (a), revising current paragraph (b) and redesignating parts of it as new paragraphs (b), (c) and (d), removing and reserving paragraph (c) and redesignating it as new paragraph (e), revising paragraphs (d) and (e) and redesignating them as new paragraphs (f) and (g), and redesignating paragraph (f) as new paragraph (h).

Specifically, the Notice of Proposed Rulemaking proposed amending § 1.672(a) to require that "testimony not compelled under 35 U.S.C. 24 or compelled from a party or in another country" be taken only by affidavit. Several comments questioned whether the term "compelled" also applies to the phrase "in another country" and suggested inserting "compelled" before that phrase if that is the intent. Inasmuch as the comment correctly states the intent, the suggestion in the comment is being adopted.

One comment supported limiting non-compelled direct testimony to affidavits on the ground that it will reduce the cost of submitting testimony-in-chief and will eliminate economic harassment by a more affluent party of a less affluent opponent, since the less affluent opponent will no longer be required to pay the expense of counsel to attend depositions called by the more affluent party for taking direct testimony. Several comments were opposed, maintaining that affidavits are inherently less credible than live testimony. One comment states:

Ours is the only country that supports interferences and we should be proud of it, because it demonstrates our commitment to the concept that it is more important to seek right and justice than to settle for a single arbitrary rule of convenience, no matter how convenient. Even if we don't always secure the right result, at least we try. As we invite the rest of the world to become full participants in this uncommon philosophy, we should endeavor to present it in its best light.

How we conduct a trial is a centerpiece of our judicial system. Our interference trial by deposition is a reasonable compromise from a trial in a courtroom type setting. But a trial by affidavit is no trial at all! Affidavits are inevitably contrived, artificial, and often argumentative. They cannot substitute for the extemporaneous words of a witness (even if well coached), and cross-examination is not likely to reconstruct the real truth. Even if it is just in a nuance of expression, it is gone.

The current approach of providing a choice between deposition and affidavit testimony is difficult to accept, but at least it is justifiable on the basis that so many patent attorneys simply don't know how to conduct a deposition, while they do have some experience with affidavits. But the proposal to make affidavits mandatory for direct testimony is contrary to my understanding of American jurisprudence.

Direct testimony on behalf of a party by oral deposition is said to be advantageous to the opponent in that the testimony is the witness' own, the demeanor of the witness can be observed by the opponent (but demeanor is not observed by any member of the Board), and cross-examination can be carried out without

a period during which it is said that the witness can be coached in preparation for cross-examination. However, under current practice a party can elect to deprive its opponent of these advantages by electing to use affidavits. Deposition testimony is also said to be advantageous to the party offering the testimony, who may find it more convenient to present the witness at a single deposition for direct and cross-examination than to first prepare an affidavit for direct testimony and later produce the witness at a deposition for cross-examination by an opponent. These supposed advantages are believed to be outweighed by the advantages of requiring that direct non-compelled testimony be in affidavit form. As recognized by those who favor direct testimony by affidavit, there are at least two advantages to taking direct testimony by affidavit, i.e., (1) Reducing the cost of presenting a party's own direct testimony and (2) avoiding the expense of attending an opponent's depositions for direct testimony. There are a number of other advantages when direct testimony is taken by affidavit rather than deposition. First, because an opponent will have seen all of the party's direct testimony prior to beginning cross-examination, the opponent should be able to carry out a more pointed and efficient cross-examination, thereby avoiding the need to recall a witness for further examination during the opponent's rebuttal case, which can be costly in time and expense to both the party and the opponent. Second, a party presenting direct testimony by affidavit is less likely to inadvertently, and perhaps fatally, omit an essential part of its proofs than when presenting direct testimony by oral deposition. Third, affidavit testimony will be advantageous to the Board because affidavit testimony can be evaluated more expeditiously than can deposition transcripts, which frequently present the facts in an incoherent manner and too often include a considerable amount of disruptive attorney colloquy. Fourth, in the case of direct testimony by persons testifying in a foreign language, testimony by affidavit (in the English language) should be considerably less cumbersome than testimony by oral deposition through translators.

Two comments suggested that there may be cases in which both parties find it mutually convenient to present their direct testimony by oral deposition and that under these circumstances the administrative patent judge should be allowed to authorize such depositions. The suggestion is not being adopted,

because it would eliminate the above-noted advantages of reducing the likelihood of omitting an essential part of the proofs and having the Board consider direct testimony presented in a more coherent form.

Another comment suggested that there appears to be no need why all testimony abroad must be by oral deposition, noting, for example, that a third-party witness may be willing to give an affidavit comprising the direct testimony, provided cross-examination will be conducted in the witness's home country. Still another comment asked how the parties should handle a situation where a party's witness residing in a foreign country, due to health or other serious impediment, is unable to travel to the United States for cross-examination, but is willing to testify in the foreign country, which allows testimony, for example, only by written interrogatories. The answer in both situations, as well as in other unusual situations not provided for by the rules, is to file a motion (§ 1.635) for permission to take the testimony in a manner other than by deposition. The motion may or may not be granted depending on the particular circumstances. In order to make it clear that the administrative patent judge and the Board have discretion in unusual circumstances to grant appropriate relief, § 1.672 is further revised by adding a new paragraph (i) reading as follows:

(i) In an unusual circumstance and upon a showing that testimony cannot be taken in accordance with the provisions of this subpart, an administrative patent judge upon motion (§ 1.635) may authorize testimony to be taken in another manner.

Section 1.672(b), as it was proposed to be revised in the Notice of Proposed Rulemaking, includes a requirement that a party presenting testimony of a witness by affidavit, within the time set by the administrative patent judge for serving affidavits, file a copy of the affidavit. Since, for reasons discussed *infra*, § 1.671(e) is being retained in modified form rather than being removed and reserved, as was proposed, § 1.672(b) as adopted, like current § 1.672(b), permits a party to file a copy of the affidavit or, if appropriate, a notice under 1.671(e). If the affidavit relates to a party's case-in-chief, it shall be filed or noticed no later than the date set by an administrative patent judge for the party to file affidavits for its case-in-chief. If the affidavit relates to a party's case-in-rebuttal, it shall be filed or noticed no later than the date set by an administrative patent judge for the party to file affidavits for its case-in-rebuttal.

A party shall not be entitled to rely on any document referred to in the affidavit unless a copy of the document is filed with the affidavit. A party shall not be entitled to rely on anything mentioned in the affidavit unless the opponent is given reasonable access to the thing. A thing is something other than a document.

As proposed in the Notice of Proposed Rulemaking, a new paragraph (c) is added to § 1.672 stating that where an opponent objects to the admissibility of any evidence contained in or submitted with an affidavit, the opponent must file and serve objections stating with particularity the nature of the objection. Any objection should identify the specific Federal Rule of Evidence that renders the evidence inadmissible and shall explain why the Rule applies to the evidence sought to be introduced. No oppositions to the objections are authorized. Rather, the party may respond by filing supplemental evidence in the form of affidavits, official records and printed publications. Alternatively, the party may determine that the objection is without merit and do nothing. One comment suggested that "supplemental affidavits and supplemental official records and printed publications" in the third sentence of § 1.672(c) as proposed be changed to "one or more supplemental affidavits, official records or printed publications." The suggestion is being adopted. The same or similar changes have been made in the third sentence of § 1.682(c) and in the third sentence of § 1.683(b); in the third sentence of § 1.688(b) "supplemental affidavits" has been changed to "one or more supplemental affidavits." Section 1.672(c) further provides that any objections to the admissibility of any evidence contained in or submitted with a supplemental affidavit shall be made only by a motion to suppress under § 1.656(h).

As proposed in the Notice of Proposed Rulemaking, § 1.672 is revised by adding a new paragraph (d) requiring any cross-examination of an affiant to be by deposition at a reasonable location within "the United States," which is defined in § 1.601(p) and 35 U.S.C. 100(c) to mean "the United States of America, its territories and possessions." For purposes of the interference rules, the term "territories and possessions" is broadly construed to refer to all territories and possessions of the United States, including, for example, the Commonwealth of Puerto Rico.

An opponent who believes that a party is producing an affiant for cross-examination in an "unreasonable"

location may move (§ 1.635) for entry of an order by an administrative patent judge to set the location of the deposition for cross-examination. Paragraph (d) also requires that the party whose witness is to be cross-examined give notice of the deposition under § 1.673(e), obtain a court reporter and provide a translator if the witness will not testify in English. Although not expressly set forth in the rules as amended, it should be understood that any party attending the deposition can bring its own translator or the parties can agree to share the cost of a single mutually agreeable translator.

Comments were received against the proposal that § 1.672(d) require cross-examination of affiants to be conducted by oral deposition "at a reasonable location within the United States." One comment suggested that requiring a witness who resides in a foreign country to travel to the United States for cross-examination will be extremely inconvenient where the witness is a key person for a company. The comment also suggested that the term "United States" be amended to additionally include U.S. embassies and/or consulates in foreign countries, at least for purposes of conducting cross-examination. The suggestion is not being adopted. Given the time differences between the United States and Europe or the United States and Asia, it is highly likely that administrative patent judges would not be on duty to rule on telephonic requests for admissibility of evidence. Furthermore, a party whose witness is to testify on cross-examination at a "trial" (i.e., interference proceeding) in the United States should produce the witness for cross-examination at a reasonable location within the United States. Finally, in view of PTO's general lack of experience regarding procedures for, and difficulties which may arise in, taking deposition testimony in a foreign country, PTO has decided, at least for the time being, to take a conservative approach regarding taking testimony in a foreign country. The approach will be reevaluated after PTO gains some experience with foreign deposition testimony taken pursuant to § 1.671(h).

One comment suggested inserting a comma after "reporter" in the fifth sentence of proposed § 1.672(d), as well as in the fifth sentences of proposed §§ 1.682(d), 1.683(c) and 1.688(c). The suggestion is being adopted.

The Notice of Proposed Rulemaking proposed to redesignate current § 1.672(d) ("When a deposition is authorized under this subpart, if the parties agree in writing, the deposition may be taken before any person

authorized to administer oaths, at any place, upon any notice, and in any manner, and when so taken may be used like other depositions.") as § 1.672(f). One comment questioned whether § 1.672(f) (former § 1.672(d)) applies to cross-examination deposition testimony authorized by §§ 1.672(d), 1.673(a), 1.682(d), 1.683(c) and 1.688(c). Implicit in the comment is a question of whether proposed § 1.672(f) would authorize the parties, with respect to deposition testimony that has been authorized by the rules or by an administrative patent judge to be taken in the United States, to agree to take the deposition outside the United States. For the reasons discussed above, the parties may not agree, absent the permission of an administrative patent judge or the Board, to take a deposition outside the United States. Accordingly, § 1.672(f), as amended, provides that depositions authorized to be taken within the United States are to be taken within the United States: "When a deposition is authorized to be taken within the United States under this subpart and if the parties agree in writing, the deposition may be taken in any place within the United States, before any person authorized to administer oaths, upon any notice, and in any manner, and when so taken may be used like other depositions."

Current § 1.672(e), which is being redesignated as § 1.672(g), reads as follows: "If the parties agree in writing, the testimony of any witness may be submitted in the form of an affidavit without opportunity for cross-examination. The affidavit shall be filed in the Patent and Trademark Office." Although not proposed in the Notice of Proposed Rulemaking, this section is revised to be consistent with the other amendments to §§ 1.671-73 so as to read as follows: "If the parties agree in writing, the affidavit testimony of any witness may be submitted without opportunity for cross-examination."

As proposed in the Notice of Proposed Rulemaking, current § 1.672(f), which concerns the filing of agreed statements setting forth how a particular witness would testify if called or the facts in the case of one or more of the parties, is redesignated as § 1.672(h).

In addition to the proposed amendments discussed above, current § 1.672(b) is revised, as proposed in the "Miscellaneous Amendments" part of the Notice of Proposed Rulemaking, by deleting the third sentence, which specifies the type of paper to be used for affidavits, as superfluous in view of § 1.677(a); and in paragraph (d), the fifth sentence ("A party electing to present

testimony of a witness by deposition shall notice a deposition of the witness under § 1.673(a).") is removed as superfluous in view of the second sentence of new § 1.672(d).

In § 1.671, the Notice of Proposed Rulemaking proposed to amend paragraph (a) to read as follows: "Evidence consists of testimony and exhibits, official records and publications filed under § 1.682, testimony from another interference, proceeding, or action filed under § 1.683, and discovery relied upon under § 1.688, and the specification (including claims) and drawings of any application or patent: \* \* \*." One comment suggested that "and discovery" be changed to "discovery" in order to remove an unnecessary "and." The suggestion is being adopted. Another comment suggested inserting "and exhibits" after "testimony" in the phrase "testimony from another interference, proceeding, or action under § 1.683." The suggestion is being adopted, but with the term "exhibits" prefaced by "referenced" to make it clear that it relates only to exhibits referred to by a witness in an affidavit or during an oral deposition. Clarification is necessary because, as noted in the discussion of § 1.653(c)(5), *infra*, the term "exhibit" also includes official records and printed publications relied on under § 1.682, which are not referred to by a witness in an affidavit or during an oral deposition. For the same reason, "referenced" is also inserted before the first occurrence of "exhibits" in § 1.671(a). A similar clarifying amendment is also made to § 1.683(a).

The Notice of Proposed Rulemaking proposed to revise § 1.671(f) to state that "[t]he significance of documentary and other exhibits identified by a witness in an affidavit or during oral deposition shall be discussed with particularity by the witness" (emphasis added) in order to clarify that the requirement for the significance of documentary and other exhibits to be discussed with particularity by a witness applies only to documentary and other exhibits identified by a witness in an affidavit or during oral deposition. One comment indicated that proposed § 1.671(f) fails to recognize that a witness may be called merely to authenticate a piece of evidence, e.g., a photograph, which is to be discussed with particularity by another witness. The comment is well taken. Accordingly, § 1.671(f) is revised to read as follows: "The significance of documentary and other exhibits identified by a witness in an affidavit or during oral deposition shall be discussed with particularity by a

witness." Thus, § 1.671(f) does not apply to official records and printed publications submitted into evidence pursuant to § 1.682(a).

The Notice of Proposed Rulemaking proposed that § 1.671(g), which currently requires a party to file a motion (§ 1.635) to obtain permission prior to taking testimony or seeking documents or things "under 35 U.S.C. 24," be revised to require a motion "prior to compelling testimony or production of documents or things under 35 U.S.C. 24 or from a party." One comment suggested that the requirement to obtain permission from an administrative patent judge before noticing an employee of one's opponent as a hostile witness is important. Another comment took issue with the requirement and the statement in the Notice of Proposed Rulemaking that "all depositions for a case-in-chief would have to be approved by an administrative patent judge" (59 FR at 50191), stating:

I suppose that means by motion with an explanation of what the deposition will cover. Such a procedure will destroy the ability to obtain effective testimony from an adverse witness, because of the need to reveal the strategy. Particularly in a derivation contest, the ability to obtain unrehearsed testimony of the adverse party will be lost, and he [sic; his testimony] may be the only corroboration available. Heretofore, taking the deposition of one's adverse party to obtain evidence for one's case-in-chief has been a matter of right on serving proper notice. It is essential that this right be preserved. Obviously, this procedure should not be used to discover a senior party's case-in-chief, and that limitation is easily protected by objection to any such questions that are not also related to the junior party's case-in-chief, and then either (a) calling the judge for an immediate ruling, or (b) refusing to answer the question.

Assuming for the sake of argument that the current interference rules permit a party to notice the deposition of an opponent's witness in order to take direct testimony of the type described above without first obtaining permission from an administrative patent judge, the interference rules do not provide any sanction for the failure of the witness to appear at a noticed deposition. Consequently, even under the current rules the party seeking the testimony of an opponent's witness, as a practical matter, must obtain an order from an administrative patent judge or the Board requiring the witness to appear so that the opponent can be sanctioned under § 1.616 if the witness fails to appear.

One comment suggested that the proposed new last sentence for § 1.671(g) ("The testimony of the witness shall be taken on oral

deposition.") be omitted as superfluous in view of § 1.672(a) as amended. The suggestion is being adopted.

A comment suggested that § 1.671(g) be modified to expressly apply to an entity or witness under the opponent's control. The modification is not believed to be necessary. The term "party" is defined in § 1.601(1) to include an inventor's legal representative or assignee. The term "opponent," while not defined per se in the rules, is a "party" who happens to be a "second" party opponent of a "first" party. Section 1.671(g) applies where a witness is under the control of a party opponent's assignee.

As proposed in the Notice of Proposed Rulemaking, a new paragraph (h) is added to § 1.671 providing that a party seeking to compel testimony or production of documents or things in a foreign country must file a motion (§ 1.635) to obtain permission from an administrative patent judge. The motion must show that the witness has been asked to testify in the United States and has refused to do so or that the individual or entity having possession, custody, or control of the document or thing has refused to produce the document or thing in the United States, even though the moving party has offered to pay the expenses involved in bringing the witness or the document or thing to the United States. When permission has been obtained from the administrative patent judge, the party, after also complying with the requirements for an oral conference (§ 1.673(g)), and service of documents and a proffer of access to things (§ 1.673(b)), must notice the deposition under § 1.673(a).

With respect to the requirements for a motion to compel testimony or production of documents or things in a foreign country, one comment suggested that the phrase "possession, custody and control" in proposed § 1.671(h)(2)(iii) appears to include a typographical error and should be changed to read "possession, custody or control." The suggestion is being adopted.

Another comment suggested that the administrative patent judge would benefit from being additionally advised of (1) the foreign country where the witness, document or thing is located, (2) a summary of the procedures proposed to be followed to compel the testimony or production of documents or things in the foreign country, and (3) the time likely to be required to complete the procedures. In support, the comment notes that compelling testimony or production of documents in a foreign country can be so time-

consuming that it may outweigh the benefit of allowing the testimony or documents to be obtained, considering their likely probative value and other relevant considerations. The comment continues that in order to allow the administrative patent judge to supervise the progress of the interference and to allow establishment of an appropriate schedule for the interference, the rules should require the suggested procedural information. These suggestions are being adopted. Adoption of these suggestions, however, should not be construed as a policy determination by PTO that it intends to approve of, or tolerate, unwarranted delays in obtaining testimony in a foreign country. The spirit of 35 U.S.C. 104 requires that evidence be obtainable in a foreign country essentially on the same basis that it is obtainable in the United States. When the laws and procedures in a foreign country make it so time-consuming to obtain evidence that the evidence is essentially not available in a reasonable manner, then the "adverse inferences" provision of new § 1.616(c) may be appropriately applied.

Another comment notes that proposed § 1.671(h)(1)(iv) for witnesses and § 1.671(h)(2)(iii) for documents and things assume that it will be possible to request the holder of the evidence to voluntarily produce it and obtain a definitive response to the request, whereas it is said that discovery experience in foreign countries shows that those possessing evidence often evade contact or, when contacted, evade giving a definitive response. Accordingly, the comment suggested that these provisions be reworded as follows:

§ 1.671(h)(1)(iv). Demonstrate that the party has made reasonable efforts to secure the agreement of the witness to testify in the United States but has been unsuccessful in obtaining the agreement, even though the party has offered to pay the expenses of the witness to travel to and testify in the United States.

§ 1.671(h)(2)(iii). Demonstrate that the party has made reasonable efforts to obtain the agreement of the individual or entity having possession, custody, or control of the document to produce the document or thing in the United States but has been unsuccessful in obtaining that agreement, even though the party has offered to pay the expenses of producing the document or thing in the United States.

The suggestion is being adopted. The expenses of a witness traveling to the United States means the round-trip travel expenses.

The Notice of Proposed Rulemaking proposed the addition to § 1.671 of a new paragraph (j), which is patterned on

paragraph (e) of § 1.684 (removed and reserved). Section 1.671(j), as it was proposed, reads as follows:

(j) The weight to be given testimony taken in a foreign country will be determined on a class-by-case basis. Little, if any, weight may be given to testimony taken in a foreign country unless the party taking the testimony proves by clear and convincing evidence (1) that giving false testimony in an interference proceeding is punishable as perjury under the laws of the foreign country where the testimony is taken and (2) that the punishment in a foreign country for giving such false testimony is similar to the punishment for perjury committed in the United States.

A number of comments were received in response to the proposal. Two comments questioned whether § 1.671(j) is intended to apply to affidavit testimony as well as deposition testimony. One comment suggested that the rule be expressly limited to deposition testimony, since testimony by affidavit (including declarations) can be taken in foreign countries under the perjury provisions of 28 U.S.C. 1746(1), and is additionally subject to the safeguard of cross-examination in the United States under proposed § 1.672(d). For these reasons, and also because current § 1.684(e), on which § 1.671(j) is patterned, applies only to deposition testimony in a foreign country in the form of interrogatories answered under oath, the suggestion to expressly limit § 1.671(j) to deposition testimony is being adopted.

Two comments stated that the party taking testimony in a foreign country should not have the burden of proving that the giving of false testimony is punishable as perjury under the law of the foreign country, as it may be difficult or impossible to prove or may not even be in dispute, and that the burden is especially unfair where a party is being forced to take testimony abroad by circumstances beyond its control. Both comments suggested putting the burden instead on the opponent to show that the requirements are not similar, such as by moving under § 1.635 to accord the testimony little weight or moving under § 1.656(h) to suppress the testimony altogether. Section 1.671(j), as proposed in the Notice of Proposed Rulemaking, does not alter who has the burden of proof with respect to testimony in a foreign country; the burden remains on the party offering the testimony, just as under current § 1.684(e).

Another comment questioned whether the first sentence of the rule as it was proposed, because it states that the weight of testimony "will be determined on a case-by-case basis,"

might be construed as allowing the effect to be given testimony in a particular foreign country in a given interference to be decided without regard to the effect given in prior interferences to testimony given in that country. The comment stated that the rule as proposed might be contrary to the goals of equal treatment of similarly situated parties and predictability of outcome, which would best be served by a system in which the Board publishes decisions making findings as to the adequacy of testimonial procedures in particular foreign countries and then follows those decisions in subsequent cases, and suggested changing "on a case-by-case basis" to read "in view of all the circumstances, including the laws of the foreign country governing the testimony." The suggestion is being adopted.

Another comment suggested that the "clear and convincing evidence" standard in the second sentence of proposed § 1.671(j) inappropriately implies that the determination of content of the law of a foreign country is a question of fact. PTO intends to treat the determination of the content of the law of a foreign country as a question of fact. Accordingly, the language "as a matter of fact" is inserted in § 1.671(j). The same comment further indicates that the proposed second sentence is troublesome because it (1) Requires a showing that giving false testimony is punishable as "perjury" under the laws of the foreign country rather than under some other name, (2) does not on its face allow the foreign offense to be applicable only when false testimony is given with the appropriate intent, and (3) requires that the foreign punishment be "similar to" United States punishment, when comparable or greater punishment would seem to serve the purpose of the proposed rule. The comment suggested that the foregoing problems can be avoided by replacing the proposed second sentence with the following sentence:

Little, if any, weight may be given to oral testimony given in a foreign country unless it is demonstrated (1) that the giving of false testimony in the interference proceeding would be punishable under the laws of the foreign country where the testimony was taken under circumstances similar to those defined as perjury under the laws of the United States and (2) that the punishment in the foreign country for giving such false testimony is comparable to or greater than the punishment for perjury committed under the laws of the United States.

The comment additionally suggested adding a third sentence patterned on the second and third sentences of Fed. R.

Civ. P. 44.1 and reading as follows: "Such a demonstration may be made by any relevant material or source, including testimony, whether or not admissible under this subpart." To address the comments, which are believed to be well taken, the proposed second sentence is replaced with the following two sentences:

Little, if any, weight may be given to deposition testimony taken in a foreign country unless the party taking the testimony proves by clear and convincing evidence, as a matter of fact, that knowingly giving false testimony in that country in connection with an interference proceeding in the United States Patent and Trademark Office is punishable under the laws of that country and that the punishment in that country for such false testimony is comparable to or greater than the punishment for perjury committed in the United States. The administrative patent judge and the Board, in determining foreign law, may consider any relevant material or source, including testimony, whether or not submitted by a party or admissible under the Federal Rules of Evidence.

The finally adopted language is also responsive to another comment requesting clarification of the term "similar" in order to assist practitioners, and possibly foreign governments in promulgating laws in harmony with 35 U.S.C. 104 and § 1.671.

In addition to the above amendments, § 1.671(a), which identifies the various types of testimony, is revised as proposed in the "Miscellaneous Amendments" part of the Notice of Proposed Rulemaking, by changing "evidence from another interference, proceeding, or action filed under § 1.683" to "testimony from another interference, proceeding, or action filed under § 1.683" in order to be consistent with the terminology of § 1.683. Sections 1.671 (c)(6) and (c)(7) are revised by changing "by oral deposition or affidavit" to "by affidavit or oral deposition."

Section 1.673 is also amended as proposed in the "Miscellaneous Amendments" part of the Notice of Proposed Rulemaking. Specifically, § 1.673(b) is revised by (1) changing the time for service of evidence to be relied on at an oral disposition from "at least three days" prior to the conference required by § 1.673(g) when service is by hand or by Express Mail to "at least three working days" prior to the conference, (2) changing the time for service by any other means from 10 days to 14 days prior to the conference and (3) removing the quotation marks around "Express Mail."

The second sentence of § 1.673(d) is removed, as proposed in the Notice of Proposed Rulemaking, as unnecessary,

because all depositions for a case-in-chief require approval by an administrative patent judge.

Section 1.673(e) is revised, as proposed, by changing "party electing to present testimony by affidavit" to "party who has presented testimony by affidavit."

One comment suggested amending § 1.673(g) to state that a party, prior to serving a notice of deposition and after complying with paragraph (b) of § 1.673, shall contact the administrative patent judge, who shall then have an oral conference with the party and all opponents. The suggestion, which is outside the scope of the present rulemaking, is not being adopted. In any event, it is expected that in most cases the parties will be able to agree on a time and place for depositions without the need for participation by an administrative patent judge.

Concerning the first sentence of § 1.673(a), one comment suggested deleting the term "single" from "single notice of deposition" on the ground that the current language might be construed to mean that a party must file only a single notice of deposition listing all depositions. The same suggestion was offered with respect to paragraph (e) of § 1.673. The suggestion, which is outside the scope of the present rulemaking, is not being adopted.

The Notice of Proposed Rulemaking proposed to amend § 1.616 by adding a new paragraph (c), patterned after 35 U.S.C. 104(b), stating that to the extent that any information under the control of an individual or entity located in a NAFTA country or a WTO member country concerning knowledge, use, or other activity relevant to proving or disproving a date of invention has been ordered to be produced by an administrative patent judge or the Board (§ 1.671(h)), but is not produced for use in the interference to the same extent as such information could be made available in the United States, the administrative patent judge or the Board shall draw such adverse inferences as may be appropriate under the circumstances, or take such other action permitted by statute, rule, or regulation, in favor of the party that requested the information in the interference. Section 1.616(c) further provides that this "other action" may include the imposition of appropriate sanctions under § 1.616(a).

One comment questioned whether the failure of an individual or entity located in a NAFTA country or a WTO member country to provide the information requested by a party can result in the imposition of sanctions against an opponent from that country even though the opponent is not at fault. The answer

is yes. One purpose of 35 U.S.C. 104 is to ensure that evidence for interferences is available in foreign countries in essentially the same manner that it is available in the United States. If the evidence is not available, then the appropriate inference provisions of 35 U.S.C. 104 shall be applied by PTO.

After the Notice of Proposed Rulemaking was published, it became apparent that the term "ordered" in the phrase "to the extent that any information under the control of an individual or entity located in a NAFTA country or a WTO member country \* \* \* has been ordered to be produced by an administrative patent judge or the Board" may not be appropriate. Neither an administrative patent judge nor the Board can order testimony or production of documents and things in a foreign country from a witness who, or an entity that, is neither a party nor under the control of a party. Instead, an administrative patent judge or the Board can only authorize a party to seek to compel testimony or production in a foreign country from a witness or entity not under the control of a party. Accordingly, § 1.616(c) as adopted reads instead as follows:

(c) To the extent that an administrative patent judge or the Board has authorized a party to compel the taking of testimony or the production of documents or things from an individual or entity located in a NAFTA country or a WTO member country concerning knowledge, use, or other activity relevant to proving or disproving a date of invention (§ 1.671(h)), but the testimony, documents or things have not been produced for use in the interference to the same extent as such information could be made available in the United States, the administrative patent judge or the Board shall draw such adverse inferences as may be appropriate under the circumstances, or take such other action permitted by statute, rule, or regulation, in favor of the party that requested the information in the interference, including imposition of appropriate sanctions under paragraph (a) of this section.

As proposed in the Notice of Proposed Rulemaking, § 1.647, which currently requires a party who relies on a non-English language document to provide an English-language translation and an affidavit attesting to its accuracy, is revised to extend these requirements to any non-English language documents that a party is required to produce via discovery. One comment expressed the concern that the proposed amendment might impose an unnecessary financial burden on a non-U.S. party by requiring translations of compelled documents that are very long and have little or no relevance. The concern is believed to be misplaced. First, discovery in interferences, like discovery under the

Federal Rules of Civil Procedure, is limited to evidence that is relevant. Second, as to relevant evidence, the scope of discovery under the interference rules is considerably narrower than the discovery available under the Federal Rules of Civil Procedure. Another comment stated that the general practice is that a party proffering a document is responsible for the cost of translation. The comment nevertheless suggested that in the case of documents offered to be produced during discovery, including cross-examination discovery pursuant to § 1.687(b), the documents be produced in the foreign language, with the recipient then indicating which documents it wishes to have translated and costs to be borne equally by the parties. The suggestion is not being adopted. In implementing practice under 35 U.S.C. 104, as amended, it is PTO's initial view that a correct policy is the one which the commentator says is the "general practice." Whether a different policy might be appropriate at some future time is something that will be tested with experience.

## II. Compensatory Attorney Fees and Expenses

Section 1.616, in addition to the amendments discussed above, also is revised by redesignating current paragraphs (a) through (e) as paragraphs (a)(1) through (a)(4) and (a)(6) and adding new paragraphs (a)(5) and (b).

Section 1.616(a)(5), as amended, authorizes the award of compensatory (as opposed to punitive) expenses and/or compensatory attorney fees as a sanction for failing to comply with the rules or an order. This sanction shall apply only to conduct occurring in an interference on or after the effective date of § 1.616 as amended. It is believed that there may be occasions when an award of compensatory expenses and/or compensatory attorney fees would be more commensurate in scope with the infraction than the sanctions that are currently authorized.

There are administrative decisions which seemingly hold that the tribunals of PTO do not have authority to award expenses and attorney fees. See, e.g., *Driscoll v. Cebalo*, 5 USPQ2d 1477, 1481 (Bd. Pat. Int. 1982) (the rules do not provide us with the jurisdiction to award expenses and we know of no authority which does), *aff'd in part, rev'd in part*, 731 F.2d 878, 221 USPQ 745 (Fed. Cir. 1984); *Clevenger v. Martin*, 1 USPQ2d 1793, 1797 (Bd. Pat. App. & Int. 1986) (we do not have authority under the rules to award attorney's fees); *MacMillan Bloedel, Ltd. v. Arrow-M Corp.*, 203 USPQ 952, 953

(TTAB 1979) (the TTAB is without authority to award expenses and attorney's fees); *Fisons, Ltd. v. Capability Brown, Ltd.*, 209 USPQ 167, 171 (TTAB 1980) (request for attorney's fees denied because good cause not shown and the TTAB has no authority to grant such requests); *Jonerger Co. v. Jonerger Vermont, Inc.*, 222 USPQ 337, 340-41 (Comm'r Pat. 1983) (TTAB did not err in refusing to award reasonable expenses and attorney's fees under 37 CFR 2.116(a), 2.120 and Fed. R. Civ. P. 37(a)(4)); *Anheuser-Busch, Inc. v. Major Mud & Chemical Co.*, 221 USPQ 1191, 1195 n.9 (TTAB 1984) (request for costs and attorneys fees was denied, inter alia, on the ground that the TTAB had no authority to award such fees and costs); *Luehrmann v. Kwik Kopy Corp.*, 2 USPQ2d 1303, 1305 n.4 (TTAB 1987) (the TTAB has no authority to grant monetary relief); *Fort Howard Paper Co. v. G.V. Gambina, Inc.*, 4 USPQ2d 1552, 1554 (TTAB 1987) (the TTAB has no authority to order costs or attorney's fees); *Paolo's Associates Ltd. Partnership v. Bodo*, 21 USPQ2d 1899, 1904 n.3 (Comm'r Pat. 1990) (the TTAB was correct in holding that 37 CFR 2.127(f) denies the TTAB authority to either award attorney's fees or costs to any party in a cancellation and opposition proceeding); *Nabisco Brands, Inc. v. Keebler Co.*, 28 USPQ2d 1237, 1238 (TTAB 1993) (the TTAB held, inter alia, that it did not have authority to award fees under 37 CFR 2.127(f)).

None of the decisions mentioned above provide any reasoned analysis or rationale to explain why the Commissioner lacks authority to promulgate a rule which would authorize imposition of monetary sanctions in appropriate cases. In view of the existence of the decisions, however, it is believed that a discussion of the Commissioner's authority to promulgate a rule authorizing the Board to award compensatory monetary sanctions is appropriate.

The Commissioner has been delegated the authority by the Congress to "establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent and Trademark Office." 35 U.S.C. 6(a).

The U.S. Court of Appeals for the Federal Circuit upheld the authority of the Commissioner to issue regulations imposing sanctions in interference cases. In *Gerritsen v. Shirai*, 979 F.2d 1524, 24 USPQ2d 1912 (Fed. Cir. 1992), the Federal Circuit noted that 37 CFR 1.616 was a permissible exercise of the Commissioner's authority under 35 U.S.C. 6(a) and complied with the limitation on sanctions of the

Administrative Procedure Act. The court stated (979 F.2d at 1527 n.3, 24 USPQ2d at 1915 n.3):

35 U.S.C. § 6(a) (1988) permits the Commissioner of Patents and Trademarks to "establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent and Trademark Office." Congress thus delegated plenary authority over PTO practice, including interference proceedings, to the Commissioner. On its face, 37 CFR § 1.616 represents a permissible exercise of that authority. Since the decision to impose a sanction \* \* \* was authorized by law, it comports with the Administrative Procedure Act, 5 U.S.C. § 558(b) (1988).

In *Gerritsen*, the Federal Circuit held that the particular rule violation was sanctionable, but that the specific sanction chosen by the Board was too severe. Accordingly, the sanction was vacated and the case was remanded to the Board for imposition of a more appropriate sanction.

In *Abrutyn v. Giovannello*, 15 F.3d 1048, 1050, 29 USPQ2d 1615, 1617 (Fed. Cir. 1994), the Federal Circuit again upheld the authority of the Board or an administrative patent judge to impose sanctions, including imposition of the most severe sanction, granting judgment against one of the parties:

The Board or EIC [Examiner-in-Chief, now administrative patent judge] may impose an appropriate sanction, including granting judgment in an interference, against a party who fails to comply with the rules governing interferences, including filing deadlines. 37 CFR § 1.616 (1993).

*Gerritsen* and *Abrutyn* judicially establish that the Commissioner has authority under 35 U.S.C. 6(a) to promulgate regulations which impose a spectrum of sanctions, including imposition of the ultimate sanction of judgment or dismissal.

As a general matter, agencies are given broad authority in the selection of an appropriate sanction. The choice of sanction within agency statutory limits will be upheld unless it constitutes an abuse of discretion. *Butz v. Glover Livestock Comm'n Co.*, 411 U.S. 182 (1973); *Lawrence v. Commodity Futures Trading Comm'n*, 759 F.2d 767, 774 (9th Cir. 1985). Current § 1.616 authorizes an administrative patent judge or the Board to impose a spectrum of sanctions. The sanctions range from holding certain facts established for purposes of the interference (37 CFR § 1.616 (a)) to granting judgment against the party who violated a regulation or an order (37 CFR § 1.616(e)). As indicated above, the Federal Circuit has upheld the Commissioner's authority to promulgate § 1.616 and impose the specified sanctions (*Gerritsen*, 979 F.2d at 1527 n.3, 24 USPQ2d at 1915 n.3), including

granting judgment against a party (*Abrutyn*, 15 F.3d at 1050, 29 USPQ2d at 1617). Judgment and dismissal are the most severe forms of sanction. See *National Hockey League v. Metropolitan Hockey Club*, 427 U.S. 639, 643 (1976); *Poulis v. State Farm Fire and Casualty Co.*, 747 F.2d 863, 867 (3d Cir. 1984); *Cine Forty-Second St. Theatre Corp v. Allied Artists Pictures Corp.*, 602 F.2d 1062, 1066 (2d Cir. 1979). Consistent with these cases, the Federal Circuit has held that a holding by the Board that a party is not entitled to a patent directed to certain claims is an extreme sanction. *Gerritsen*, 979 F.2d at 1532 n.12, 24 USPQ2d at 1919 n.12.

The imposition of monetary sanctions is manifestly a lesser sanction than judgment or dismissal. Indeed, reimbursement of expenses incurred as a result of inappropriate action by the opposing party has been held to be a mild form of sanction. *Cine Forty-Second St.*, 602 F.2d at 1066. More stringent sanctions include orders striking out portions of a pleading, orders prohibiting the introduction of evidence on a particular point, and orders deeming a disputed issue determined adversely to the position of a disobedient party. *Id.*

Since the imposition of a monetary sanction is a lesser sanction than judgment against a party, the inclusion of an "appropriate" monetary sanction in § 1.616, as adopted, is not outside the Commissioner's rulemaking authority and would not be inconsistent with the sanctions already present in § 1.616.

Whether a monetary sanction is appropriate depends on the purpose of the sanction. Civil sanctions may be categorized as penal and remedial. One is not to be subjected by an agency to a penal sanction unless the words of the statute plainly authorize imposition of a penal sanction. *Commissioner v. Acker*, 361 U.S. 87, 91 (1959). Thus, a statute must plainly authorize an agency's power to impose penalties. *Pender Peanut Corp. v. United States*, 20 Civil Court 447, 453-55 (1990). Agencies have no inherent authority, based solely on their enabling statute, to impose penal sanctions. That authority must be expressly given in the statute. *Pender Peanut Corp.*, 20 Cl. Ct. at 453-55 (1990); *Gold Kist, Inc. v. Department of Agriculture*, 741 F. 2d 344, 348 (11th Cir. 1984); Koch, *Administrative Law and Practice* § 6.81 (1985). A penal sanction has been defined as one which inflicts a punishment. *United States v. Frame*, 885 F.2d 1119, 1142 (3d Cir. 1989).

On the other hand, an explicit grant of power from Congress need not underpin each exercise of agency

authority. See *Zola v. Interstate Commerce Commission*, 889 F.2d 508, 516 (3d Cir. 1989), citing *Amoskeag Co. v. Interstate Commerce Commission*, 590 F.2d 388, 392 (1st Cir. 1979). Where the enabling statute authorizes the agency to make such rules and regulations as may be necessary to carry out the provisions of an act—the regulation will be sustained so long as it is reasonably related to the purpose of the act. *Mourning v. Family Publications Service, Inc.*, 411 U.S. 356, 369 (1973). Under its enabling legislation, an agency has inherent power to impose administrative sanctions that are not "penalties" as long as the sanctions are reasonably related to the purpose of the enabling statute. *Gold Kist*, 741 F.2d at 348. Accordingly, in evaluating whether the imposition of a sanction is within an agency's inherent powers, it is necessary to determine whether the sanction is remedial or punitive. *Frame*, 885 F.2d at 1142. Remedial sanctions may be within the agency's inherent powers if reasonably related to the purpose of enabling legislation. A remedial sanction is one whose purpose is not to stigmatize or punish wrongdoers. *Frame*, 885 F.2d at 1143.

Thus, in the absence of express statutory authority, the Commissioner's authority to impose monetary sanctions is limited to sanctions which are remedial in nature rather than punitive. In addition, the sanctions must be reasonably related to the purpose of enabling statute under which PTO operates. Under these guidelines, the Commissioner would appear to be without authority to issue a regulation which permits a penal sanction to be imposed against a party or an attorney for violation of a rule or order. Fines payable to Government, including PTO, are manifestly intended to punish wrongdoing and are thus punitive in nature. Assessment to redress an injury to the public is in the nature of a penalty. *Republic Steel Corp. v. National Labor Relations Board*, 311 U.S. 7, 12-13 (1940). On the other hand, the imposition of costs or expenses, including attorneys' fees, incurred by an opposing party due to the violation of a rule or order, may properly be considered remedial. Imposing costs or attorneys' fees serves to defray the expenses actually incurred by the opposing party for the violation of a rule or order by an opponent. See *Poulis*, 747 F.2d at 869 (non-dilatory party will not have to bear the brunt of the attorney's delay). Monetary sanctions would enhance the Board's ability to protect the integrity of its proceedings. See *Zola*, 889 F.2d at 516 (ICC justified in

imposing monetary sanctions in acting to protect the integrity of its jurisdiction). Monetary sanctions would also allow the Board to maintain control of its docket to maximize the use of limited resources. See *Griffin & Dickson v. United States*, 16 Cl. Ct. 347, 351 (1989) (case management responsibilities require broad inherent authority to impose [non-penal] sanctions). Imposition of monetary sanctions is the only sanction both mild enough and flexible enough to use in day-to-day enforcement of orderly and expeditious litigation. *Eash v. Riggins Trucking, Inc.*, 757 F.2d 557, 567, (3d Cir. 1985) (in banc). Thus, monetary sanctions are reasonably related to the Commissioner's plenary authority to promulgate regulations for the conduct of proceedings, including interference proceedings in PTO.

Section 1.616(b), as proposed to be amended, would have authorized the imposition of a sanction, including a sanction in the form of compensatory expenses and/or attorney fees, against a party for taking or maintaining a frivolous position. A number of comments were received opposing the authorization of sanctions for taking or maintaining frivolous positions (§ 1.616(b)). Several comments suggested that the question of what is "frivolous" is inherently highly subjective and will therefore be frequently raised, substantially increasing costs and delaying decisions on more substantive issues. PTO believes, however, consistent with other comments received during the comment period, that inasmuch as a groundless motion for sanctions would itself be grounds for sanctioning the movant for taking or maintaining a frivolous position, it is expected that motions for sanctions will only be filed in clear cases. One comment suggested that § 1.616(b) be reworded to parallel Rule 11 of the Federal Rules of Civil Procedure so that sanctions would only be imposed upon motion by an opponent, subject to a twenty-one day "safe harbor" withdrawal provision, and would explicitly apply only to frivolous positions taken in writing. Another comment, while supportive of the proposed amendment on the ground that it should reduce the number of frivolous papers, cautioned against treating as frivolous "that which is simply born of ignorance." The suggestion to have § 1.616(b) authorize sanctions imposed only on motion by a party is not being adopted. There may be situations in which the Board believes it would be appropriate to award compensatory fees or expenses

even in the absence of a motion by a party. The suggestion that Fed. R. Civ. P. 11 permits sanctions only upon motion is believed to be incorrect; for example, Fed. R. Civ. P. 11(c)(1)(b) authorizes sanctions on the court's initiative. The suggestion to use the "safe harbor" approach of Fed. R. Civ. P. 11(c)(1)(A), which provides that a motion for sanctions shall be served but not filed unless, within 21 days after service of the motion, the challenged position is not withdrawn or appropriately corrected, is not being adopted. The administrative patent judge and the Board should know the reason why a party has withdrawn or corrected a position. Nevertheless, in order to make it clear that sanctions will not be imposed for mistakenly taking an erroneous position that is withdrawn or corrected as soon as the error becomes apparent, the proposed phrase "for taking or maintaining a frivolous position" is changed to "for taking and maintaining a frivolous position."

The suggestion that § 1.616(b) sanctions be limited to frivolous positions taken in writing is based on the Advisory Committee Note on the 1993 amendments to Fed. R. Civ. P. 11. The Note states in pertinent part: "The rule applies only to assertions contained in papers filed with or submitted to the court. It does not cover matters arising for the first time during oral presentations to the court, when counsel may make statements that would not have been made if there had been made if there had been more time for study and reflection." For the reason given in the Advisory Committee Note, the suggestion is being adopted. Accordingly, § 1.616(b) as adopted is limited to a frivolous position taken and maintained in papers filed in the interference and shall apply only to frivolous positions taken and maintained after the effective date of § 1.616 as amended.

Other comments questioned how the Board intends to handle proof of amounts of compensatory expenses and/or attorney fees and expressed the hope that attorney fee awards will not be *de facto* discriminatory as between highly paid outside counsel and in-house counsel without fees or billing records. The matter of how to prove amounts of compensatory expenses and/or attorney fees will be handled on a case-by-case basis.

Another comment suggested that an administrative patent judge or the Board be required to issue an order to show cause prior to imposing a sanction, since a party may be able to explain why a sanction should not be imposed. The suggestion is presumably based on

Fed. R. Civ. P. 11(c)(1)(B) and directed to cases in which an administrative patent judge or the Board on its own initiative determines that a sanction is appropriate. The suggestion is being adopted and implemented in a new paragraph, § 1.616(d). In addition, paragraph (d) expressly provides that a party may file a motion (§ 1.635) requesting the imposition of sanctions, the drawing of adverse inferences or other action under paragraph (a), (b) or (c) of § 1.616.

### III. Certificates of Prior Consultation

Section 1.637(b) currently requires that a miscellaneous motion under § 1.635 contain a certificate stating that the moving party has conferred with all opponents in a good faith effort to resolve by agreement the issues raised by the motion and indicating whether any other party plans to oppose the motion. In the Notice of Proposed Rulemaking, it was proposed to amend paragraph (b) to extend the requirement for such a certificate to preliminary motions filed under § 1.633 and other motions filed under § 1.634. It also was proposed to require the certificate to indicate that the reasons and facts in support of the motion were discussed with each opponent and, if an opponent has indicated that it will oppose the motion, to identify the issues and/or facts believed to be in dispute.

The rationale offered in the Notice of Proposed Rulemaking for the amendment was an expectation that consultation would result in a reduction in the number of issues raised by motions under §§ 1.633-34, as well as a reduction in the number of motions filed under those rules. All but one of many comments received in response to the proposal urged that the proposed rule not be adopted. In support, it was said that the proposed rule would unnecessarily increase the time and costs required to file motions under §§ 1.633-34, particularly preliminary motions. PTO, upon reflection, agrees with the comments. Accordingly, the proposal to extend the consultation requirement of § 1.637(b) to §§ 1.633-34 motions is withdrawn. The withdrawal of the proposed rule, however, should not be interpreted as precluding an administrative patent judge from holding a conference call prior to the date preliminary motions are due for the purpose of discussing which preliminary motions the parties plan to file or from entering an order requiring prior consultation as to a particular motion.

Several comments, citing experience with the consultation requirement for § 1.635 motions, suggested that

§ 1.637(b) be dropped altogether, or be limited at most to motions requesting extensions of time. The suggestion is not being adopted. However, there are circumstances where it may be appropriate to suspend the requirements of § 1.637(b). An example is a multi-party interference where one party may need to consult with a large number of opponents. Another example is a motion filed after a hearing before an administrative patent judge, where filing of the motion was authorized at the hearing. Accordingly, while the suggestion to delete the requirement for consultation altogether is not being adopted, the language "Unless otherwise ordered by an administrative patent judge or the Board" is added at the beginning of the first sentence of § 1.637(b).

Several comments were received which were also critical of the proposal to amend § 1.637(b), even if applied only to § 1.635 motions, to require that the certificate "indicate that the reasons and facts in support of the motion were discussed with each opponent and, if an opponent has indicated that it will oppose the motion, identify the issues and/or facts believed to be in dispute." One comment suggested that the proposal is unworkably vague with respect to: (1) the form of the information a party must provide to the opponent (e.g., a draft motion, an outline of the motion, a verbal statement of the motion, the evidence in support of the motion); (2) what form the opponent must use to provide its reasons for opposing (i.e., written or oral); and (3) whether the moving party can change the arguments in the motion in response to the reasons given by the opposing party without the need for another consultation. Other comments noted that an opponent may not have sufficient time before the due date for motions in which to take a reasoned position on the motion. Another comment observed that it is very difficult for the movant to identify the issues or facts believed to be in dispute, unless it is a very cursory exercise. According to the comment, the party cannot know what the opponent is really thinking, and suggested instead that there be an in-person conference involving the parties and the administrative patent judge in order to discuss all intended (or filed) motions. The comments are believed to be well taken and the proposal in the Notice of Proposed Rulemaking to amend § 1.637(b) to require that the motion, "if an opponent has indicated that it will oppose the motion, identify the issues

and/or facts believed to be in dispute" is withdrawn.

#### IV. Service of a "Developing Record"

In addition to the amendments to § 1.672 discussed above under the heading "Amendments responsive to adoption of Public Laws 103-182 and 103-465," §§ 1.672, 1.682, 1.683 and 1.688 are amended, as proposed (with a few minor modifications discussed *infra*), to require each party to serve on each opponent a "developing record" that will evolve into the record required to be filed under § 1.653.

As noted above, the Notice of Proposed Rulemaking proposed to amend paragraph (b) of § 1.672 to provide that a party presenting testimony of a witness by affidavit shall, no later than the time set by the administrative patent judge for serving affidavits, file (and serve) the affidavit, whether it is a new affidavit or an affidavit previously filed by that party during ex parte prosecution of an application or under § 1.608 or 1.639(b). Furthermore, in view of the proposed amendment to § 1.672(b), it was also proposed to remove and reserve, as superfluous, § 1.671(e), which requires a party to give notice of intent to rely on an affidavit filed by that party during ex parte prosecution of an application or an affidavit under § 1.608 or 1.639(b). An oral comment suggested that § 1.671(e) notice practice be retained with respect to § 1.639(b) affidavits, so that a party does not have to refile (and re-serve) a previously submitted § 1.639(b) affidavit on which it intends to rely at final hearing. The comment further suggested that for the same reason § 1.671(e) notice practice should be extended to patents and printed publications filed and served pursuant to § 1.639(b). The suggestions are being adopted. Section 1.671(e) thus revised reads as follows:

(e) A party may not rely on an affidavit (including any exhibits), patent or printed publication previously submitted by the party under § 1.639(b) unless a copy of the affidavit, patent or printed publication has been served and a written notice is filed prior to the close of the party's relevant testimony period stating that the party intends to rely on the affidavit, patent or printed publication. When proper notice is given under this paragraph, the affidavit, patent or printed publication shall be deemed as filed under § 1.640(b), 1.640(e)(3), 1.672(b) or 1.682(a), as appropriate.

Furthermore, in order to ensure that the evidence submitted under § 1.639(b) includes sequential numbering of the type required of other evidence filed under § 1.672(b), § 1.639(b) is revised to require the use of sequential numbering,

which, for the reasons discussed *infra*, is required to be used only to the extent possible.

As explained *supra*, in view of the retention of § 1.671(e) in amended form, § 1.672(b), as adopted, permits a party to file an affidavit or, if appropriate, a notice under § 1.671(e).

Sections 1.682, 1.683 and 1.688 are revised, substantially as proposed, to parallel the amendments to § 1.672. Section 1.682(a) as proposed to be amended provides that a party may introduce into evidence, if otherwise admissible, an official record or printed publication not identified in an affidavit or on the record during an oral deposition of a witness, by filing (and serving) a copy of the official record or publication no later than the time set for filing affidavits under § 1.672(b), thereby eliminating the current requirement for filing a notice of intent to rely on the official record or printed publication. In view of the retention of § 1.671(e) in amended form to permit a party to file a notice of intent to rely on patents and publications previously filed by the party under § 1.639(b), § 1.682(a), as adopted, permits a party to file a copy of an official record or printed publication or, if appropriate, a notice under § 1.671(e). Section 1.683(a) is amended, as proposed, to provide that a party may introduce into evidence, if otherwise admissible, testimony by affidavit or oral deposition from another interference, proceeding, or action involving the same parties by filing (and serving) a copy of the affidavit or a copy of the deposition transcript no later than the time set for filing affidavits under § 1.672(b), thereby eliminating the current requirement for a party for filing a motion under § 1.635 for leave to rely on such testimony. Section 1.688(a) is amended, as proposed, to provide that, if otherwise admissible, a party may introduce into evidence an answer to a written request for an admission or an answer to a written interrogatory obtained by discovery under § 1.687 by filing a copy of the request for admission or the written interrogatory and the answer no later than the time set for filing affidavits under § 1.672(b). Thus, all evidence filed under §§ 1.672, 1.682, 1.683 and 1.688 that relates to a party's case-in-chief should be filed (and served) or noticed under § 1.671(e) no later than the date set by an administrative patent judge for the party to serve affidavits under § 1.672(b) for its case-in-chief and all evidence under those sections that relates to the party's rebuttal should be filed (and served) or noticed under § 1.671(e) no later than the date set for the party to serve

affidavits under § 1.672(b) for its case-in-rebuttal.

The Notice of Proposed Rulemaking proposed that the pages of all affidavits and deposition transcripts that a party enters into evidence pursuant to §§ 1.672, 1.682, 1.683 and 1.688 shall include sequential page numbers, which shall also serve as the record page numbers for the affidavits and deposition transcripts in the party's record when it is filed under § 1.653. Likewise, the Notice of Proposed Rulemaking proposed that exhibits identified in the affidavits and deposition transcripts and any official records and printed publications served under § 1.682(a) shall be given sequential numbers, which shall serve as the exhibit numbers when the exhibits are filed under § 1.653(i) with the party's record. The major benefit of sequential page numbering is that a particular page of an affidavit or exhibit will be referred to in a consistent manner throughout the record. Thus, when an affiant is subject to cross-examination about the affiant's affidavit or another person's affidavit, the record will be clear as to the material which is the subject of the cross-examination. Correlation of pages of affidavits and/or exhibits will no longer be necessary.

Regarding the sequential numbering of affidavits, one comment noted that:

While this might be of some minor convenience to the PTO, it is inconvenient for the public, and may be difficult to be accomplished in practice. Due to severe PTO time constraints in preparing affidavits, it is usually essential to amend, add to, rewrite and execute declarations and affidavits in parallel. Often, the declarants are in different physical locations. Modern offices do not have the old fashioned manual impact typewriters that would be required to superpose new page numbers on executed documents. Declarations are already clearly identifiable, by the name of the declarant and the page of his or her declaration. \* \* \*

The comment apparently assumes, incorrectly, that the required sequential numbers are to be used in lieu of the usual page numbers that appear in affidavits and deposition transcripts. The sequential numbers are in addition to the usual page numbers and are typically added to the pages by a sequential numbering device (e.g., a "Bates" stamp).

Since a party may decide not to rely at final hearing on a previously filed § 1.639(b) affidavit (including any exhibits), or on patents and printed publications that it previously filed under § 1.639(b) in connection with a motion, there may be gaps in the sequential numbers of the affidavit pages and exhibits that are relied on at

final hearing. *Compare, e.g.,* Federal Circuit Rule 30(c)(2) with respect to pages omitted from an appendix. Furthermore, due to circumstances beyond the party's control it may not be possible to submit the § 1.639(b) affidavits and accompanying exhibits into evidence in the proper order. Finally, the exhibits referred to in testimony under § 1.683 from another proceeding will obviously already have the exhibit numbers assigned to them in that proceeding. When possible, those planning to use exhibits and testimony from a previous interference may wish to avoid using an exhibit number used in the previous interference, thereby minimizing the possibility of confusion which can exist when two exhibits in the same record have the same exhibit number. For these reasons, the proposal to amend § 1.672 to require that testimony pages and exhibits "shall be given sequential numbers" is changed to a requirement that testimony and exhibits "shall be given sequential numbers to the extent possible." This change also applies to evidence submitted under §§ 1.682, 1.683 and 1.688 as amended, which state that the pages of affidavits and deposition transcripts served under those paragraphs and any new exhibits served therewith shall be assigned sequential numbers by the party in the manner set forth in § 1.672(b). In order to take into account that there may be gaps in page numbers in the record and in the exhibit numbers, § 1.653(d) is revised to state that the pages of the record shall be consecutively numbered "to the extent possible." Sections 1.677 (a) and (b) are revised in a similar manner. That is, paragraph (a) is revised to limit its requirement for consecutive page numbering, which the rule currently applies to "the entire record of each party," to the pages of each transcript. Paragraph (b) is revised to require that exhibits be numbered consecutively "to the extent possible."

Section 1.672(a) affidavits and § 1.683(a) testimony shall be accompanied by an index giving the name of each witness and the number of the page where the testimony of each witness begins. The exhibits shall be accompanied by an index briefly describing the nature of each exhibit and giving the number of the page of affidavit or § 1.683(a) testimony where each exhibit identified in an affidavit or during an oral deposition is first identified and offered into evidence.

An opponent who objects to the admissibility of any evidence filed under §§ 1.672(b), 1.682(b), 1.683(a) and 1.688(a) must file objections under §§ 1.672(c), 1.682(c), 1.683(b) and

1.688(b) no later than the date set by the administrative patent judge for filing objections to affidavits under § 1.672(c). An opponent who fails to challenge the admissibility of the evidence on a ground that could have been raised in a timely objection under §§ 1.672(c), 1.682(c), 1.683(b) or 1.688(b) will not be permitted to move under § 1.656(h) to suppress the evidence on that ground. If an opponent timely files an objection to evidence filed under §§ 1.672(b), 1.682(b), 1.683(a) or 1.688(a), the party may respond by filing one or more supplemental affidavits and, in the case of objections to evidence filed under §§ 1.672(b), 1.682(b) and 1.683(a), may also file supplemental official records or printed publications. No objection to the admissibility of supplemental evidence shall be made except as provided by § 1.656(h). A party submitting evidence in response to an objection is aware of the objection and should take whatever steps are necessary in presenting supplemental evidence to overcome the objection. Whether the steps were sufficient is determined at final hearing on the basis of a motion to suppress the evidence under § 1.656(h).

The pages of the supplemental affidavits shall be sequentially numbered beginning with the number following the last page number of the testimony served under §§ 1.672(b), 1.683(a) and 1.688(a), if possible. Likewise, any additional exhibits identified in the supplemental affidavits and any supplemental official records and printed publications shall be given sequential numbers beginning with the number following the last number of the previously identified exhibits, if possible. After the time expires for filing objections and supplemental affidavits, or earlier when appropriate, the administrative patent judge shall set a time within which any opponent may file a request to cross-examine an affiant on oral deposition.

If any opponent requests cross-examination of an affiant, the party shall notice a deposition at a reasonable location within the United States under § 1.673(e) for the purpose of cross-examination. Ordinarily, the parties should be able to agree on a "reasonable" place within the United States. Whether a place is a reasonable place depends on the circumstances. Generally a reasonable place within the United States would be the place where a witness resides or the office of one of the counsel of record in the interference. In assessing the reasonableness of a place, the convenience of both parties should be considered. For example, in a two-party interference if an affiant normally resides in Ohio and counsel

are located respectively in Illinois and New York, noticing a deposition for Arizona may not be reasonable. In the event agreement cannot be reached, a place will be set by the administrative patent judge for taking the deposition.

Any redirect and recross shall take place at the deposition.

Within 45 days of the close of the period for taking cross-examination (§ 1.678 is revised to change the time for filing certified transcripts from 45 days to one month), the party shall serve (but not file) a copy of each deposition transcript on each opponent together with copies of any additional documentary exhibits identified by a witness during a deposition. The pages of the transcripts served under this paragraph and the accompanying exhibits shall be sequentially numbered in the manner discussed above. The deposition transcripts shall be accompanied by an index of the names of the witnesses, giving the number of the page where cross-examination, redirect and recross of each witness begins, and an index of exhibits of the type specified in § 1.672(b). At this point in time, the opponent will have been served with all of the testimony that will appear in the party's record (with the same page numbers) as well as all of the documentary exhibits that will accompany the record (with the same exhibit numbers).

In the first sentence of § 1.688(a), the comma proposed to be inserted after "evidence" is inserted instead after "admissible."

## V. Miscellaneous Amendments

Although not proposed in the Notice of Proposed Rulemaking, the authority citation for 37 CFR part 1 is revised by changing it from "35 U.S.C. 6" to "35 U.S.C. 6 and 23."

Throughout the rules, the term "examiner-in-chief" is replaced by "administrative patent judge" to reflect the change in the title of the members of the Board. See Commissioner's Notice of October 15, 1993, "New Title for Examiners-in-Chief," 1156 Off. Gaz. Pat. Office 332 (Nov. 9, 1993). One comment correctly noted that the Notice of Proposed Rulemaking failed to apply the change to § 1.610(b). The omission has been corrected. Another comment, citing possible confusion over the meaning of the term "administrative patent judge," suggested adding one of the following provisions to § 1.601 to define "administrative patent judge" in either of the following ways:

An administrative patent judge is a member of the Board of Patent Appeals and Interferences, or

An administrative patent judge is an examiner-in-chief (35 U.S.C. 7) or the Commissioner, the Deputy Commissioner or, an Assistant Commissioner when acting as a member of the Board of Patent Appeals and Interferences.

Neither suggestion is being adopted. The members of the Board of Patent Appeals and Interferences are the Commissioner [Assistant Secretary and Commissioner of Patents and Trademarks], the Deputy Commissioner [Deputy Assistant Secretary and Deputy Commissioner of Patents and Trademarks] and the Assistant Commissioners [the Assistant Commissioner for Patents and the Assistant Commissioner for Trademarks], and the examiners-in-chief, now administrative patent judges, including the Chief Administrative Patent Judge and the Vice-Chief Administrative Patent Judge, 35 U.S.C. 7(a). While the rules talk in terms of administrative patent judge, it must be recognized that any member of the Board, including a Commissioner-member, may take action in an interference which can be taken by an administrative patent judge.

Section 1.11(e) is revised to allow access to the file of an interference involving a reissue application once the interference has terminated or an award of priority or judgment has been entered as to all counts. Although it was intended that the public have access to any interference that involves a case which is open to the public, and § 1.11(b) provides that a reissue application is open to the public, interferences involving reissue applications were inadvertently not included in current § 1.11(e).

Section 1.192(a), which specifies the contents of the brief of an appellant for final hearing in an ex parte appeal, is revised to state that arguments or authorities not included in the brief will be refused consideration by the Board unless good cause is shown. The rule previously stated that such arguments and authorities may be refused consideration by the Board, without specifying how the Board decides whether or not it should be considered. One comment suggested that the amendment, if adopted, would make PTO less "user friendly" and would increase the burden of mere technicalities on applicants. It is believed that the comment misapprehends the nature of the proposed change, inasmuch as the change would merely codify the "good cause" standard that is currently applied by the Board in determining whether a new argument or authority will be considered.

Section 1.192(c) is revised in several respects. A first amendment simplifies the language used in the rule to refer to a brief filed by an applicant who is not represented by a registered practitioner. A second amendment removes from paragraph (c) the requirement that such a brief be in substantial compliance with the requirements of paragraphs (c) (1), (2), (6) and (7). Experience has shown that it is better to evaluate pro se briefs on a case-by-case basis. Section 1.192(c) is also revised to redesignate current paragraphs (c)(1) through (c)(7) as paragraphs (c)(3) through (c)(9), and to add new paragraphs (c)(1) and (c)(2). The added paragraphs (c)(1) and (c)(2) require an appellant who has filed an appeal to the Board to identify the real party in interest and any related appeals and interferences. It is necessary to know the identity of the real party in interest so that members of the Board can comply with applicable ethics regulations associated with working on matters in which the member has an interest. The requirements to identify related appeals and interferences is derived in part from Federal Circuit Rule 47.5 and will minimize the chance that the Board will enter inconsistent decisions in related cases.

One comment suggested that the term "real party in interest" be replaced by "owner" in order to avoid confusion with the term "party in interest of record," which appears in PTO's Notice of Allowance and Issue Fee Due (PTO-850). The suggestion is not being adopted, since it appears unlikely that any confusion will occur.

A comment on behalf of a large U.S. corporation having extensive overseas operations noted that the proposed requirement to identify the real party in interest will impose a substantial burden in appeals to the Board where the real party in interest is a corporation with international operations and many diverse and frequently changing affiliates. The comment was accompanied by a copy of a "Certificate of Interest" previously filed by the corporation in an appeal to the Federal Circuit, which named some three hundred subsidiaries and affiliates in which the corporation had an ownership interest of five percent or more. According to the comment, if ownership interests of less than five percent had been included, the list would have been about twice as long. The comment explained that because the corporation's business interests worldwide are frequently changing, the list would require updating for each and every appeal brief, and questioned whether this burden is justified. Upon consideration of the comment, it is

believed, at this particular time, that the proposed rule would be burdensome on the public. Whether in the future more information might be required to the nature of a real party in interest is a matter which can await experience under a rule which requires identification only of the real party in interest. Accordingly, the suggestion is being adopted to the extent of requiring appellants to the Board to identify only the real party in interest. In this respect, § 1.192(c)(1) will parallel an equivalent requirement for briefs in inter partes cases. See § 1.656(b)(1)(ii), as amended.

One comment suggested revising proposed § 1.192(c)(9), which calls for an appendix including the claims on appeal, to include a statement that the rule sets forth the minimum requirements for a brief. According to the comment, the statement would make it clear that § 1.192 does not prohibit inclusion of other materials which an appellant may consider necessary or desirable, a point which the comment noted is explained in the Manual of Patent Examining Procedure § 1206, at 1200-6. The suggestion is not being adopted, since it is believed to be apparent from the rule that the requirements set forth therein are the minimum requirements.

Section 1.192 as proposed to be amended in the Notice of Proposed Rulemaking includes an amendment to current paragraph (a)(5) ("Grouping of claims"), proposed to be redesignated as paragraph (a)(7), that inadvertently was not discussed in the commentary in the Notice of Proposed Rulemaking. Specifically, it was proposed to amend that paragraph to state that for each ground of rejection which an appellant contests and which applies to more than one claim, the rejected claims shall stand or fall together with the broadest claim, and that only the broadest claim would be considered by the Board of Patent Appeals and Interferences unless a statement is included that the rejected claims do not stand or fall together and, in the argument under paragraph (c)(8), appellant presents reasons as to why appellant considers the rejected claims to be separately patentable from the broadest claim; merely pointing out what a claim covers is not an argument as to why the claim is separately patentable from the broadest claim. One comment suggested that it is not always clear which is the broadest claim, such as where there are two broad independent claims of differing scope (e.g., claims to ABCDE and ABCDF). The comment suggested that simply saying that the claims stand or fall together, as the current rule does, is probably the best one can do on a

generic basis. The points raised by the comment are partly well taken. Paragraph (c)(7), as adopted, therefore reads as follows:

*Grouping of claims.* For each ground of rejection which appellant contests and which applies to a group of two or more claims, the Board shall select a single claim from the group and shall decide the appeal as to the ground of rejection on the basis of that claim alone unless a statement is included that the claims of the group do not stand or fall together and, in the argument under paragraph (c)(8) of this section, appellant explains why the claims of the group are believed to be separately patentable. Merely pointing out differences in what the claims cover is not an argument as to why the claims are separately patentable.

Where there is a "broadest" claim, that claim will normally be selected. Where there are two broad claims, such as ABCDE and ABCDF, as mentioned in the comment, the panel assigned to the case will select which claim to consider. The same would be true in a case where there are both broad method and apparatus claims. The rationale behind the rule, as amended, is to make the appeal process as efficient as possible. Thus, while the Board will consider each separately argued claim, the work of the Board can be done in a more efficient manner by selecting a single claim when the appellant does not meet the conditions of paragraph (c)(7) of § 1.192, as adopted. The choice of whether each claim will be considered separately or whether all claims will be considered on the basis of a single claim is a choice to be made by the appellant.

The term "subparagraph," which appeared in §§ 1.192 (c)(7) and (c)(8) in their originally proposed form, has been replaced by "paragraph" in those sections as amended.

Section 1.601 in general defines a number of terms used throughout the interference rules. One comment noted that a consistent format is not used throughout the definitions. For example, in § 1.601(q) all defined terms are italicized and in § 1.601(n) the defined terms are in quotation marks. The comment is well taken that there should be uniformity. Accordingly, paragraphs (l), (m) and (n) are revised by italicizing the first occurrence of each of the following defined terms: "junior party", "same patentable invention" and "separate patentable invention."

The Notice of Proposed Rulemaking proposed amending paragraph (f) of § 1.601 in a number of respects, including adding the following sentence: "A count should be broad enough to encompass the broadest corresponding patentable claim of each of the parties." One comment

questioned whether the requirement is to be applied only at the time the interference is declared or throughout the interference. The comment notes that after an interference is declared, prior art may come to light which renders unpatentable all of the parties' claims that correspond to the count. The comment suggests that under these circumstances, requiring a count to be patentable over the prior art could mean that there might not be a proper count. According to the comment, a result might be that the Board, whose authority to enter judgments under the rules is limited to claims that correspond to a count (§§ 1.658 and 1.659), would be unable to enter judgment against the claims on the ground of unpatentability. Furthermore, since the Notice of Proposed Rulemaking was published, it has become apparent that § 1.601(f) could also be clarified in two other respects. First, the count should be broad enough to encompass *all* of the patentable claims that are designated as corresponding to the count, as opposed to solely each party's broadest corresponding patentable claim, i.e., where a party claims ABCDE in one claim and ABCDF in another claim and both claims are designated to correspond to the count. The current language of the rule can be argued to overlook the situation where a party has specific claims but no generic claim. Second, it should be made clear that the term "patentable" as used in § 1.601(f) in describing the scope of the count means patentable in view of the prior art, as opposed to unpatentability based on non-prior art grounds, e.g., the written description requirement of 35 U.S.C. 112, first paragraph. Accordingly, in lieu of the sentence proposed in the Notice of Proposed Rulemaking, § 1.601(f) is revised to include the following sentence: "At the time the interference is initially declared, a count should be broad enough to encompass all of the claims that are patentable over the prior art and designated to correspond to the count." A similar change is made in §§ 1.603 and 1.606. That is, instead of revising these rules to require that each application "must contain, or be amended to contain, at least one *patentable* claim that corresponds to the count," as proposed in the Notice of Proposed Rulemaking, these rules as amended require that each application "must contain, or be amended to contain, at least one claim that is *patentable over the prior art* and corresponds to the count."

The Notice of Proposed Rulemaking also proposed adding to § 1.601(f) a

sentence stating: "A count may not be so broad as to be unpatentable over the prior art." Several comments questioned the meaning of the proposed sentence on the ground that a count, unlike a claim, does not have an effective filing date for purposes of establishing what is available against it as prior art. In view of the comments, the proposal to add the sentence is hereby withdrawn.

The Notice of Proposed Rulemaking proposed to amend the second sentence of § 1.601(f) by changing "which corresponds" to read "that is designated to correspond." This proposal should have referred instead to the third sentence, which is revised in the manner proposed. It was also proposed to revise the fourth and fifth sentences to read as follows, except that, for the reasons given above, the terms "correspond exactly" and "correspond substantially" are italicized rather than set off by quotation marks:

A claim of a patent or application which is designated to correspond to a count that is identical to a count is said to *correspond exactly* to the count. A claim of a patent or application designated to correspond to a count that is not identical to a count is said to *correspond substantially* to the count.

On oral comment suggested that these sentences could be made clearer by revising them to read as follows:

A claim of a patent or application that is designated to correspond to a count and is identical to the count is said to *correspond exactly* to the count. A claim of a patent or application that is designated to correspond to a count but is not identical to the count is said to *correspond substantially* to the count.

This suggestion is being adopted.

As proposed in the Notice of Proposed Rulemaking, the fifth sentence of § 1.601(f) is revised by removing the phrase "but which defines the same patentable invention as the count," which is used to describe a claim that corresponds to the count but is not identical to the count. The phrase is superfluous because a claim that corresponds to the count by definition is directed to the same patentable invention as the count.

The Notice of Proposed Rulemaking proposed to revise the last sentence of § 1.601(f) to state that: "A phantom count is unpatentable to all parties under the written description requirement of the first paragraph of 35 U.S.C. 112." One comment said that the sentence as proposed to be revised is inaccurate supposedly because a phantom count is not necessarily unpatentable to all parties for lacking written description support. According to the comment, a party may have written description support for a new

claim identical to the count, yet choose not to present such a claim during the interference for tactical reasons, such as the desire to keep the count narrow enough to prevent an opponent from presenting priority evidence it might be able to produce with respect to a broader count. Another comment suggested that a phantom count be defined as a count that is "broader than the disclosure of any party to the interference." A third comment suggested that patentability under the enablement and best mode requirements be addressed along with patentability under the written description requirement. Apart from the comments, since patentability affects claims rather than counts, the proposal to amend the last sentence of § 1.601(f) is hereby withdrawn and the last sentence in its current form is removed.

One comment suggested counts serve little, if any, purpose under the new rules. The comment states that if PTO nevertheless feels compelled by tradition to have counts, each count should be the alternative union of *all* the parties' claims that are designated to correspond to the same invention. The suggestion that counts be abolished altogether, while superficially appearing to have considerable merit, is believed to be outside the scope of the present rulemaking and, for that reason, is not being adopted at this time. The suggestion that a count be the alternative union of all of the parties' claims that define the same patentable invention would not appear to require any change in the rules. The formulation of the count, whether by reference to particular claims in the parties' applications/patents or by describing the subject matter of the interference, is a matter within the discretion of PTO at this time.

The Notice of Proposed Rulemaking proposed amending § 1.601(g). Specifically, it was proposed to define the effective filing date of an application as the filing date of an earlier application accorded to the application or patent under 35 U.S.C. 119, 120, 121 or 365, or, if no benefit is accorded, the filing date of the application, and to define the effective filing date of a patent as the filing date of an earlier application accorded to the patent under 35 U.S.C. 120, 121, or 365(c) or, if no benefit is accorded, the filing date of the application which matured into the patent. The purpose of including the reference to 35 U.S.C. 121 is to eliminate any doubt that a divisional application may be entitled to an earlier filing date in accordance with 35 U.S.C. 121.

One comment suggested that the definition of effective filing date in § 1.601(g) should be expressly keyed to the claims rather than to the applications and patents, since different claims in the same application or patent may have different effective filing dates. The comment also suggested that the rules should be revised to make it clear that a motion under § 1.633(h) to add a reissue application need not be accompanied by a motion under § 1.633(f) for benefit of the patent sought to be reissued. Another comment suggested that the rule be revised to state that the effective filing date referred to in § 1.601(g) is the effective filing date of an application which constitutes a constructive reduction to practice of the subject matter of the count so as to make it clear that the rule is not referring to the effective filing date of an involved claim. These comments demonstrate that there is considerable uncertainty with respect to the inter-relationship between benefit issues and priority proof issues, including, among other issues, (a) benefit for a claim, (b) benefit for a count, (c) constructive reductions to practice based on a species disclosed in an earlier application (foreign or domestic) when claims of the U.S. application are not supported under § 119 in the priority document (*see In re Gosteli*, 872 F.2d 1008, 10 USPQ2d 1614 (Fed. Cir. 1989) and *In re Scheiber*, 587 F.2d 59, 199 USPQ 782 (CCPA 1978), and compare to the so-called one species is sufficient for priority "rule"), and (d) the fact that under interference practice since 1985, patentability is an issue which can be raised whereas prior to 1985, priority was "not ancillary" and could not be raised. A notice of proposed rulemaking will be issued in due course to address the issue, as well as other issues raised in comments responding to the current Notice of Proposed Rulemaking. A comment that the language of the proposed amendment to § 1.601(g) fails to take into account the fact that a patent may be accorded benefit of the filing date of an earlier foreign application during the interference is, however, well taken. Accordingly, § 1.601(g) is revised to make clear that a patent may be entitled to benefit under 35 U.S.C. 119.

As proposed in the Notice of Proposed Rulemaking, § 1.601(j) is revised by changing "which" to "that." One comment suggested changing "that corresponds to a count" to "that is designated to correspond to a count" for clarity and consistency with the language in § 1.601(f). The suggestion is being adopted.

In § 1.601, paragraph (1) is revised, as proposed, by changing "assignee" to "assignee of record in the Patent and Trademark Office."

Paragraph (q) of § 1.601 is revised by deleting "a panel of" as superfluous.

Section 1.602 is revised by changing "within 20 days of" to "within 20 days after." One comment suggested clarification of the meaning of "any right, title and interest," noting involvement in several disputes over whether this includes a relationship such as a non-exclusive license, and also questioned whether the rule requires a party in a three-party interference to disclose that it is paying another party's expenses or attorney fees. The suggestion, which is outside the scope of the present rulemaking, is not being adopted at this time. The suggestion will be made the subject of a future notice of proposed rulemaking.

Sections 1.603 and 1.606 are revised, as proposed, by deleting the third sentence ("Each count shall define a separate patentable invention.") as redundant in view of the identical sentence in § 1.601(f) and by requiring that each application to be put into interference contain, or be amended to contain, at least one claim which is patentable over the prior art and which corresponds to each count. The introductory language in each of these sections ("Before an interference is declared \* \* \*") makes it clear that the patentability requirement applies at the time that the interference is declared, as opposed to at all times during the interference.

One comment suggested that §§ 1.603 and 1.606 be further revised to require the examiner to examine all of the prior art in all of the potential parties' application and patent files in making a patentability determination. The suggestion is not being adopted. Ordinarily, the examiner determines that claims are patentable before an interference is declared. While there may be no express statement, consideration of whether claims are patentable in one application to be placed in an interference normally would involve consideration of prior art in a second application to be placed in the same interference.

In § 1.604, paragraph (a)(1) is revised by changing "his or her" to "its."

In § 1.605, paragraph (a) is revised for clarification essentially in the manner set forth in the Notice of Proposed Rulemaking. Part of the last sentence of the rules, however, is revised to require an applicant to "explain why the other claims would be more appropriate to be designated to correspond to a count in any interference which may be

declared." In responding to a request by an examiner to copy a claim for purpose of a possible interference, an applicant should present the exact claim requested by the examiner. Often, however, an applicant may believe that the claim suggested by the examiner is not appropriate. For example, an applicant may believe it cannot support the exact claim requested by the examiner. Accordingly, while the applicant must present the exact claim requested by the examiner, the applicant is also free to suggest that the exact claim is inappropriate, but that other claims proposed by the applicant are more appropriate to be designated as corresponding to a count of any possible interference. Obviously, the applicant is also free to make a suggestion to the examiner as to what the count should be in any interference. The examiner can then determine whether an applicant's alternatively proposed claims are more appropriate than the exact claim suggested.

One comment suggested that § 1.605 further be revised "to include a reminder of the statutory prohibition against an *interference* copying claims from a patent issued more than one year, (as Rule 607 already does for applicants), since some examiners have been doing it" (original emphasis). The comment is understood to mean that examiners have suggested that applicants copy patent claims in violation of 35 U.S.C. 135(b). The suggested reminder is not incorporated into the rule, because it would not implement or interpret any requirement of law, and, while plausibly legitimate, is better made in administrative instructions, such as the Manual of Patent Examining Procedure.

Section 1.606 is also revised, as proposed, by adding a sentence stating that the claim in the application need not be, and most often will not be, identical to a claim in the patent.

One comment suggested that the last sentence of § 1.606, which the Notice of Proposed Rulemaking did not propose to revise, be revised to apply to application claims as well as patent claims and that the sentence be broken into two sentences for clarity, so as to read as follows:

At the time an interference is initially declared (§ 1.611), a count shall not be narrower in scope than (i) any application claim designated to correspond to the count and indicated in the form PTO-850 as allowable or (ii) any patent claim designated to correspond to the count will be presumed, subject to a motion under § 1.633(c), not to contain separate patentable inventions.

The suggestion is being adopted; however, because it is inappropriate to refer to a PTO form in a rule, the following language is used:

At the time an interference is initially declared (§ 1.611), a count shall not be narrower in scope than any application claim that is patentable over the prior art and designated to correspond to the count. Any single patent claim designated to correspond to the count or any patent claim designated to correspond to the count will be presumed, subject to a motion under § 1.633(c), not to contain separate patentable inventions.

One comment questioned why the declaration of interferences under § 1.606 is limited to unexpired patents, suggesting that there are rare cases where it would be very desirable to have an interference between an application and either a patent that has expired or a patent that has lapsed for failure to pay a maintenance fee. The enabling statute, however, authorizes interferences involving patents which are "unexpired." 35 U.S.C. 135(a).

In § 1.607, paragraph (a)(4) is revised to change "his or her" to "its" and to add a new paragraph (a)(6) requiring an applicant seeking an interference with a patent to demonstrate compliance with 35 U.S.C. 135(b), which provides:

A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

Requiring an applicant to show compliance with 35 U.S.C. 135(b) before an interference is declared should prevent an interference from being declared where the applicant cannot satisfy § 135(b) with respect to any claim alleged to correspond to the proposed count. One comment suggested that requiring an applicant who has requested an interference with a patent to demonstrate compliance with § 135(b) is *ultra vires*. The comment argues that *In re Sasse*, 629 F.2d 675, 207 USPQ 107 (CCPA 1980), precludes an examiner from relying on § 135(b) to refuse to declare an interference and that *Sasse* can only be overruled by statute or decision of the Federal Circuit in banc, citing *Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837 (1984). The argument in the comment is not persuasive. *Sasse* held that a claim added in violation of § 135(b) cannot be rejected by PTO under that statute; it did not hold that PTO cannot refuse to declare an interference where all of an applicant's claims that are proposed to correspond to the count fail to satisfy the statute. In fact, the court specifically held that the effect of § 135(b) is that "a

*procedural* statutory bar arises proscribing the instigation of interferences after a specified time interval.” 629 F.2d at 680, 207 USPQ at 110 (original emphasis).

In § 1.608, paragraphs (a) and (b) are revised in several respects, as proposed. First, both paragraphs are revised by removing the information about effective filing dates, which appears instead in § 1.601(g), as amended. Second, the current requirement of paragraph (a) for an affidavit filed by the applicant has been relaxed. Paragraph (a), as amended, permits a statement to be filed by the applicant or a practitioner of record. Third, “sufficient cause” in paragraph (b) of § 1.608 and in other interference rules is changed to “good cause” in order to make it clear that only one “cause” standard is intended. Fourth, “8½ x 11 inches (21.8 by 27.9 cm.)” is changed to “21.8 by 27.9 cm. (8½ x 11 inches)” to put the emphasis on the metric measurements. Fifth, the phrase “(§ 1.653(g) and (h))” is revised to read “(§ 1.653(g))” in view of the removal and reservation of § 1.653(h).

One comment stated a belief that there may be some confusion regarding the application of § 1.608(b) when the basis upon which an applicant is entitled to judgment is not priority of invention. According to the comment, while § 1.608(b) appears to include derivation as a basis, it is uncertain whether it applies in a situation where the applicant believes the patent claims are unpatentable over prior art that does not also render unpatentable the applicant’s claims. The suggested change is not necessary. The comment’s statement that derivation (35 U.S.C. 102(f)) provides a basis for a showing under § 1.608(b) is correct. Section 1.608(b) requires an applicant to explain why the applicant is entitled to judgment *vis-a-vis* the patentee. As explained in the Notice of Final Rule, 49 FR 48416, 48421 (Dec. 12, 1984), “[t]he evidence may relate to patentability and need not be restricted to priority.” Such evidence could be, for example, evidence relating to derivation as noted by the comment.

The Notice of Proposed Rulemaking proposed that § 1.609(b)(2), be revised to require the examiner’s statement (i.e., currently Form PTO-850, also known as the initial interference memorandum) to explain why each claim designated as corresponding to a count is directed to the same patentable invention as the count. It was also proposed that § 1.609(b)(3) be revised to require the examiner’s statement to explain “why each claim designated as not corresponding to a count is not directed

to the same patentable invention as the count.” The purpose of these amendments is to provide the Board and the parties with the benefit of the examiner’s reasoning and to provide a better foundation for considering preliminary motions to designate claims as corresponding or as not corresponding to a count.

Paragraph (b)(2) is revised essentially as proposed in the Notice of Proposed Rulemaking. Upon further reflection, no need is seen for the examiner to indicate whether a claim corresponds exactly or substantially to a count.

One comment suggested that the proposed requirement of § 1.609(b)(3) may be unduly burdensome in multi-count interferences if it requires an examiner to explain not only why an involved claim corresponds to one count, but also why that claim does not correspond to each other count. Another comment, apparently construing the proposed language in the same way, suggested that the requirement could be made clearer by modifying the proposed language to read, “why each claim designated as not corresponding to *each* (or *the*) count is not directed to the same patentable invention as the count.” To make it clear that such a requirement is not intended, the proposed amendment is withdrawn and paragraph (b)(3) is instead revised to read, “why each claim designated as not corresponding to *any* count is not directed to the same patentable invention as *any* count.” Under § 1.609(b)(3), as adopted, the examiner’s statement need not explain why a claim that is designated as corresponding to one count is not directed to the same patentable invention as another count in the interference.

One comment suggested that interferences involving patentees who are incontestably junior could be shortened by amending the rules to require a junior party patentee, prior to the preliminary motion period, to make a *prima facie* case of priority of the type currently required of junior party applicants by § 1.608. The suggestion is outside the scope of the present rulemaking and is not being adopted, but may be considered in a future notice of proposed rulemaking.

One comment suggested that §§ 1.609(b)(1) and 1.611(c)(6) also be revised to require that the examiner and the declaration notice explain, when there will be more than one count, why each count is patentably distinct from the other counts. The suggestion is being adopted.

Section 1.610(a) is revised by deleting the language “a panel consisting of at least three members of” as superfluous

and by deleting the reference to § 1.640(c), which is revised to allow a request for reconsideration under § 1.640(c) to be decided by an individual administrative patent judge rather than by the Board. Section 1.610(b) is also revised by deleting “Unless otherwise provided in this section,” as unnecessary in light of the amendment to paragraph (a).

One comment suggested that § 1.610(a) be revised to provide that an interference is handled throughout, including final hearing, by a single administrative patent judge, thereby avoiding the delays that occur when an issue is deferred to final hearing for decision by a three-member panel. The comment also suggested that § 1.610(b) be revised to provide that, at the discretion of the administrative patent judge, a panel consisting of two or more administrative patent judges may sit at final hearing (as well as deciding interlocutory orders). The suggestions have not been adopted. First, the suggestions are outside the scope of the present rulemaking. Second, the suggestions could not be implemented without amendment of 35 U.S.C. 7(b), which requires that an interference must be decided by at least three members of the Board.

One comment suggested that the second sentence of § 1.610(c) (“Times for taking action shall be set, and the administrative patent judge shall exercise control over the interference such that the pendency of the interference before the Board does not normally exceed two years.”) be removed as wishful thinking that only confuses district court judges confronted with a motion to stay a civil action pending the outcome of an interference. The suggestion is not being adopted. The two-year period, while not always attainable, is nevertheless believed to be realistic.

The Notice of Proposed Rulemaking proposed amending § 1.611 by redesignating paragraph (c)(8) as paragraph (c)(9) and adding a new paragraph (c)(8) requiring that a notice of declaration of interference state “[w]hy each claim designated as corresponding to a count is directed to the same patentable invention as the count and why each claim designated as not corresponding to a count is not directed to the same patentable invention as the count.” For the reasons given above in the discussion of § 1.609(b)(3), the proposed language is changed to read, “[t]he examiner’s explanation as to why each claim designated as corresponding to a count is directed to the same patentable invention as the count and why each

claim designated as not corresponding to any count is not directed to the same patentable invention as any count." The examiner's explanation should assist the parties in deciding whether to move to have claims designated as corresponding or not corresponding to the count. Normally, parties can expect that a copy of the examiner's explanation will accompany the notice declaring the interference. It should be understood that in declaring the interference, the administrative patent judge is neither agreeing nor disagreeing with the examiner's explanation and that the explanation is not binding on the administrative patent judge or the Board in further proceedings in the interference. As proposed in the Notice of Proposed Rulemaking, the first word in each of paragraphs (d)(2) and (d)(3) is also capitalized.

One comment suggested deleting ", oppositions to the motions, and replies to the motions" from § 1.611(d)(3) as surplusage. The suggestion is being adopted. In addition, paragraphs (d)(1), (d)(2) and (d)(3) are revised to be separately indented under paragraph (d).

Paragraph (a) of § 1.612 is revised to change "opposing party's" to "opponent's" and to add a sentence referring to § 1.11(e) concerning public access to interference files. One comment suggested amending § 1.612(a) to provide for automatic access to an application referred to in an opponent's involved case rather than requiring a motion for access under § 1.635, as under the current rule. The suggestion, which is outside the scope of the present rulemaking, is not being adopted.

Regarding § 1.613, one comment suggested that paragraph (c) be revised to give an administrative patent judge the authority to decide disqualification questions rather than requiring such questions to be referred to the Commissioner. Under current practice, the authority to decide motions for disqualification of counsel in cases before the Board of Patent Appeals and Interference has been delegated by the Commissioner to the Chief Administrative Patent Judge. Administratively, it is more appropriate that authority to decide disqualification matters be capable of being delegated to specific individuals rather than being assigned to administrative patent judges generally through a rule. The comment also suggested that paragraph (d) be revised to clarify whether "attorney or agent of record" includes an attorney or agent who is merely "of counsel." The term "attorney or agent of record" in the interference rules should be construed

in the manner it is defined in 37 CFR 1.34(b). The rules do not recognize, or use, the term "of counsel." Accordingly, the suggestions are not being adopted. Furthermore, each suggestion is outside the scope of the present rulemaking.

Paragraph (a) of § 1.614 is clarified, as proposed in the Notice of Proposed Rulemaking, by changing "the Board shall assume jurisdiction" to "the Board acquires jurisdiction." One comment suggested amending § 1.614(c) ("An administrative patent judge, where appropriate, may for a limited purpose restore jurisdiction to the examiner over any application involved in the interference.") by deleting the current language ", when appropriate," as surplusage in view of "may." The suggestion is being adopted.

In addition to amending § 1.616 to authorize an award of compensatory attorney fees and expenses in appropriate circumstances, as discussed above, current paragraph (b), which is redesignated as paragraph (a)(2), is revised to permit a party to be sanctioned for failing to comply with the rules or an order by entering an order precluding the party from filing "a paper." Current paragraph (b) permits entry of an order precluding the filing only of a motion or a preliminary statement. The term "paper" will be given a broad construction, and includes a motion, a preliminary motion, a preliminary statement, evidence in the form of documents, a brief, or any other paper.

Section 1.617(b) is revised, as proposed, to authorize a party against whom a § 1.617(a) order to show cause has been issued to respond with an appropriate preliminary motion under § 1.633 (c), (f) or (g). The reason is that a preliminary motion under § 1.633(c) to redefine the interference, under § 1.633(f) for benefit of the filing date of an earlier application or under § 1.633(g) attacking the benefit accorded a patentee may be appropriate where the count set forth in the notice declaring the interference is not the same as the count proposed in the applicant's showing under § 1.608(b). A preliminary motion under § 1.633 (f) or (g) may also be appropriate where the count set forth in the notice declaring the interference is the same as the count proposed in the applicant's showing under § 1.608(b), but the notice either fails to accord the applicant the benefit of the filing date of an earlier application whose benefit was requested in the § 1.608(b) showing or accords the patentee the benefit of the filing date of an earlier application whose benefit the § 1.608(b) showing argued should not be accorded the patentee.

One comment suggested that § 1.617(b) be revised to state that a change of counsel is not "good cause" for presenting additional evidence in response to a § 1.617(a) show cause order, noting the similar amendment proposed in the Notice of Proposed Rulemaking for § 1.655(b). The suggestion is not being adopted. Moreover, the statement that a change of attorney is not generally good cause is not being added to § 1.655(b) as proposed. Upon reflection, it is better to leave the term "good cause" to be decided on a case-by-case basis. The proposed amendments to the rules to state that a change of attorney is generally not good cause for considering an issue belatedly raised by a new attorney is generally correct. In fact, recent experience shows that parties often retain new counsel after they find that "they are in trouble in the interference." Retaining new counsel midway through the case is almost never a reason to subject the opponent to starting over again. On the other hand, the rules use the term "good cause" in various places and PTO does not want to incorrectly give the impression that change of attorney is not good cause only when specifically stated in a rule which uses the phrase "good cause." Nor does PTO want to have a per se rule which says that a change of attorney cannot be good cause in any instance, although it would be rare for a change of attorney to be good cause.

One comment suggested that the second sentence of § 1.617(d) be revised to indicate that any statement filed by an opponent may set forth views as to why any (c), (f) or (g) motion filed by the applicant should be denied. The suggestion is not being adopted. The first sentence of § 1.617(d) as revised authorizes an opponent to file an opposition to any (c), (f) or (g) motion filed by the applicant, which opposition should include views as to why any (c), (f) or (g) motion filed by the applicant should be denied.

Another comment suggested that § 1.617(d), which currently prohibits an opponent from requesting a hearing, be revised to permit such a request on the ground that a hearing is the opponent's best chance to pretermitt the whole interference process. The suggestion, which is outside the scope of the present rulemaking, is not being adopted.

The Notice of Proposed Rulemaking proposed amending the first sentence of § 1.618(a), which currently reads "The Patent and Trademark Office shall return to a party any paper presented by the party when the filing of the paper is

unauthorized by, or not in compliance with the requirements of, this subpart" to read: "An administrative patent judge or the Board shall enter an order directing the return to a party of any paper presented by the party when the filing of the paper is not authorized by, or is not in compliance with the requirements of, this subpart." The Notice of Proposed Rulemaking also proposed amending the second sentence of paragraph (a), which currently states that any paper returned "will not thereafter be considered by the Patent and Trademark Office in the interference," by deleting "by the Patent and Trademark Office." One comment questioned why the phrase "by the Patent and Trademark Office" is proposed to be removed. The reason is that the phrase is superfluous. Another comment questioned who is being ordered to return the paper and suggested that § 1.618(a) be revised to simply provide that the administrative patent judge shall return the unauthorized papers, with the understanding that it is the administrative patent judge's secretary who actually mails orders, opinions, etc. The suggestion is being adopted, but with the rule stating that the paper shall be returned by an administrative patent judge or the Board. Although not proposed in the Notice of Proposed Rulemaking, the last sentence of § 1.618(a), which states that a party may be permitted to file a corrected paper under such conditions as may be deemed appropriate by an administrative patent judge, is revised to also allow the Board to set such conditions.

One comment suggested an amendment to § 1.622(a) to clarify that the inventors named in the preliminary statement do not have to be all of the inventors named in the party's case in interference, citing *Larson v. Johanning*, 17 USPQ2d 1610 (Bd. Pat. App. & Int. 1990). The comment alternatively suggested dropping preliminary statements altogether on the grounds that they are (a) useless and (b) a snare and a delusion. These suggestions are outside the scope of the present rulemaking and are not being adopted.

Section 1.625(a) is revised, as proposed, by deleting "the invention was made in the United States or abroad and" as surplusage.

Section 1.626 is revised, as proposed, by revising "earlier application filed in the United States or abroad" to read "earlier filed application." The same change is made in §§ 1.630, 1.633(f), 1.633(g), 1.637(c)(1)(vi), 1.637(e)(1)(viii), 1.637(e)(2)(vii) and 1.637(h)(4).

Section 1.628(a) is revised, as proposed, to change "ends of justice" to "interest of justice" to be consistent with the language used in §§ 1.628(a) and 1.687(c), since a single standard is intended. The "interest of justice" requirement will be applied only to corrected preliminary statements that are filed on or after the due date for serving preliminary statements. Where the moving party has not yet seen the opponent's statement, an opponent normally will not be prejudiced by the filing of a corrected statement. One comment raised the following question:

What is the standard if the motion is filed before the time set by the APJ for service of preliminary motions [sic, statements]? If, as implied by the comments, amendments prior to that date can be made freely, why not simply provide that the preliminary statements (if they are to be retained at all) are to be filed and served on the date set by the APJ pursuant to 37 CFR 1.628(a)? Particularly where it is obvious that the count(s) is or are going to be changed anyway, all of the parties' work preparing and the PTO's work in processing the original preliminary statement is wasted effort anyway.

(Original emphasis; footnote omitted.) The standard for a motion to amend that is filed before service of preliminary statements is that it be accompanied by an affidavit stating when the error occurred and be filed "as soon as practical after discovery of the error." The suggestion that preliminary statements be filed and served on the date set by the administrative patent judge pursuant to 37 CFR 1.628(a) is not understood, since that rule does not provide for setting such a date. Instead, the provisions relating to filing and serving preliminary statements appear in §§ 1.621(a) and 1.631, respectively. To the extent the comment is suggesting that these provisions be revised, the suggestion is outside the scope of the present rulemaking and is not being adopted.

As proposed in the Notice of Proposed Rulemaking, paragraphs (a), (c)(1) and (d) of § 1.629 are revised to make each consistent with the amendment of the definition of "effective filing date" in § 1.601(g). One comment suggested that in § 1.629(a), second sentence, the comma between "statement" and "as," which was proposed to be removed, be retained for clarity. As suggested, the comma is retained.

The first sentence of § 1.631(a) is revised by removing "by the examiner-in-chief" (first occurrence) as superfluous. The Notice of Proposed Rulemaking incorrectly proposed to remove the second occurrence of this

phrase. Thus revised and with the remaining occurrences of "examiner-in-chief" changed to "administrative patent judge," the first sentence of § 1.631(a), as it was proposed to be revised, reads as follows: "Unless otherwise ordered by an administrative patent judge, concurrently with entry of a decision on preliminary motions filed under § 1.633, any preliminary statement filed under § 1.621(a) shall be opened to inspection by the senior party and any junior party who filed a preliminary statement." (The proposed language set forth in the Notice of Proposed Rulemaking inadvertently omitted the phrase, "concurrently with entry of a decision on preliminary motions filed under § 1.633," which appears in the current rule and was not proposed to be removed.) In order to make it clear that the phrase "concurrently with entry of a decision on preliminary motions filed under § 1.633" modifies the succeeding phrase rather than the preceding phrase, the second comma is removed, so that the first sentence of § 1.631(a) as revised reads as follows: "Unless otherwise ordered by an administrative patent judge, concurrently with entry of a decision on preliminary motions filed under § 1.633 any preliminary statement filed under § 1.621(a) shall be opened to inspection by the senior party and any junior party who filed a preliminary statement."

Section 1.632 is revised, as proposed, to more precisely state that a notice of intent to argue abandonment, suppression or concealment must be filed "within ten days after," rather than "within ten days of," the close of the testimony-in-chief of the opponent. One comment suggested that § 1.632 be further revised to (1) state what happens next and (2) provide a period for shifting the burden of proof. The suggestion is outside the scope of the present rulemaking, and is not being adopted.

Several comments were received with respect to § 1.633 in general. Two of the comments noted that § 1.642, which presumably was intended to allow an administrative patent judge to add a new party to an interference, has also been used to "request" addition of an application or patent of an already involved party, citing *Theeuwes v. Bogentoft*, 2 USPQ2d 1378 (Comm'r Pat. 1986). The two comments suggested that § 1.633 be revised to specifically provide for a motion to request addition of an application or patent of a party in order to make it clear that the standards for preliminary motions apply. Two other comments suggested amending §§ 1.633 and 1.637(h) to authorize a

motion to *add* a claim to a party's application or an opponent's application (including a reissue application) to be designated as *not* corresponding to the count, thereby removing what is alleged to be one of the major drawbacks of the current rules. Still another comment suggested that in order to avoid the inefficiencies that result when prior art surfaces for the first time in a motion under § 1.633(a), which may render moot other preliminary motions, the parties should be required to file and serve all relevant prior art of which they are aware prior to the preliminary motion period. While some of the suggestions have merit, all are outside the scope of the present rulemaking and are not being adopted.

As proposed in the Notice of Proposed Rulemaking, paragraph (a) of § 1.633 is revised in several respects. The first is to specify that a claim shall be construed in light of the specification of the application or patent in which it appears. The amendment clarifies an ambiguity in PTO interference practice. Previously, the Federal Circuit had interpreted § 1.633 to require an ambiguous claim to be interpreted in light of the patent from which it was copied. *In re Spina*, 975 F.2d 854, 856, 24 USPQ2d 1142, 1144 (Fed. Cir. 1992). While this interpretation was a possible interpretation of previous § 1.633, PTO had intended that a copied claim be interpreted in light of the specification of the application or patent in which it appears. The rule, as adopted, will make *ex parte* and *inter partes* practice the same. A claim that has been added to a pending application for any purpose, including to provoke an interference, will be given the broadest reasonable interpretation consistent with the disclosure of the application to which it is added, as are claims which are added during *ex parte* prosecution. As explained *In re Zletz*, 893 F.2d 319, 321, 13 USPQ2d 1320, 1322 (Fed. Cir. 1989):

[d]uring patent examination the pending claims must be interpreted as broadly as their terms reasonably allow. When the applicant states the meaning that the claim terms are intended to have, the claims are examined with that meaning, in order to achieve a complete exploration of the applicant's invention and its relation to the prior art. See *In re Prater*, 415 F.2d 1393, 1404-05, 162 USPQ 541, 550-51 (CCPA 1969) (before the application is granted, there is no reason to read into the claim the limitations of the specification). The reason is simply that during patent prosecution when claims can be amended, ambiguities should be recognized, scope and breadth of language explored, and clarification imposed. *Burlington Industries, Inc. v. Quigg*, 822 F.2d 1581, 1583, 3 USPQ2d 1436, 1438 (Fed. Cir.

1987); *In re Yamamoto*, 740 F.2d 1569, 1571, 222 USPQ 934, 936 (Fed. Cir. 1984).

If a party believes an opponent's claim corresponding to the count is ambiguous when construed in light of the opponent's disclosure, the party should move under § 1.633(a) for judgment against the claim on the ground of unpatentability under the second paragraph of 35 U.S.C. 112. In paragraph (a), "by reference to the prior art of record" is removed as unnecessary. Paragraphs (a)(1) and (a)(2) of § 1.633 are revised by deleting some unnecessary language from each paragraph and by changing "derivation" to "Derivation" in paragraph (a)(2). One comment suggested changing "corresponding to a count" in § 1.633(a) to "designated to correspond to a count" for consistency with § 1.601(f), as amended. The suggestion is being adopted.

Although not proposed in the Notice of Proposed Rulemaking, § 1.633(a) is also revised by adding a sentence requiring that the motion separately address each claim alleged to be unpatentable. For example, where a plurality of claims are alleged to be unpatentable over prior art, the motion must compare each of those claims to the prior art. As a result, a party would not be allowed to allege that all of the opponent's claims that correspond to the count are unpatentable simply because the opponent's claim that corresponds exactly to the count is anticipated by, or would have been obvious in view of, the prior art. At the time an interference is declared, it may appear (and the parties may then believe) that all claims designated as corresponding to a count are directed to the same patentable invention. Once additional prior art is discovered in the preliminary motion period, however, what was the case when the interference was declared may no longer be the case. Hence, a preliminary motion under § 1.633(a) alleging unpatentability over the prior art should address each claim believed to be unpatentable. In the case where a party has two claims, e.g., a genus and a species, if a preliminary motion under § 1.633(a) is filed by an opponent which argues that only the genus is unpatentable, the party will need only respond to the argument relative to the genus. Thus, to the extent there ever was a perception that all claims designated to correspond to a count stand or fall with the "patentability of the count," the rule as adopted attempts to overcome that perception. There is no presumption in an interference that because one claim designated to correspond to a count is

unpatentable over the prior art (35 U.S.C. 102 (a), (b) and (e)), that all claims are unpatentable over the same prior art. On the other hand, in deciding priority of invention, all claims designated to correspond to a count at the time priority is decided will stand or fall together on the issue of priority.

Section 1.633(b), which concerns motions for judgment on the ground of no interference-in-fact, was proposed to be revised to state that it is possible for claims of opponents presented in "means plus function" format to define separate patentable inventions even though the claims of the opponents contain the same literal wording. The reason is that the sixth paragraph of 35 U.S.C. 112, which is applicable to "means plus function" limitations in application claims and patent claims, provides that such limitations are to be construed as covering the corresponding structure disclosed in the associated application or patent and equivalents thereof. *In re Donaldson Co.*, 16 F.3d 1189, 29 USPQ2d 1845 (Fed. Cir. 1994). The proposed change has been adopted, but with the proposed term "opponents" being replaced by "different parties." One comment suggested that in addition to *Donaldson*, support for the amendment can be found in *Blackmore v. Hall*, 1905 Dec. Comm'r Pat. 561 (Comm'r Pat. 1905), and the withdrawn opinion in *Rion v. Ault*, 455 F.2d 570, 172 USPQ 588 (1972) (Rion I), *modified*, 482 F.2d 948 (CCPA 1973) (Rion II), which the comment says stand for a proposition even broader than the one set forth in the proposed amendment. Inasmuch as *Blackmore* predates the statutory language in question and *Rion I* was withdrawn by the CCPA, the suggestion is not being adopted.

Paragraph (i) of § 1.633, which in its current form authorizes a party who opposes a preliminary motion under § 1.633 (a), (b) or (g) to file a preliminary motion under § 1.633 (c) or (d), is revised to additionally authorize a party-patentee to file a preliminary motion under § 1.633(h) to add to the interference an application for reissue of the party's involved patent. Because a reissue application can include an amended or new claim to be designated as corresponding to a count, paragraph (i) as revised gives a patentee an option similar to that afforded in the same situation to a party-applicant, who can file a preliminary motion under § 1.633(c)(2) to amend a claim in, or add a claim to, its involved application to be designated as corresponding to a count. One comment suggested further amending § 1.633(i) to authorize a § 1.633(c)(1) motion in response to an

opponent's § 1.633(c)(1) motion. The suggestion, which is outside the scope of the present rulemaking, is not being adopted.

One comment suggested that § 1.636, as proposed to be revised, which requires that a motion under § 1.634 to correct inventorship of a patent or application "be diligently filed after an error is discovered" is ultra vires with respect to patents. The suggestion is outside the scope of the present rulemaking and is not being adopted. The suggestion will be considered in a future rulemaking.

The Notice is Proposed Rulemaking proposed amending paragraph (a) of § 1.637 to incorporate the essence of a notice of August 10, 1990, published as "Interferences—Preliminary Motions for Judgment," 1118 Off. Gaz. Pat. Office 19 (Sept. 11, 1990). Specifically, the Notice of Proposed Rulemaking proposed adding the following language at the end of the paragraph:

If a party files a motion for judgment under § 1.633(a) against an opponent based on the ground of unpatentability over prior art, and the dates of the cited prior art are such that the prior art appears to be applicable to be the party, it will be presumed, without regard to the dates alleged in the preliminary statement of the party, that the cited prior art is applicable to the party unless there is included with the motion an explanation, and evidence if appropriate, as to why the prior art does not apply to the party. If the motion fails to include a sufficient explanation or evidence, the party will not be permitted to rely on any such explanation or evidence in response to or in any subsequent action in the interference.

Two comments suggested that the proposed last sentence is imprecise in that although it is presumably intended to preclude a party whose motion an administrative patent judge has held to include an insufficient explanation or evidence from later *supplementing* the explanation or evidence offered in the motion, the sentence is broad enough to be construed as also precluding the party from relying on the arguments and evidence that were offered in the motion. Accordingly, one of the comments suggested that the proposed last sentence be replaced by the following two sentences: "If the administrative patent judge holds that the motion fails to include a sufficient explanation or evidence as to why the cited prior art is not applicable to the party, the party will not be permitted to supplement any such explanation or evidence in any subsequent action in the interference. However, the party is not precluded from subsequently arguing that the administrative patent judge's decision was incorrect." The substance of the suggestions is believed

to be correct, but the suggested language will not be adopted. Instead, § 1.637(a) is revised to read:

A party filing a motion has the burden of proof to show that it is entitled to the relief sought in the motion. Each motion shall include a statement of the precise relief requested, a statement of the material facts in support of the motion, in numbered paragraphs, and a full statement of the reasons why the relief requested should be granted. If a party files a motion for judgment under § 1.633(a) against an opponent based on the ground of unpatentability over prior art, and the dates of the cited prior art are such that the prior art appears to be applicable to the party, it will be presumed, without regard to the dates alleged in the preliminary statement of the party, that the cited prior art is applicable to the party unless there is included with the motion an explanation, and evidence if appropriate, as to why the prior art does not apply to the party.

Rather than specify a particular sanction for failure of a party to comply with § 1.637(a), as adopted, it is more appropriate to rely on application of the provisions of § 1.618. A party who fails to timely include the explanation and/or evidence required by the rule runs a considerable risk that an explanation and/or evidence presented at a future time will be returned as untimely. See § 1.618(a). Papers which are returned are not considered part of the record.

Section 1.637(a) was proposed to be revised to state that the statement of material facts be "preferably in numbered paragraphs." One comment suggested that numbered paragraphs be a requirement, because it would make matters easier for opponents as well as administrative patent judges. The suggestion is being adopted. Ordinarily, it will be expected that each numbered paragraph will recite a single fact which can easily be "admitted" or "denied." The use of numbered paragraphs should make the decision-making process of the administrative patent judge easier.

Another comment suggested that § 1.637(a) be revised to require that motions, oppositions and replies be numbered sequentially, so that party X's opposition No. 1 will be its opposition to party Y's motion No. 1, etc. The suggestion, while having considerable merit, is outside the scope of the present rulemaking, and is not being adopted. The suggestion will be made the subject of a future rulemaking effort. In papers filed in PTO in interference cases, there is an increasing tendency for parties to use "long" titles, e.g., PARTY SMITH'S PRELIMINARY MOTION FOR DECLARATION OF PARTY OPPONENT RAYMOND'S CLAIMS TO BE UNPATENTABLE UNDER 37 CFR § 1.633(a). The opponent then responds

with an opposition styled PARTY RAYMOND'S OPPOSITION TO PARTY SMITH'S PRELIMINARY MOTION FOR DECLARATION OF PARTY OPPONENT RAYMOND'S CLAIMS UNPATENTABLE UNDER 37 CFR § 1.633(a). The reply then tends to be PARTY SMITH'S REPLY TO PARTY RAYMOND'S OPPOSITION TO PARTY SMITH'S PRELIMINARY MOTION FOR DECLARATION OF PARTY OPPONENT RAYMOND'S CLAIMS UNPATENTABLE UNDER 37 CFR § 1.633(a). It should be apparent that the styling of the paper loses its significance. Accordingly, pending a further rulemaking effort parties in interference can simplify matters by voluntarily adopting the essence of the suggestion by replacing the styling of the three papers identified above with the following: (1) SMITH'S PRELIMINARY MOTION NO. 1; (2) RAYMOND'S OPPOSITION NO. 1; and (3) SMITH'S REPLY NO. 1. If numerous motions are filed, then sequential numbers can be used. In a two-party interference, if the parties can agree, one can use numbers and the other letters. In any event, it would be of considerable help to the Board if the style of a paper does not exceed a single line.

As proposed in the Notice of Proposed Rulemaking, § 1.637(a) is also revised by changing "Every" in the second sentence to "Each."

Section 1.637(c)(1) sets forth the requirements for a preliminary motion to add or substitute a proposed count. The Notice of Proposed Rulemaking proposed amending paragraph (c)(1)(v) in two respects: (1) To require a moving party to show that the proposed count is patentable over the prior art; and (2) to specify that a proposed substitute count need only be shown to be patentably distinct from the other counts proposed to remain in the interference, since a proposed substitute count need not be patentably distinct from the count it is to replace. Several comments opposed amending § 1.637(c)(1)(v) to require a party to show that a proposed new count is patentable over the prior art, stating, *inter alia*, that the date of a count for purposes of determining what is available as prior art is not clear. The statements in the comment are well taken for the reasons given above in the discussion of § 1.601(f). Accordingly, the proposal to amend paragraph (c)(1)(v) to require the moving party to show the patentability of a proposed new count over the prior art is withdrawn. Paragraph (c)(1)(v) is revised only to require that a proposed substitute count must be shown to be

patentably distinct from the other counts proposed to remain in the interference.

As proposed in the Notice of Proposed Rulemaking, § 1.637(c)(1)(vi) is revised to clarify that a preliminary motion under § 1.633(c)(1) need not be accompanied by a preliminary motion for benefit under § 1.633(f) unless the moving party seeks benefit with respect to the proposed count.

In order to eliminate the need for an opponent to respond to a § 1.633(c)(1) motion with a preliminary motion under § 1.633(f) claiming benefit, which has the effect of delaying a decision on the § 1.633(c)(1) motion, the Notice of Proposed Rulemaking also proposed amending § 1.637 by adding a new paragraph (c)(1)(vii) reading as follows:

If an opponent is accorded the benefit of the filing date of an earlier filed application in the notice of declaration of the interference, show why the opponent is not also entitled to benefit of the earlier filed application with respect to the proposed count. Otherwise, the opponent will be presumed to be entitled to the benefit of the earlier filed application with respect to the proposed count.

One comment suggested clarifying the first sentence by inserting "and if the movant desires a holding that its opponent is not entitled to the benefit of the filing date of the earlier filed application for the proposed count" after "interference." The same change was suggested for proposed new §§ 1.637(e)(1)(ix) and 1.637(e)(2)(viii), which are identical to § 1.637(c)(1)(vii). The suggestion is not being adopted. The rule, as amended, states that a moving party must take a positive action if it believes an opponent is not entitled to benefit for a new count. Failure to take the positive action creates a presumption. The rule, as amended, also states the consequences of not taking a positive action. Taking the positive action is the manner to procedurally attempt to overcome the presumption. Hence, the suggested "clarification" is not necessary.

As proposed, minor housekeeping amendments are made to §§ 1.637(c)(2)(ii) and (iii) for clarification, and §§ 1.637(c)(2)(iv) and 1.637(c)(3)(iii), which relate to § 1.633(f) motions for benefit, are removed and reserved as unnecessary, since motions under § 1.633(c)(2) and (3) do not affect the count. Section 1.637(c)(3)(ii), which applies to motions under § 1.633(c)(3) to designate a claim as corresponding to a count, is revised to have claims compared to claims, as is the case in § 1.633(c)(4)(ii), which applies to motions filed under § 1.633(c)(4) to designate a claim as not corresponding

to a count. The amendment avoids the need to compare claims to counts.

Section 1.637(c)(4)(ii) was proposed to be revised to require that a party moving to designate a claim as not corresponding to a count must show that the claim could not serve as the basis for a preliminary motion under § 1.633(c)(1) to add a new count. As revised, the rule precludes a party from moving to designate one of its claims as not corresponding to the count where an opponent's disclosure would support a similar claim. The supporting rationale is that the party could file a § 1.633(c)(1) preliminary motion proposing a claim to be added to the opponent's application and suggesting that the proposed claim and the party's claim in question be designated as corresponding to a proposed new count. One comment argues that the proposed amendment would unduly burden a party by requiring it to propose claims to be added to an opponent's application, whereas under the current rule the opponent, who has the option to propose such a count and such a claim in a motion under § 1.633(c)(1), runs the risk of interference estoppel by not pursuing an interference on common patentable subject matter. Thus, the comment notes that the effect of the proposed requirement would be to require a party to prevent its opponent from possibly getting itself into an estoppel situation. The point of the comment is well taken. Accordingly, the proposal to amend § 1.637(c)(4) in the manner criticized by the comment hereby withdrawn.

As proposed in the Notice of Proposed Rulemaking, § 1.637(d)(4), which authorizes a party to file a motion for benefit together with a motion under § 1.633(d), is removed and reserved as unnecessary. Motions filed under § 1.633(d) do not affect the count. Sections 1.637(e)(1)(viii) and (e)(2)(vii) are revised to make it clear that a preliminary motion under §§ 1.633(e)(1) or (e)(2) need not be accompanied by a preliminary motion for benefit under § 1.633(f) unless the moving party seeks benefit with respect to the proposed count. As proposed, §§ 1.637(e)(1)(ix) and (e)(2)(viii) are added specifying that where a party is accorded the benefit of the filing date of an earlier filed application in the notice of declaration of the interference, that party is presumed to be entitled to the benefit of the earlier filed application with respect to the proposed count.

Section 1.637(f)(2) is revised, as proposed, by changing "abroad" to "in a foreign country" and removing both occurrences of "filed abroad" as superfluous.

The Notice of Proposed Rulemaking proposed to amend § 1.637(h) by adding a sentence stating that "[a] patentee may not move under § 1.633(h) to add a reissue application that includes new or amended claims to be designated as not corresponding to a count." The purpose of the proposal was to make clear that a preliminary motion to add a reissue application that includes a new or amended claim to be designated as *not* corresponding to a count will be given the same treatment as a preliminary motion proposing to amend a claim in, or add a new claim to, an involved application to be designated as not corresponding to the count, i.e., the preliminary motion will be dismissed. See *L'Esperance V. Nishimoto*, 18 USPQ2d 1534, 1537 (Bd. Pat. App & Int. 1991) (interference rules do not authorize a motion by party-applicant to amend or add a claim to be designated as not corresponding to the count). Several comments were received in opposition to this proposal, one of which stated:

As understood, this would prevent moving to add any reissue application to an interference if even a single claim of that reissue was independently patentable, i.e., properly not subject to the interference, even if some or most of the other claims were the same as, or patentably indistinct from, claims already subject to the interference.

It is not seen why patent owners should be deprived of their statutory and normal *ex parte* right to have and maintain reissue applications with appropriate claims to inventions disclosed in their specifications, simply to meet a new interference rule requirement that appears to be solely for administrative convenience for the interference proceeding.

The statement in the comment is justified. The rule as proposed to be revised would unfairly preclude a patentee whose involved claims are all held to be unpatentable during the interference (e.g., under 35 U.S.C. 112, first paragraph, for lack of written description support) from adding a reissue application that contains new or amended claims to be designated as corresponding to a count simply because the reissue application also happens to include a new or amended claim to be designated as not corresponding to a count. Accordingly, the proposed amendment to paragraph (h) is hereby withdrawn.

As proposed in the Notice of Proposed Rulemaking, § 1.638(b) is revised by changing "a reply" to "any reply."

One comment suggested amending § 1.638(a) to take into account that an opposition may be based on material facts that are not set forth in the motion, by changing "(2) include an argument

why the relief requested in the motion should be denied" to "(2) set forth in numbered paragraphs any material facts in support of the opposition not set forth in the motion and include an argument why the relief requested in the motion should be denied." A similar amendment was suggested for paragraph (b) as to replies. The suggestions, which are outside the scope of the present rulemaking, are not being adopted. The suggestions would appear to have considerable merit and will be made the subject of a future rulemaking effort.

Paragraph (a) of § 1.639, which currently requires that a motion, opposition or reply be accompanied by the evidence on which a party intends to rely in support of or in opposition to a motion, is revised as proposed in the Notice of Proposed Rulemaking to be consistent with paragraphs (c) through (g), which permit some types of evidence to be filed after filing of the motion, opposition or reply. In addition, paragraph (d)(1) is revised, as proposed, by changing "call" to "use."

One comment expressed concern about § 1.639(a) to the extent it is construed as requiring that all available evidence in support of a motion, opposition or reply must be filed and served with the motion, opposition or reply, which is presumed to be a reference to the construction given § 1.639 in *Irikura v. Petersen*, 18 USPQ2d 1362, 1368 (Bd. Pat. App. & Int. 1990):

A good faith effort must be made to submit evidence to support a preliminary motion or opposition when the evidence is available. *Orikasa v. Oonishi*, [10 USPQ2d 1996, 2000 n.12 (Comm'r Pat. 1989)]. Note the commentary [*Patent Interference Proceedings; Final Rule*], 49 F.R. [48416], at 48442 (Dec. 12, 1984), 1050 O.G. [385], at 411 (Jan. 29, 1985)), [*corrections*] 50 F.R. 23122 (May 31, 1985), 1059 O.G. 27 (Oct. 22, 1985).

See also *Okada v. Hitotsumachi*, 16 USPQ2d 1789, 1790 (Comm'r Pat. 1990). Specifically, the comment notes that:

[t]o permit testimony beyond the evidence filed with the motion, has been likened to "two bites of the apple". I think there is a misunderstanding here, it is not two bites.

For example, a motion for summary judgment that is denied, [sic] does not preclude the party from proving his case at trial with additional evidence. Two bites comes if, after decision on motion, a party tries to bring a second *motion* with additional evidence or argument, or [if] after trial and judgment, the loser wants to introduce more evidence that was available all along. I see nothing wrong with an interference party submitting the prior art and arguing that "any fool can plainly see" the subject matter of the count is obvious. That's a sort of motion for summary judgment on the issue. If the APJ does not

perceive the obviousness to be apparent, he or she should *invite* the parties to present additional testimony on obviousness during the testimony time, *not block it*. Obviously, the same reasoning would apply to enablement, operability, same patentable invention, etc.

(Original emphasis.) The suggestion that the rules be revised to permit a party to later submit evidence that it could have submitted in support of or in opposition to a preliminary motion is declined for the reasons given in *Hanagan v. Kimura*, 16 USPQ2d 1791, 1793 (Comm'r Pat. 1990) ("the new interference rules were not intended to permit routine requests to take testimony in lieu of presenting timely affidavits and other available proof of material [facts] with the motion"). See also *Staelin v. Secher*, 24 USPQ2d 1513, 1515 n.3 (Bd. Pat. App. & Int. 1992).

Another comment suggested amending the rules to permit the filing of a motion for "summary judgment" shortly (e.g., within two months) after the interference is declared on a matter that may be dispositive of the interference, such as the absence of an interference-in-fact, unpatentability of all of the parties' claims that correspond to the count or unpatentability of all of the opponent's claims that correspond to the count, with testimony being restricted to affidavits and counter-affidavits. *Compare* Fed. R. Civ. P. 56. The comment continues that if the motion is denied by the administrative patent judge, there would be no right of appeal; if the motion is granted, the opponent could appeal to a three-member panel of the board and, if the panel concurs with the decision of the administrative patent judge, the opponent could seek judicial review. To the extent the suggestion is seeking a rule authorizing motions for summary judgment like those provided for in Fed. R. Civ. P. 56, the suggestion is outside the scope of the present rulemaking and is therefore not being adopted. In a future rulemaking effort, PTO will consider whether there is an advantage to be gained by some form of "summary judgment" motion.

The Notice of Proposed Rulemaking proposed to amend § 1.640(b) in several respects. First, it was proposed to add a first sentence providing that "[u]nless an administrative patent judge or the Board is of the opinion that a decision on a preliminary motion would materially advance the resolution of the interference, decision on a preliminary motion should be deferred to final hearing." One comment indicated that requiring deferral of non-dispositive motions may adversely affect settlement of interferences:

Under the current procedure, where most motions are initially decided, if a party is faced with a particular decision on a non-dispositive motion, that decision may affect the party's willingness to settle with the opposing party, even knowing that the decision may be changed at final hearing. For example, if a party has proposed a new count that better fits its proofs and the motion proposing the new count is denied, the party may be willing to request adverse judgment (e.g., in exchange for a license) rather than try to prove invention of the original count for which its proofs are not as good, even knowing that there is a chance that the proposed count may be adopted at final hearing. Similarly, a party that has succeeded in having important claims designated as not corresponding to the count may be willing to settle on that basis, even though it may lose certain other claims. To the extent that early decisions on preliminary motions motivate settlement in that way, the proposed amendments will decrease the settlement rate of interferences, adding to the workload of the Board and of practitioners.

While the comment can be correct in some interferences, it may not be true in other interferences. In those interferences where decision on a preliminary motion is likely to lead to settlement, the parties should approach the administrative patent judge and discuss the matter. Then the administrative patent judge will then be in a position to make an informed decision on an "opinion that an earlier decision on a preliminary motion would materially advance the resolution of the interference." Amending the rule, as proposed, will advance resolution of interferences where settlement is not likely, while at the same time giving the parties a means by which to inform the administrative patent judge that a decision on a particular motion would assist the settlement process.

One comment suggested that the proposed language could be clarified by changing "a decision" (first occurrence) to "an earlier decision" so that the sentence reads: "Unless an administrative patent judge or the Board is of the opinion that an earlier decision on a preliminary motion would materially advance the resolution of the interference, decision on a preliminary motion shall be deferred to final hearing." The suggestion is being adopted.

Another comment stated that the second sentence of § 1.640(b) as proposed to be revised ("Motions otherwise will be decided by an administrative patent judge.") is somewhat confusing and asks whether it is intended to mean that if the administrative patent judge decides not to defer a motion to final hearing, the administrative patent judge will then decide the motion. Any possible

ambiguity is avoided by changing "otherwise" to "not deferred to final hearing."

Although not proposed in the Notice of Proposed Rulemaking, the sentence in § 1.640(b) which currently reads "[a]n administrative patent judge may consult with an examiner in deciding motions involving a question of patentability" is changed to "[a]n administrative patent judge may consult with an examiner in deciding motions" to avoid any uncertainty that the administrative patent judge is free to consult with an examiner on any preliminary motion.

Still another comment suggested that the fourth sentence of § 1.640(b) as proposed to be revised ("An administrative patent judge may take up motions for decision in any order and may grant or deny any motion or take such other action which will secure the just, speedy, and inexpensive determination of the interference.") be changed to read as follows to make it clear that the goal of ensuring a just, speedy, and inexpensive determination of the interference applies to the choice of order of deciding motions: "An administrative patent judge may take up motions for decision in any order, may grant or deny any motion, and may take such other action which will secure the just, speedy, and inexpensive determination of the interference." The suggestion is being adopted. The rule is also revised to make absolutely clear that, among other things, an administrative patent judge may dismiss a motion, e.g., when a motion does not comply with a rule. The addition of the possibility of "dismissing" a motion augments the sanction available under § 1.618(a), i.e., return of a paper.

One comment suggested adding a provision to § 1.640(b) specifically recognizing the authority of the administrative patent judge, for the purpose of promoting the just, speedy and inexpensive resolution of the interference, "to schedule a final hearing on deferred preliminary motions prior to the time of testimony on priority, etc. See also § 1.654(a)." The suggestion, which is outside the scope of the present rulemaking, is not being adopted. The suggestion will be considered in a future rulemaking effort, although it should be noted that nothing in the rules should be construed as precluding an administrative patent judge or the Board from ordering a "final" hearing on a particular issue. Whether such a "final hearing" is ordered is within the sound discretion of the administrative patent judge or the Board.

As proposed in the Notice of Proposed Rulemaking, § 1.640(b) is also revised to state that "[a] matter raised by a party in support of, or in opposition to, a motion that is deferred to final hearing will not be entitled to consideration at final hearing unless the matter is raised in the party's brief at final hearing." One comment questioned whether it will be sufficient to simply incorporate the deferred motion and reply into the brief. The answer is no. With the exception of a motion to suppress, which may be filed as a separate paper together with a party's brief (§ 1.656(h)), and papers properly belatedly filed after the brief has been filed, the brief must satisfy the requirements of § 1.656(b) with respect to all issues to be decided at final hearing, including the requirement for a statement of the issue (§ 1.656(b)(4)), a statement of the relevant facts (§ 1.656(b)(5)), and an argument (§ 1.656(b)(6)). It will be noted at this point, that the Board generally discourages the practice of incorporating an argument in one paper into a second paper. The reason is that the argument in the first paper can easily be overlooked in considering the second paper, i.e., when an administrative patent judge studies a motion, opposition, or reply at home only to find that the "incorporated paper" is not available.

As proposed in the Notice of Proposed Rulemaking, § 1.640(b) is revised to state that "[i]f the administrative patent judge determines that the interference shall proceed to final hearing on the issue of priority or derivation, a time shall be set for each party to file a paper identifying any decisions on motions or on matters raised sua sponte by the administrative patent judge that the party wishes to have reviewed at final hearing as well as identifying any deferred motions that the party wishes to have considered at final hearing." One comment questioned why the statement of matters to be reviewed at final hearing is limited to final hearings on "priority or derivation." The reason is that final hearings on priority and/or derivation are the only types of final hearing that will be scheduled pursuant to § 1.640(b). Final hearings that are requested in response to show cause orders under § 1.640(d) are set pursuant to § 1.640(e), which, as amended likewise requires statements identifying the matters to be reviewed at final hearing.

Section 1.640(b) was also proposed to be revised by adding as the last sentence: "Any evidence that a party wishes to have considered with respect

to the decisions and motions identified by the party or by an opponent for consideration or review at final hearing, including any affidavit filed by the party under § 1.608 or 1.639(b), shall be served on the opponent during the testimony-in-chief period of the party." In order to consistent with the terminology in the preceding sentence of § 1.640(b), the phrase "decisions and motions" in the proposed last sentence is replaced by "decisions and deferred motions." Furthermore, the last sentence, as adopted, has been worded to take into account the retention and amendment of § 1.671(e) to permit a party to file a notice of intent to rely on affidavits, patents and printed publications previously submitted under § 1.639(b). Accordingly, the last sentence, as adopted, reads: "Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified by the party or by an opponent for consideration or review at final hearing shall be filed or, if appropriate, noticed under § 1.671(e) during the testimony-in-chief period of the party."

As proposed in the Notice of Proposed Rulemaking, the last sentence of § 1.640(b)(1) ("After the time expires for filing any amendment and supplemental preliminary statement, the examiner-in-chief will, if necessary, redeclare the interference.") is changed to read: "At an appropriate time in the interference, and when necessary, an order will be entered redeclaring the interference." One comment requested clarification of the meaning of "when necessary" and suggested that redeclaration should be required when the order of parties is changed but the count remains the same, in order to make it clear who is junior and who is senior. The suggestion, which included no specific language for its implementation and is outside the scope of the present rulemaking, is not being adopted. It will be considered in future rulemaking effort.

Section 1.640(b)(2), which currently states that a preliminary motion filed after a decision is entered on preliminary motions under § 1.633 will not be considered except as provided by § 1.655(b), is revised to state that a preliminary motion filed after the time expires for filing preliminary motions will not be considered except as provided by § 1.645(b) by changing "1.655(b)" to "1.645(b)." Section 1.645(b) relates to consideration of belatedly filed papers in general.

The Notice of Proposed Rulemaking proposed to amend § 1.640(c), which currently requires an administrative patent judge or the Board to specifically

authorize an opposition to a request for reconsideration of a decision by an administrative patent judge, to authorize an opponent to file an opposition, thereby saving the administrative patent judge or the Board the time it would otherwise take to determine whether to authorize an opposition. An opposition is normally required before the Board will modify the decision of an administrative patent judge. One comment suggested that because the Board frequently dismisses or denies requests for reconsideration without requesting an opposition, the proposed amendment will have the effect of unnecessarily increasing costs by encouraging the filing of oppositions that the Board may frequently find unnecessary to consider. The point is well taken and the proposal to amend § 1.640(c) to authorize oppositions to be filed without leave of the administrative patent judge is therefore withdrawn.

As proposed in the Notice of Proposed Rulemaking, the last sentence of § 1.640(c) is removed in order to authorize a single individual administrative patent judge to decide a request for reconsideration and is also revised to require that a request for reconsideration be filed by hand or Express Mail. The amendment of the rule should not be construed as limiting the authority of the Board, in the discretion of an administrative patent judge or the Board, to decide a request for reconsideration.

One comment suggested amending the second sentence of § 1.640(c) to permit service by next-business-day courier, arguing that hand delivery is often impractical and Express Mail unduly difficult. The comment also suggested that paragraph (c) be revised to allow reconsideration of a decision on motions, which is currently limited to identifying points that have been "misapprehended or overlooked," on the additional ground that the decision is simply wrong on the merits, noting that decisions on reconsideration in several interferences agreed that a decision is wrong on the merits, but refused to change it on the grounds that nothing was overlooked or misapprehended. Both of these suggestions are outside the scope of the present rulemaking and are not being adopted. However, pending a future rulemaking effort, the word "served by hand" in § 1.640(c) and elsewhere in the rules should be construed to include service by next-business-day courier. In using a next-business-day courier, a party is serving the paper by hand, the "hand" being the courier service. Hence, service by hand will be construed to include service by any

commercial courier which performs a service essentially equivalent to the Express Mail service provided by the U.S. Postal Service. Pending further rulemaking, the date of service shall be the date of delivery to the courier.

Section 1.640(d)(1), which currently states that an order to show cause under that section may be based on a decision on a motion which is dispositive of the interference against a party as to any count, is revised, as proposed in the Notice of Proposed Rulemaking, to also include decisions on dispositive matters raised sua sponte by an administrative patent judge.

Section 1.640(e) is revised, as proposed, to incorporate the substance of the Notice of December 8, 1986, published as "Interference Practice: Response to Order to Show Cause Under 37 CFR 1.640," 1074 Off. Gaz. Pat. Office 4 (Jan. 6, 1987), 1086 Off. Gaz. Pat. Office 282 (Jan. 5, 1988). Specifically, § 1.640(e), as amended, provides that where the order to show cause was issued under § 1.640(d)(1), the party may file a paper (i) requesting that final hearing be set to review the decision which is the basis for the order and identifying every other decision of the administrative patent judge that the party wishes to have reviewed by the Board at a final hearing, or (ii) fully explaining why judgment should not be entered. Any opponent is permitted to file a response to the paper within 20 days of the date of service of the paper. Where the order was issued under § 1.640(d)(1), and the paper includes a request for final hearing, the opponent's response must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. Where the order was issued under § 1.640(d)(1) and the paper does not include a request for final hearing, the opponent's response may include a request for final hearing which must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. Where an opponent's response includes a request for a final hearing, the party who filed the paper shall have 14 days from the date of service of the opponent's response in which to file a supplemental paper identifying any other decision of the administrative patent judge that the party wishes to have reviewed by the Board at a final hearing. The paper or the response thereto shall be accompanied by a motion (§ 1.635) requesting a testimony period if a party wishes to introduce any evidence to be considered at final hearing (§ 1.671), such as affidavits previously filed under § 1.639(b). A

request for a testimony period will be construed as including a request for final hearing. If the paper contains an explanation of why judgment should not be entered in accordance with the order and no party has requested a final hearing, the decision that in the basis for the order shall be reviewed based on the contents of the paper and the response. If the paper fails to show good cause, the Board shall enter judgment against the party against whom the order issued.

One comment suggested that in view of the proposed addition to § 1.640(b) to create a presumption of deferral of nondispositive preliminary motions, a provision should be added allowing the parties to request that the Board also consider deferred preliminary motions at a § 1.640(e) final hearing. The comment has merit and, while not being adopted specially at this time, will be made the subject of future rulemaking. In the interim, and consistent with the second sentence of § 1.601, the rules should be construed to give the administrative patent judge the maximum discretion to determine what issues might be considered at any final hearing set as a result of entry of an order to show cause.

One comment suggested that § 1.640(e)(1) be revised to automatically authorize the party who filed a paper in response to a § 1.640(d) show cause order to file a reply to an opponent's response in order to avoid the need for motions to file such replies. The suggestion is outside the scope of the present rulemaking and is not being adopted. Another comment suggested adding a provision to § 1.640(e) similar to the last sentence of proposed § 1.640(b) so that parties can include § 1.639 preliminary motion proofs in the record for consideration at a § 1.640(e) final hearing. The suggestion is being adopted. Accordingly, the penultimate sentence of § 1.640(e)(3), as adopted, reads: "Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified by the party or by an opponent for consideration or review at final hearing shall be filed or, if appropriate, noticed under § 1.671(e) during the testimony period of the party."

One comment suggested modifying the first sentence of proposed § 1.640(e)(4) ("If the paper contains an explanation of why judgment should not be entered in accordance with the order and no party has requested a final hearing \* \* \*") by changing "order and" to read "order, and if." The suggestion is being adopted.

Two comments suggested that interferences can be expedited and the costs reduced by amending the rules to formalize the procedure of having an administrative patent judge conduct a hearing after the filing of motions, oppositions and replies on issues that are potentially dispositive of the interference, as has been done on an experimental basis in several interferences. The comment indicates that such a procedure should reduce time and costs, encourage settlements, reduce issues, and help parties reach stipulations. The suggestion, which is outside the scope of the present rulemaking, is not being adopted. The suggestion will be the subject of future rulemaking. In the interim, there is nothing in the rules to preclude a party from requesting a hearing on a dispositive motion. Whether a hearing is conducted is a matter within the discretion of the administrative patent judge.

Section 1.641 currently provides that an administrative patent judge who becomes aware of a reason why a claim designated to correspond to a count may not be patentable should notify the parties of the reason and set a time within which each party may present its views. After considering the views, the administrative patent judge determines how the interference shall proceed. The Notice of Proposed Rulemaking proposed to amend § 1.641 to state that a party's views "may include argument or appropriate preliminary motions under § 1.633 (c), (d) or (h), including any supporting evidence." After the Notice of Proposed Rulemaking was published it became apparent that the proposed language is ambiguous as to (1) whether evidence can be submitted in support of argument as well as in support of appropriate motions and (2) as to whether a party who agrees with the administrative patent judge's determination of unpatentability is entitled to file motions under §§ 1.633 (c), (d) and (h). These possible ambiguities are avoided by amending the rule to state that a party's views may include argument, including any supporting evidence, and in the case of the party whose claim may be unpatentable, may also include one or more appropriate preliminary motions under §§ 1.633 (c), (d) and (h), including any supporting evidence. The Notice of Proposed Rulemaking also proposed amending § 1.641 to state that "[a]fter considering any timely filed views, including any timely filed preliminary motions under § 1.633, the administrative patent judge shall decide how the interference shall proceed."

Inasmuch as the proposed language fails to take into account any oppositions and replies for the motions, the rule is instead revised to read: "After considering any timely filed views, including any timely filed preliminary motions under § 1.633, oppositions and replies, the administrative patent judge shall decide how the interference shall proceed."

One comment responded to the proposed amendments of § 1.641 as follows:

The action taken by an administrative patent judge under this rule should be described as, in effect, a section 1.633(a) motion by the administrative patent judge. The action should point out that any party disagreeing with the administrative patent judge should respond in the same fashion as it would in opposing a section 1.633(a) motion including the submission of all available evidence under rule 1.639. By taking action under this rule, an administrative patent judge\* becomes the (or an) adversary to at least one party in the interference and therefore any decision on such a motion by an administrative patent judge should be deferred to final hearing and the administrative patent judge who took the action should not be a member of the panel at final hearing. Other possibilities would be to remand the matter to the primary examiner for his or her decision as to whether there is any merit to the purported ground of unpatentability. If the purported ground of unpatentability applies to the claims of a patent involved in the interference, the primary examiner could determine whether the purported ground of unpatentability is sufficient to institute a reexamination proceeding with respect to the patent. If the primary examiner's decision is adverse to one or more of the parties, that party or those parties would have the burden of showing that the primary examiner's decision was incorrect. Another possibility would be for the administrative patent judge to merely notice the issue and provide the parties with a period of time within which to submit a motion under section 1.633(a). If none of the parties submits a section 1.633(a) motion and the administrative patent judge considers the matter to be of sufficient importance, he or she could then remand to the attention of the primary examiner for his or her decision as previously indicated.

The suggestion that § 1.641 be revised to characterize an administrative patent judge's determination that a party's claim may be unpatentable as, in effect, a § 1.633(a) motion is not being adopted. Section 1.641, as proposed to be revised by the comment, could be construed as precluding an opponent who agrees with the determination from submitting argument and appropriate motions,

\*Cf. *In re Van Geuns*, 20 USPQ2d 1291, 1295 (Fed. Cir. 1991): "[a]s in all *ex parte* cases, the entity adverse to Van Geuns is the PTO Commissioner."

including evidence, in support of the determination. The suggestion that the administrative patent judge who initially made the determination of unpatentability be precluded from serving as a member of the reviewing panel at final hearing is not adopted. Judges in various courts and judges in administrative proceedings routinely issue orders to show cause and consider views presented in response to those orders. In the case of a dispositive matter which results in the issuance of an order to show cause, the party receiving the order to show cause knows that in addition to the administrative patent judge issuing the order, at least two other administrative patent judges will consider the response. Moreover, it should be noted that resolving patentability in an interference and in *ex parte* proceedings is not the same. In *ex parte* examination of a patent application, the statute specifically contemplates an administrative appeal to the Board. 35 U.S.C. 134. In the case of interferences, the statute authorizes the Board, in the first instance, to make a patentability determination. 35 U.S.C. 135(a). Hence, the statute does not require that an administrative patent judge issuing an order to show cause not participate in ruling on the sufficiency of any response to the order. Efficient administration of interferences in PTO dictates that the administrative patent judge most likely to be familiar with the record participate in evaluating responses to orders to show cause.

Another comment suggested that a § 1.641 order authorizing views be identified in the rule as an order to show cause. The suggestion is not being adopted. If, after considering the parties' arguments, motions, oppositions and replies, the administrative patent judge concludes that all of the involved claims or one or both parties are unpatentable, the administrative patent judge may issue an order to show cause pursuant to § 1.640(d)(1) as amended, which expressly provides for a show cause order based on a decision on a matter raised *sua sponte* by an administrative patent judge.

Section 1.643(b) is revised, as proposed in the Notice of Proposed Rulemaking, for clarification and also to change "ends of justice" to "interest of justice" to be consistent with the language used in other interference rules, including §§ 1.628(a) and 1.687(c).

As proposed in the Notice of Proposed rulemaking, § 1.644(a) is revised by changing "a panel consisting of more than one examiner-in-chief" to "the Board" and paragraphs (a)(1), (b)

and (c) are revised by changing both occurrences of "panel" to "Board."

Section 1.644(a)(2) is revised by removing the statement concerning when parties are authorized to file a petition seeking to invoke the supervisory authority of the Commissioner. The times for filing petitions are set out in § 1.644(b).

Section 1.644(b) is revised to provide that a petition seeking to invoke the supervisory authority of the Commissioner shall not be filed prior to the party's brief for final hearing. Sections 1.644(a)(2) and (b) currently provide that such a petition shall not be filed "prior to the decision of the Board awarding judgment." Since promulgation of the "new" rules, 49 FR 48416 (Dec. 12, 1984), *reprinted in* 1050 Off. Gaz. Pat. Office 385 (Jan. 29, 1985), there have been relatively few petitions filed in interference cases, particularly petitions seeking to invoke supervisory authority. Thus, a result sought to be achieved under the "new" rules has been, in fact, achieved, i.e., fewer petitions. Under the rules, there should be few, if any, petitions to invoke supervisory authority. Section 1.644(a)(1), which authorizes important questions to be certified to the Commissioner, should be sufficient in most cases to resolve questions of interpretation of the rules. Section 1.644(a)(2) provides a vehicle for rule interpretation in those cases where certification is declined by the administrative patent judge and there remains, at the time briefs are filed for final hearing, a need to resolve the interpretation. The time for filing a petition to invoke supervisory authority is believed to be more appropriate before the Board enters a final decision, as opposed to after entry of a final decision—as required by current practice. Parties should not file petitions seeking to invoke supervisory authority in cases involving routine interlocutory orders which do not involve an interpretation of a rule. As noted in the notice of final rule:

[a] final decision of the Board is reviewable in the U.S. Court of Appeals for the Federal Circuit or an appropriate U.S. district court. Any reviewing court can review all aspects of the decision including patentability, priority, and all relevant interlocutory orders, such as denials of discovery.

49 FR 48416, 48418 (Dec. 12, 1984), *reprinted in* 1050 Off. Gaz. Pat. Office 385, 387 (Jan. 29, 1985).

Section 1.644(b) is also revised, as proposed, by revising it to state that a petition under § 1.644(a) shall be considered timely if it is filed simultaneously with a proper motion under §§ 1.633, 1.634, or 1.635 when

granting the motion would require waiver of a rule. In other words, a petition under § 1.644(a)(3) should seek waiver of a rule prospectively rather than retroactively. Parties should recognize that waiver of a rule is reserved for unusual circumstances. *Myers v. Feigelman*, 455 F.2d 596, 601, 172 USPQ 580, 584 (CCPA 1972) (waiver of rules on routine basis would defeat the purpose of the rules and substantially confuse interference practice). Nevertheless, since PTO cannot possibly contemplate all circumstances which can arise in interferences at the time a rule is promulgated, waiver of a rule may be entirely appropriate in unusual circumstances. By encouraging parties to file a petition when they know a rule must be waived, the opponent is put in the best position to address the matter and take whatever action might be in the opponent's interest in the event a petition is granted. On the other hand, parties should not expect many petitions to be granted which seek to waive the rules.

The time for responding to a petition under § 1.644(a)(1) or (a)(2) is changed from (a) 15 to (b) 20 days. The time for responding to a petition under § 1.544(a)(3) is changed from (a) 15 days to (b) 20 days or the date an opposition is due to the accompanying motion, whichever is earlier. The change will permit an opponent to file an opposition to the motion and the petition on the same day and should eliminate different, but related, time periods from running concurrently.

Section 1.644(b), as proposed, would have authorized the petition to be made part of the motion, as does § 1.644(b) in its current form. Upon reflection, since the petition is decided by one PTO official and the motion by another, it will be more efficient for PTO if the petition and motion are filed as separate papers. Additionally, the fact that a petition has been filed is less likely to be inadvertently overlooked if the petition and motion appear in separate papers.

In § 1.644(d), the second sentence, as proposed, is removed as unnecessary. The Notice of Proposed Rulemaking also proposed amending this paragraph to provide that the statement of facts in a petition preferably should be in numbered paragraphs. One comment suggested that numbered paragraphs be required, rather than just preferred. The suggestion is being adopted. Another comment suggested inserting a comma after "Board" in the second sentence of § 1.644(d), as proposed to be revised. The suggestion is being adopted.

As proposed in the Notice of Proposed Rulemaking, § 1.644(f) is revised to change the "15 days" in which to request reconsideration of a decision by the Commissioner to "14 days."

In § 1.644(g), the quotation marks around "Express Mail" are removed, as proposed.

Section 1.645(b), which in its current form permits consideration of a belatedly filed paper only if accompanied by a motion under § 1.635 showing sufficient cause (§ 1.645(b)) for the belatedness, is revised in several respects, as proposed in the Notice of Proposed Rulemaking. First, "sufficient cause" is changed to "good cause" in order to provide a single "clause" standard throughout the interference rules. Second, paragraph (b) is revised to permit consideration of a belatedly filed paper if an administrative patent judge or the Board sua sponte, is of the opinion that it would be in the interest of justice to consider the paper. An example would be where the delay is short (e.g., one day) and there is no prejudice to an opponent or where all parties and the Board act as though a paper is timely only to discover later that it was not. For purposes of sections other than § 1.645, a belatedly filed paper is considered "timely filed" if accompanied by a motion under § 1.635 to excuse the belatedness, which is granted.

Section 1.645(d) is revised, as proposed, by deleting "In an appropriate circumstance" as superfluous in view of the language "may stay proceedings," which indicates that the administrative patent judge has the discretion to stay an interference.

Section 1.646 is revised in the manner proposed in the Notice of Proposed Rulemaking. Specifically, § 1.646(a)(2) is revised by deleting the reference to § 1.684, which is removed. Section 1.646(c)(1) is revised by inserting "or causing a copy of the paper to be handed" after "By handing a copy of the paper" to make it clear that the paper need not be personally delivered by the party, i.e., that delivery by hand can be effected by a commercial courier is used, it should be understood that the party normally will deliver the paper to the courier on one day and the paper will be delivered to the office of counsel for the opponent on the next day. A certificate of service that states that the paper is being served "via the following commercial courier" [insert name] is deemed to be a proper service within the meaning of § 1.646(c)(1), as amended. Pending further rulemaking, the date of service will be considered

the date the paper is delivered to the courier.

In § 1.646(c)(4), "mail" "(second occurrence)" is changed to "first class mail" to make it clear that the service date specified in that paragraph applies only to first class mail.

Section 1.646(c)(5) is redesignated as § 1.646(c)(6) and a new § 1.646(c)(5) is added which explains that a party may serve by Express Mail and that when service is effected by Express Mail, the date of service is considered to be the date of deposit with the U.S. Postal Service.

Section 1.646(d) is revised by removing the quotation marks around "Express Mail."

Section 1.646(e) is revised to state that the due date for serving a paper is the same as the due date for filing the paper in the Patent and Trademark Office.

One comment suggested amending § 1.646 to authorize service by next-business-day courier, with the date of service being the day the paper is given to the courier. The suggestion is not being adopted at this time, but will be considered in future rulemaking. In the interim, for the reasons given above, service by a next-business-day courier may be regarded as service by hand.

Section 1.651(a)(2) is revised, as proposed, by removing "(testimony includes testimony to be taken abroad under § 1.684)" in order to be consistent with the proposal to remove and reserve § 1.684 and by amending §§ 1.651 (c)(2) and (c)(3) to be consistent with the amendment to the definition of "effective filing date" in § 1.601(g).

The Notice of Proposed Rulemaking proposed further amending § 1.651(d) by changing "abroad under § 1.684" to "in a foreign country." One comment noted that the term "foreign country" is unduly restrictive in that it does not include a foreign place that is not part of a "country" and suggested that the phrase "in a place outside the United States" be used instead. The suggestion is being adopted.

Section 1.653(a) is revised as proposed in the Notice of Proposed Rulemaking. First, the references to certain paragraphs of § 1.672 are revised to reflect the redesignation of those paragraphs. Second, "of fact" in the clause "agreed statements of fact under § 1.672(f)" is removed, because agreed statements under § 1.672(f), redesignated as § 1.672(h), can set forth either (1) how a particular witness would testify if called or (2) the facts in the case of one or more of the parties. Third, "under § 1.684(c)" is removed in view of the removal of § 1.684. Fourth, § 1.653(a) is revised to indicate that in addition to the types of testimony

already set forth therein, testimony includes copies of written interrogatories and answers and written requests for admissions and answers, which might be obtained where a motion for additional discovery under § 1.687(c) is granted.

One comment suggested deleting "transcripts of interrogatories, cross interrogatories, and recorded answers" on the ground that this language is from § 1.684, which is removed. The suggestion is not being adopted, since there may be occasions when such testimony would be appropriate and authorized by an administrative patent judge or the Board.

Another comment suggested amending § 1.653 to provide that a party's record can include copies of videotapes of depositions and inter partes tests (in addition to the transcripts of the depositions), citing disparate treatment of this matter said to be occurring with different administrative patent judges. The suggestion, which is outside the scope of the present rulemaking, is not being adopted. The matter of videotapes and other forms of proof will be considered in a future rulemaking effort.

As proposed in the Notice of Proposed Rulemaking, § 1.653(b) is revised to be consistent with the redesignation of certain paragraphs of § 1.672 and to remove the reference to § 1.684(c), which is removed. Section 1.653(b) is also revised for clarity, while §§ 1.653(c) (1) and (4) are revised to make it clear that the only testimony to be included in a party's record is testimony submitted on behalf of the party. Having copies of the same testimony appear in both parties' records unnecessarily encumbers the records and is confusing in that a given page of testimony will have different page numbers in the different records, with the result that the briefs of the parties will refer to different record pages for the same testimony.

One comment suggested that either § 1.653(b) or § 1.672(h) be revised to specify when an "an original agreed statement under § 1.672(h)" is to be filed, since the due date for filing such a statement is not provided in the current rules. The suggestion is outside the scope of the current rulemaking and is not being adopted. In the interim, parties should plan on filing an agreed statement as soon as practical after it is agreed to, but an administrative patent judge shall have discretion to accept the agreed statement at any reasonable time.

Section 1.653(c)(5), which currently requires that the record filed by each party include each notice, official record and printed publication relied upon by

the party and filed under § 1.682(a), is removed and reserved, as proposed. The requirement is unnecessary because notices, official records and printed publications are in the nature of exhibits under § 1.653(i), which are submitted with but not included in the record. The inclusion of exhibits in the record merely increases the size of the record without serving any useful purpose.

As proposed in the Notice of Proposed Rulemaking, § 1.653(g) is revised, and §§ 1.653 (f) and (h) removed and reserved, to eliminate the current distinction between typewritten and printed records. Specifically, § 1.653(g) is revised by changing "8½ x 11 inches (21.8 by 27.9 cm.)" to "21.8 by 27.9 cm. (8½ x 11 inches)" in order to emphasize the metric dimension, by removing the requirement for justified margins, by requiring that the records be bound with covers at their left edges in such manner as to lie flat when open to any page and in one or more volumes of convenient size (approximately 100 pages per volume is suggested) and by requiring that when there is more than one volume, the numbers of the pages contained in each volume must appear at the top of the cover for each volume. Section 1.653(i) is revised, as proposed, to state that exhibits include documents and things identified in affidavits or on the record during the taking of oral depositions as well as official records and publications submitted pursuant to § 1.682(a).

Section 1.654(a) is revised, as proposed, by changing "shall" in the second sentence to "may" for clarity and also to reduce the time for oral argument by a party from 60 minutes to 30 minutes. Most hearings require no more than 30 minutes per side. A panel hearing oral argument retains discretion to grant more time at a hearing.

The Notice of Proposed Rulemaking proposed amending § 1.655(a) to state that the standard of review for interlocutory orders is "an abuse of discretion" rather than "erroneous or an abuse of discretion." As explained in the Notice of Proposed Rulemaking, the recitation of a separate "error" standard is believed to be superfluous, because legal error is one of the alternative bases for finding an abuse of discretion. Specifically, an abuse of discretion may be found when (1) the decision of an administrative patent judge is clearly unreasonable, arbitrary or fanciful, (2) the decision is based on an erroneous conclusion of law, (3) the findings of the administrative patent judge are clearly erroneous, or (4) the record contains no evidence upon which the administrative patent judge rationally could have based the

decision. *Compare, e.g., Heat and Control, Inc. v. Hester Industries, Inc.*, 785 F.2d 1017, 1022, 228 USPQ 926, 930 (Fed. Cir. 1986); *Western Electric Co. v. Piezo Technology, Inc. v. Quigg*, 860 F.2d 428, 430-31, 8 USPQ2d 1853, 1855 (Fed. Cir. 1988); *Abrutyn v. Giovanniello*, 15 F.3d 1048, 1050-51, 29 USPQ2d 1615, 1617 (Fed. Cir. 1994), all of which define the phrase "abuse of discretion." One comment stated that the rule, as proposed to be amended, in effect raises the standard of review because "abuse of discretion" includes "clear error" but not mere "error." In view of the above-cited Federal Circuit decisions, it is believed that the statement in the comment is not correct.

One comment suggested inserting a comma after "correct" in penultimate sentence of § 1.655(a)." The suggestion is being adopted.

Section 1.655(b) is revised to clarify the language concerning matters that a party is not entitled to raise for consideration at final hearing. Specifically, § 1.655(b), as amended, provides that a party shall not be entitled to raise for consideration at final hearing any matter which properly could have been raised by a motion under § 1.633 or 1.634 unless (1) The matter was properly raised in a motion that was timely filed by the party under § 1.633 or 1.634 and the motion was denied or deferred to final hearing, (2) the matter was properly raised by the party in a timely filed opposition to a motion under § 1.633 or 1.634 and the motion was granted over the opposition or deferred to final hearing, or (3) the party shows good cause why the issue was not properly raised by a timely filed motion or opposition. It was proposed in the Notice of Proposed Rulemaking to amend § 1.655(b) to state that "[a] change of attorneys during the interference generally does not constitute good cause." For the reasons already given, it has been decided not to adopt the proposed amendment to § 1.655(b).

The Notice of Proposed Rulemaking also proposed to amend § 1.655(b) to create a rebuttable presumption that all claims of a party that are designated as corresponding to a count are directed to the same patentable invention for the purpose of determining unpatentability in view of prior art. The Federal Circuit had interpreted the former rule to suggest that the presumption applied only where a party's claim corresponded exactly to a count and was anticipated by prior art. *In re Van Geuns*, 988 F.2d 1181, 1185, 26 USPQ2d 1057, 1060 (Fed. Cir. 1993). The proposed revised rule would have made it clear that the rebuttable presumption

applies to all claims that are designated as corresponding to the count, regardless of whether the count is anticipated by (§ 102) or would have been obvious view of (§ 103) the prior art. Specifically, the Notice of Proposed Rulemaking proposed adding the following sentence: "A party who fails to contest, by way of a timely filed preliminary motion under § 1.633(c), the designation of a claim as corresponding to a count may not subsequently argue to an administrative patent judge or the Board the separate patentability or lack of separate patentability of claims designated to correspond to the count." Comments were filed in opposition to the proposed amendment. One comment, for example, stated that the proposed amendment, as well as the accompanying commentary in the Notice of Proposed Rulemaking,

falsely assumes that claims cannot be separately patentable merely because they have been designated as corresponding to the count, *i.e.*, merely because the claims are patentably indistinct from each other. The falsity of this proposition is apparent from the practice of the Patent and Trademark Office of designating as corresponding to the count both the patentable and unpatentable claims of a party.

Two different comparisons are relevant: A party's claims with other claims of the party and the claims of a party with the prior art. The claims may be patentably indistinct from each other and, thus, provide no basis for a motion under § 1.633(c)(4), yet be separately patentable over the prior art.

Accordingly, for example, a party should be able to respond to a motion for judgment on grounds of unpatentability over the prior art by arguing that *some*, but not necessarily all, of the designated claims are patentable over the prior art, even though the party had not previously moved to designate the separately patentable claims as not corresponding to the count. Indeed, it is entirely possible that no basis existed for making such a previous motion. The proposed amended rule, however, forecloses a party from responding to an attack on patentability of its claims by arguing that some, but not all, of the claims are patentable over the prior art.

(Emphasis in original.) The comment included several illustrative examples, including the following example said to be from actual interference:

The count is directed to a broad generic class of compounds. While the compounds are useful herbicides, the count and corresponding claims are directed to compounds per se. The applications of both parties contain designated claims substantially corresponding to the count as well as claims directed to species falling within the count.

The application of party A contains a designated claim directed specifically to a species with [sic; within] the genus that possesses ordinary activity for compounds of

the claimed class; *i.e.*, the species compound is not separately patentable over the genus. Thus, the claim to the species is not patentable over the count if the count were prior art and is properly designated as corresponding to the count.

Party B, during the motion period, moves for judgment under § 1.633(a) on the basis of a reference that is not prior art against party B, only against party A. That reference discloses a single compound falling squarely within the genus of the count \* \* \*, but that is significantly different structurally from the species claimed in A's application. Furthermore, the reference does not indicate that the disclosed compound has herbicidal properties and it is shown in opposition to the motion for judgment that the compound, in fact, possesses virtually no herbicidal activity.

Under this set of facts, the compound of the reference anticipates party A's claim that corresponds \* \* \* [exactly] to the count. Nevertheless, the reference has no significance with regard to the patentability of the species claim in party A's application.

In this particular case, the EIC [Examiner-in-Chief] had no difficulty in partially granting the motion for judgment against party A as to the generic claim, but denying the motion as to the species claim. The interference was continued with the count unchanged (because the reference was not prior art as to party B), with party A ultimately prevailing on the issue of priority. Thus, neither party received a generic claim, but party A ultimately obtained a species claim that was patentably indistinct from the genus of the count. Presumably under the new rules, party B would have retained all its claims while all of party A's claims would be found unpatentable.

This case clearly illustrates that a claim that is patentably indistinct from the count and from a claim corresponding \* \* \* [exactly] to the count (*i.e.*, a claim that cannot be designated as not corresponding to the count), nevertheless can be patentable over prior art that renders unpatentable a claim corresponding precisely to the count. This case also illustrates that failure to file a motion to designate certain claims as not corresponding to the count cannot be taken as a concession that all of the designated claims are unpatentable merely because the count (or a claim corresponding precisely to the count) is unpatentable over the prior art. Moreover, this situation is not an unusual one. It happens often in chemical cases, particularly chemical cases dealing with biologically active compounds.

Another comment questioned when a party that has failed to contest the designation of a claim as corresponding to a count would ever have occasion to later argue a *lack* of separate patentability.

The above comments are well taken. Accordingly, the proposal to amend § 1.655(b) to preclude a party from arguing separate patentability or a lack of separate patentability of claims over prior art in the absence of a § 1.633(c) motion is hereby withdrawn. Instead,

the rule is revised to read as follows: "A party that fails to contest, by way of a timely filed preliminary motion under § 1.633(c), the designation of a claim as corresponding to a count, or *fails to timely argue the separate patentability of a particular claim when the ground for unpatentability is first raised*, will not be permitted to later argue the separate patentability of that claim with respect to that ground." Thus, a party that fails to timely argue the separate patentability of a particular claim when the ground for unpatentability is first raised will not be permitted to later argue the separate patentability of that claim with respect to that ground. As noted in the comment, often the first opportunity to address patentability is in an opposition to a preliminary motion for judgment under § 1.633(a). In addition, inasmuch as a party filing a motion under § 1.633(a) must separately address each claim alleged to be unpatentable, the opponent will be in a position to know how to prepare an opposition, whereas under the current rules preparation of an opposition separately addressing each claim is not clearly required by the rules. The basic idea is that an opponent should have a fair opportunity to address the patentability of any of the opponent's claims when a patentability issue is first raised. Patentability can be raised, for example, by a preliminary motion under § 1.633(a) or sua sponte by an administrative patent judge. However, a party is not entitled to wait until the 11th hour in an interference to belatedly raise for the first time an issue of separate patentability of claims corresponding to a count.

As proposed in the Notice of Proposed Rulemaking, § 1.655(c) is revised by changing "To prevent manifest injustice" to "In the interest of justice" to be consistent with the language used in other interference rules.

Section 1.656 is revised, as proposed, by redesignating paragraphs (b)(1) through (b)(6) as paragraphs (b)(3) through (b)(8), respectively, and adding new paragraphs (b)(1) and (b)(2) requiring the brief to include (1) a statement of interest identifying every party represented by the attorney in the interference and the real party in interest if the party named in the caption is not the real party in interest and (2) a statement of related cases indicating whether the interference was previously before the Board for final hearing and identifying any related appeal or interference which is pending before, or which has been decided by, the Board, or which is pending before, or which has been decided by, the Court

of Appeals for the Federal Circuit or a district court in a proceeding under 35 U.S.C. 146. A related appeal or interference is one which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending interference. Appeals are mentioned because there have been numerous situations where related issues have been present before the Board simultaneously or sequentially in an ex parte appeal and an interference and vice versa. It was also proposed to amend current paragraph (b)(3), redesignated as paragraph (b)(5), to specify that statements of fact preferably should be presented in numbered paragraphs. One comment suggested that numbered paragraphs be required. The suggestion is being adopted.

As explained in the Notice of Proposed Rulemaking, § 1.656(b)(4), which is redesignated as § 1.656(b)(6), requires that the opening brief of the junior party contain the contentions of the party with respect to the "issues to be decided," which has been construed to include the matter of whether some of the senior party's evidence of conception was inadmissible hearsay. *Suh v. Hoefle*, 23 USPQ2d 1321, 1323 (Bd. Pat. App. & Int. 1991). As support, the Board in *Suh* relied on *Fisher v. Bouzard*, 3 USPQ2d 1677 (Bd. Pat. App. & Int. 1987), and *Moller v. Harding*, 214 USPQ 730 (Bd. Pat. Int. 1982). Both of these cases concern interferences declared under the "old" interferences rules (i.e., § 1.201 *et seq.*), of which § 1.254 specified that the opening brief of the junior party shall "present a full, fair statement of the questions involved, including his position with respect to the priority evidence on behalf of other parties." Current § 1.656(b)(4) does not expressly require, and was not intended to imply, that the opening brief of the junior party must address the evidence of any other party with respect to the issue of priority or any other issue. In order to clarify that the opening brief of a junior party need not address the evidence of the other parties, § 1.656(b)(6), as adopted, is revised to require only that the junior party's opening brief contain the contentions of the party "with respect to the issues it is raising for consideration at final hearing." These issues would include the junior party's case-in-chief for priority with respect to an opponent or derivation by an opponent as well as matters raised in any denied or deferred motions of the junior party that are to be reviewed or considered at final hearing. Where the reply brief of the junior party is believed to include a new argument in response to the case-in-

chief of the senior party as presented in the senior party's opening brief, the senior party may move under § 1.635 for leave to file a reply to the junior party's reply brief. The motion must be accompanied by a copy of the senior party's reply.

Section § 1.656(d) is revised, as proposed, to state that unless ordered otherwise by an administrative patent judge, briefs shall be double-spaced (except for footnotes, which may be single-spaced) and shall comply with the requirements of § 1.653(g) for records except the requirement for binding. As a result, the current distinctions between printed and typewritten briefs are eliminated. Recent briefs filed in interference cases have been fairly long, e.g., 150 pages. The parties should make every effort to file briefs which, to borrow the words in one section of the patent statute, 35 U.S.C. 112, are "full, clear, concise, and exact." Consideration will be given in a future rulemaking effort as to whether it might be appropriate to require a party to submit both (1) Findings of fact and conclusions of law and (2) a brief, wherein it might be presumed that the reader of the brief is familiar with the proposed findings/conclusions. So that members of the bar practicing before the Board in interference cases can be apprised of how briefs are used at the Board, the following comments are made. Briefs serve two purposes. First, briefs enable all three panel members to prepare for oral argument. During the time a member prepares for oral argument, often there is not time to become fully familiar with the record, particularly where the brief is being read at a location outside PTO, e.g., home. Second, when an opinion is authored by one panel member and reviewed by the other two panel members, the brief serves as a road map during the necessarily more thorough and more complete review of the record. Whereas there may not be time to "check" the record during the preparation phase before oral argument, there is time to "check" the record during the opinion writing and review period. An effective brief, with or without proposed findings/conclusions, is one which permits the members of the Board to accomplish both purposes mentioned above.

In § 1.656, paragraphs (e), (g) and (h) are revised, as proposed, to require an original and four copies (currently an original and three copies are required) of each brief, any proposed findings of fact and conclusions of law, any motion under 37 CFR 1.635 to suppress evidence and any opposition to a motion to suppress evidence.

The Notice of Proposed Rulemaking proposed amending the third sentence of § 1.656(g) to read as follows: "Any proposed findings of fact shall be in numbered paragraphs and supported by specific references to the record." One comment suggested that "and supported" be changed to "and shall be supported." The suggestion is being adopted.

Section 1.656(h) is revised, as proposed, to state that a party's failure to challenge the admissibility of the evidence of an opponent on a ground that could have been raised in a timely objection under §§ 1.672(c), 1.682(c), 1.683(b) or 1.688(b) constitutes a waiver of the right to move under § 1.656(h) to suppress the evidence on that ground at final hearing.

Section 1.656(i) currently provides that if a junior party fails to file an opening brief for final hearing, an order may be issued by the administrative patent judge requiring the junior party to show cause why the failure to file a brief should not be treated as a concession of priority, and further provides that judgment may be rendered against the junior party if the junior party "fails to respond" within a time period set in the order. The expression "fails to respond" has been misinterpreted by some junior parties as meaning that the mere filing of a response of any kind to the order to show cause should be sufficient to avoid the entry of judgment. Such an interpretation was not intended and, if adopted, would effectively nullify § 1.656(i). As proposed in the Notice of Proposed Rulemaking, "respond" is changed to "show good cause" to make it clear that a junior party's failure to file a timely opening brief will not be excused unless good cause is shown to explain or justify the failure to file a brief. The language of the rule will then be consistent with the other interference rules concerning orders to show cause, e.g., §§ 1.640(c) and 1.652.

Section 1.657 is revised, as proposed, to be consistent with the changes to the definition of "effective filing date" in § 1.601(g). As revised, § 1.657 will also state that in an interference involving an application and a patent where the effective filing date of the application is after the date the patent issued, a junior party has the burden of establishing priority by clear and convincing evidence. In other interferences the junior party has the burden of establishing priority by a preponderance of the evidence. The amendment codifies the holding of *Price v. Symsek*, 988 F.2d 1187, 1190-91, 26 USPQ2d 1031, 1033 (Fed. Cir. 1993), as clarified by *Bosies v. Benedict*, 27 F.3d 539, 541-

42, 30 USPQ2d 1862, 1864 (Fed. Cir. 1994).

Section 1.658(a) is revised, as proposed, to state that when the Board enters a decision awarding judgment as to all counts, the decision shall be regarded as a final decision for the purpose of judicial review (35 U.S.C. 141-44, 146) unless a request for reconsideration under paragraph (b) of this section is timely filed.

Section 1.658(b) is revised, as proposed, by removing the phrases "[w]here reasonably possible" and "such that delivery is accomplished" as unnecessary, so that the sentence as revised reads as follows: "Service of the request for reconsideration shall be by hand or Express Mail." As proposed, a sentence is also added specifying that a decision on reconsideration is a final decision for the purpose of judicial review (35 U.S.C. 141-44, 146). Section 1.658(b) is further revised, as proposed, by changing "reply to a request for reconsideration" to "opposition to a request for reconsideration" in order to be consistent with the terminology employed in § 1.640(c), which concerns requests for reconsideration of decisions on preliminary motions.

One comment suggested amending § 1.658(b) to permit service of requests for reconsideration by next-business-day commercial courier. The suggestion is not being adopted at this time, but will be the subject of a future rulemaking effort. In the interim, see the discussion above concerning the interpretation to be given the phrase "service \* \* \* by hand."

As proposed in the Notice of Proposed Rulemaking, § 1.660 has been revised by adding a new paragraph (e) explaining that the failure of a party to comply with the notice provisions of § 1.660 may result in sanctions under § 1.616 and that knowledge by, or notice to, an employee of the Office other than an employee of the Board, of the existence of the reexamination, application for reissue, protest, or litigation shall not be sufficient. It was also proposed to provide that the notice contemplated by this section is notice addressed specifically to an administrative patent judge or the Board. One comment suggested that rather than requiring the notice to be "addressed specifically to an administrative patent judge or the Board," the rule requires that it be "addressed to the administrative patent judge in charge of the interference in which the application or patent is involved." The suggestion is being adopted.

Section 1.662(a) is revised, as proposed, by changing "filing by an

applicant or patentee" in the second sentence to "filing by a party" to make it clear that a request for adverse judgment, including a written disclaimer of the invention defined by a count, a concession of priority or unpatentability of the subject matter of a count, abandonment of the invention defined by a count and abandonment of the contest as to a count, can be signed by the party's attorney or agent of record. For the same reason, in the third sentence of paragraph (a), which concerns abandonment of an involved application "by an applicant" is removed and "applicant" is revised to read "application."

In § 1.662(b), the first sentence is revised, as proposed, by changing "omits all claims of the patent corresponding to the counts of the interference for the purpose of avoiding the interference" to read "does not include a claim that corresponds to a count" in order to make it clear that judgment may not be entered where the reissue application includes any claim that corresponds to a count, including a new or amended claim that should be designated as corresponding to the count. Similarly, "reissue other than for the purpose of avoiding the interference" is changed to "reissue which includes a claim that corresponds to a count," which means corresponds to the count or should be designated to correspond to the count.

Section 1.674(a), which specifies before whom depositions may be taken, the reference to "United States or a territory or insular possession of the United States" is removed, as proposed, in order to make the paragraph applicable to depositions for testimony compelled in foreign countries.

Section 1.675(d), which concerns reading and signing of a transcript by the witness, is revised, as proposed, to take into account that the witness might refuse to read and/or sign the transcript of the deposition, in which case the circumstances under which the witness refused to sign must be noted on the certificate by the officer who prepared the certified transcript (§ 1.676(c)). One comment suggested that § 1.675 be revised to recognize the witness's right to make corrections to the transcript prior to signing, as in Fed. R. Civ. P. 30(e), second sentence. The suggestion, which is outside the scope of the present rulemaking, is not being adopted. The substance of the suggestion will be considered in a future rulemaking effort.

Section 1.676(a)(4) is revised, as proposed, by changing "opposing party" to "opponent."

Section 1.677(a), which in its current form specifies the required form for transcripts of depositions, is revised, as proposed, to also apply to affidavits, by removing the reference to "typewritten" matter, changing "pica-type" to "11 point type," and changing "8½x11 inches (21.8 by 27.9 cm.)" to "21.8 by 27.9 cm. (8½x11 inches)." For the reasons given above in the discussion of a "developing record," § 1.677(b), which concerns numbering of exhibits submitted with affidavits and deposition transcripts, is revised to change "consecutively" to "consecutively to the extent possible."

In § 1.678, the section heading is changed, as proposed, from "Transcript of deposition must be filed" to "Time for filing transcript of deposition" for clarity. The text is revised by changing the time for filing the certified transcript from 45 days to one month after the deposition.

Section 1.679 is revised as proposed by changing "transcript" to "transcript of a deposition" for clarity and "for printing (§ 1.653(g))" is removed as unnecessary.

In § 1.682, paragraph (a) is revised, as proposed, in the "Miscellaneous Amendments" part of the Notice of Proposed Rulemaking in the following respects. First, "identified during the taking of testimony of a witness" is changed to "identified in an affidavit or on the record during an oral deposition of a witness" for clarity. Second, § 1.682(a)(4) ("where appropriate, be accompanied by a certified copy of the official record or a copy of the printed publication (§ 1.671(d))") is removed and reserved as superfluous in view of Rules 901 and 902 of the Federal Rules of Evidence, which apply to interference proceedings (§ 1.671(b), and require authentication of evidence that is not self-authenticating. Third, the first word in each of paragraphs (a)(2), (a)(3) and (a)(4) is capitalized.

Section 1.685(d) is revised, as proposed, for clarification.

Section 1.687(c) is revised, as proposed, to refer to § 1.647 concerning translations of documents in a foreign language.

One comment stated that the lack of discovery available under § 1.687(c) has prevented some interferences from reaching the "correct" result. According to the comment, a different result might have been reached if the discovery available under the Federal Rules of Civil Procedure had been allowed. The comment suggests that PTO consider authorizing discovery similar to the Fed. R. Civ. P. in interferences. The suggestion, which is outside the scope

of the present rulemaking, is not being adopted.

In § 1.690(a), "37 CFR, Subpart E of Part 1" is revised to read "this subpart."

**Other Considerations**

These rules conform with the requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, Executive Order 12866, and the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.* The Office of Management and Budget has determined that these rule changes are not significant for the purposes of Executive Order 12866.

The Assistant Counsel for Legislation and Regulation of the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that these rule changes will not have a significant economic impact on a substantial number of small entities (Regulatory Flexibility Act, 5 U.S.C. 605(b)), because the changes clarify existing rules setting forth the procedures used in patent appeals and interferences.

PTO has determined that this notice has no Federalism implications affecting the relationship between the National Government and the States as outlined in Executive Order 12612.

These rule changes will not impose any additional burden under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, since no record keeping or reporting requirements within the coverage of the Act are placed upon the public.

**List of Subjects in 37 CFR Part 1**

Administrative practice and procedure, Courts, Inventions and patents.

For the reasons set out in the preamble, part 1 of title 37 of the Code of Federal Regulations is amended as set forth below:

**PART 1—RULES OF PRACTICE IN PATENT CASES**

1. The authority citations for 37 CFR Part 1 is revised to read as follows:

**Authority:** 35 U.S.C. 6 and 23, unless otherwise noted.

2. Section 1.11(e) is revised to read as follows:

**§ 1.11 Files open to the public.**

\* \* \* \* \*

(e) The file of any interference involving a patent, a statutory invention registration, a reissue application, or an application on which a patent has been issued or which has been published as a statutory invention registration, is open to inspection by the public, and

copies may be obtained upon paying the fee therefor, if:

- (1) The interference has terminated or
- (2) An award of priority or judgment has been entered as to all parties and all counts.

3. In § 1.192, paragraphs (c)(1) through (c)(7) are redesignated as paragraphs (c)(3) through (c)(9); paragraphs (a), (c) introductory text, newly designated paragraphs (c)(7), (c)(8) introductory text, and (c)(8)(v), and (d) are revised; and paragraphs (c)(1) and (c)(2) are added to read follows:

**§ 1.192 Appellant's brief.**

(a) Appellant shall, within 2 months from the date of the notice of appeal under § 1.191 or within the time allowed for response to the action appealed from, if such time is later, file a brief in triplicate. The brief must be accompanied by the requisite fee set forth in § 1.17(f) and must set forth the authorities and arguments on which the appellant will rely to maintain the appeal. Any arguments or authorities not included in the brief will be refused consideration by the Board of patent Appeals and Interferences, unless good cause is shown.

\* \* \* \* \*

(c) The brief shall contain the following items under appropriate headings and in the order indicated below unless the brief is filed by an applicant who is not represented by a registered practitioner:

(1) *Real party in interest.* A statement identifying the real party in interest, if the party named in the caption of the brief is not the real party in interest.

(2) *Related appeals and interferences.* A Statement identifying by number and filing date all other appeals or interferences known to appellant, the appellant's legal representative, or assignee which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

\* \* \* \* \*

(7) *Grouping of claims.* For each ground of rejection which appellant contests and which applies to a group of two or more claims, the Board shall select a single claim from the group and shall decide the appeal as to the ground of rejection on the basis of that claim alone unless a statement is included that the claims of the group do not stand or fall together and, in the argument under paragraph (c)(8) of this section, appellant explains why the claims of the group are believed to be separately patentable. Merely pointing out differences in what the claims cover is

not an argument as to why the claims are separately patentable.

(8) *Argument.* The contentions of appellant with respect to each of the issues presented for review in paragraph (c)(6) of this section, and the basis therefor, with citations of the authorities, statutes, and parts of the record relied on. Each issue should be treated under a separate heading.

\* \* \* \* \*

(v) For any rejection other than those referred to in paragraphs (c)(8) (i) to (iv) of this section, the argument shall specify the errors in the rejection and the specific limitations in the rejected claims, if appropriate, or other reasons, which cause the rejection to be in error.

\* \* \* \* \*

(d) If a brief is filed which does not comply with all the requirements of paragraph (c) of this section, appellant will be notified of the reasons for non-compliance and provided with a period of one month within which to file an amended brief. If appellant does not file an amended brief during the one-month period, or files an amended brief which does not overcome all the reasons for non-compliance stated in the notification, the appeal will stand dismissed.

4. Section 1.601 is amended by revising paragraphs (f), (g), (j), (k), (l), (m), (n), and (q) and adding new paragraphs (r) and (s) to read as follows:

**§ 1.601 Scope of rules, definitions.**

\* \* \* \* \*

(f) A *count* defines the interfering subject matter between two or more applications or between one or more applications and one or more patents. At the time the interference is initially declared, a count should be broad enough to encompass all of the claims that are patentable over the prior art and designated to correspond to the count. When there is more than one count, each count shall define a separate patentable invention. Any claim of an application or patent that is designated to correspond to a count is a claim involved in the interference within the meaning of 35 U.S.C. 135(a). A claim of a patent or application that is designated to correspond to a count and is identical to the count is said to correspond exactly to the count. A claim of a patent or application that is designated to correspond to a count but is not identical to the count is said to correspond substantially to the count. When a count is broader in scope than all claims which correspond to the count, the count is a phantom count.

(g) The *effective filing date* of an application is the filing date of an

earlier application, benefit of which is accorded to the application under 35 U.S.C. 119, 120, 121, or 365 or, if no benefit is accorded, the filing date of the application. The effective filing date of a patent is the filing date of an earlier application, benefit of which is accorded to the patent under 35 U.S.C. 119, 120, 121, or 365 or, if no benefit is accorded, the filing date of the application which issued as the patent.

\* \* \* \* \*

(j) An *interference-in-fact* exists when at least one claim of a party that is designated to correspond to a count and at least one claim of an opponent that is designated to correspond to the count define the same patentable invention.

(k) A *lead* attorney or agent is a registered attorney or agent of record who is primarily responsible for prosecuting an interference on behalf of a party and is the attorney or agent whom an administrative patent judge may contact to set times and take other action in the interference.

(l) A *party* is an applicant or patentee involved in the interference or a legal representative or an assignee of record in the Patent and Trademark Office of an applicant or patentee involved in an interference. Where acts of party are normally performed by an attorney or agent, "party" may be construed to mean the attorney or agent. An inventor is the individual named as inventor in an application involved in an interference or the individual named as inventor in a patent involved in an interference.

(m) A *senior party* is the party with the earliest effective filing date as to all counts or, if there is no party with the earliest effective filing date as to all counts, the party with the earliest filing date. A *junior party* is any other party.

(n) Invention "A" is the *same patentable invention* as an invention "B" when invention "A" is the same as (35 U.S.C. 102) or is obvious (35 U.S.C. 103) in view of invention "B" assuming invention "B" is prior art with respect to invention "A". Invention "A" is a *separate patentable invention* with respect to invention "B" when invention "A" is new (35 U.S.C. 102) and non-obvious (35 U.S.C. 103) in view of invention "B" assuming invention "B" is prior art with respect to invention "A".

\* \* \* \* \*

(q) A *final decision* is a decision awarding judgment as to all counts. An *interlocutory order* is any other action taken by an administrative patent judge or the Board in an interference, including the notice declaring an interference.

(r) *NAFTA country* means NAFTA country as defined in section 2(4) of the North American Free Trade Agreement Implementation Act, Pub. L. 103-182, 107 Stat. 2060 (19 U.S.C. 3301).

(s) *WTO member country* means WTO member country as defined in section 2(10) of the Uruguay Round Agreements Act, Pub. L. 103-465, 108 Stat. 4813 (19 U.S.C. 3501).

5. Section 1.602 is amended by revising paragraph (c) to read as follows:

**§ 1.602 Interest in applications and patents involved in an interference.**

\* \* \* \* \*

(c) If a change of any right, title, and interest in any application or patent involved or relied upon in the interference occurs after notice is given declaring the interference and before the time expires for seeking judicial review of a final decision of the Board, the parties shall notify the Board of the change within 20 days after the change.

6. Section 1.603 is revised to read as follows:

**§ 1.603 Interference between applications; subject matter of the interference.**

Before an interference is declared between two or more applications, the examiner must be of the opinion that there is interfering subject matter claimed in the applications which is patentable to each applicant subject to a judgment in the interference. The interfering subject matter shall be defined by one or more counts. Each application must contain, or be amended to contain, at least one claim that is patentable over the prior art and corresponds to each count. All claims in the applications which define the same patentable invention as a count shall be designated to correspond to the count.

7. Section 1.604(a)(1) is revised to read as follows:

**§ 1.604 Request for interference between applications by an applicant.**

(a) \* \* \*

(1) Suggesting a proposed count and presenting at least one claim corresponding to the proposed count or identifying at least one claim in its application that corresponds to the proposed count,

\* \* \* \* \*

8. Section 1.605(a) is revised to read as follows:

**§ 1.605 Suggestion of claim to applicant by examiner.**

(a) If no claim in an application is drawn to the same patentable invention claimed in another application or patent, the examiner may suggest that an applicant present a claim drawn to an invention claimed in another

application or patent for the purpose of an interference with another application or a patent. The applicant to whom the claim is suggested shall amend the application by presenting the suggested claim within a time specified by the examiner, not less than one month. Failure or refusal of an applicant to timely present the suggested claim shall be taken without further action as a disclaimer by the applicant of the invention defined by the suggested claim. At the time the suggested claim is presented, the applicant may also call the examiner's attention to other claims already in the application or presented with the suggested claim and explain why the other claims would be more appropriate to be designated to correspond to a count in any interference which may be declared.

\* \* \* \* \*

9. Section 1.606 is revised to read as follows:

**§ 1.606 Interference between an application and a patent; subject matter of the interference.**

Before an interference is declared between an application and an unexpired patent, an examiner must determine that there is interfering subject matter claimed in the application and the patent which is patentable to the applicant subject to a judgment in the interference. The interfering subject matter will be defined by one or more counts. The applications must contain, or be amended to contain, at least one claim that is patentable over the prior art and corresponds to each count. The claim in the application need not be, and most often will not be, identical to a claim in the patent. All claims in the application and patent which define the same patentable invention as a count shall be designated to correspond to the count. At the time an interference is initially declared (§ 1.611), a count shall not be narrower in scope than any application claim that is patentable over the prior art and designated to correspond to the count or any patent claim designated to correspond to the count. Any single patent claim designated to correspond to the count will be presumed, subject to a motion under § 1.633(c), not to contain separate patentable inventions.

10. Section 1.607 is amended by revising paragraph (a)(4) and adding a new paragraph (a)(6) to read as follows:

**§ 1.607 Request by applicant for interference with patent.**

(a) \* \* \*

(4) Presenting at least one claim corresponding to the proposed count or identifying at least one claim already

pending in its application that corresponds to the proposed count, and, if any claim of the patent or application identified as corresponding to the proposed count does not correspond exactly to the proposed count, explaining why each such claim corresponds to the proposed count, and

\* \* \* \* \*

(6) Explaining how the requirements of 35 U.S.C. 135(b) are met, if the claim presented or identified under paragraph (a)(4) of this section was not present in the application until more than one year after the issue date of the patent.

11. Section 1.608 is revised to read as follows:

**§ 1.608 Interference between an application and a patent; prima facie showing by applicant.**

(a) When the effective filing date of an application is three months or less after the effective filing date of a patent, before an interference will be declared, either the applicant or the applicant's attorney or agent of record shall file a statement alleging that there is a basis upon which the applicant is entitled to a judgment relative to the patentee.

(b) When the effective filing date of an application is more than three months after the effective filing date of a patent, the applicant, before an interference will be declared, shall file evidence which may consist of patents or printed publications, other documents, and one or more affidavits which demonstrate that applicant is *prima facie* entitled to a judgment relative to the patentee and an explanation stating with particularity the basis upon which the applicant is *prima facie* entitled to the judgment. Where the basis upon which an applicant is entitled to judgment relative to a patentee is priority of invention, the evidence shall include affidavits by the applicant, if possible, and one or more corroborating witnesses, supported by documentary evidence, if available, each setting out a factual description of acts and circumstances performed or observed by the affiant, which collectively would *prima facie* entitle the applicant to judgment on priority with respect to the effective filing date of the patent. To facilitate preparation of a record (§ 1.653(g)) for final hearing, an applicant should file affidavits on paper which is 21.8 by 27.9 cm. (8½ x 11 inches). The significance of any printed publication or other document which is self-authenticating within the meaning of Rule 902 of the Federal Rules of Evidence or § 1.671(d) and any patent shall be discussed in an affidavit or the explanation. Any printed publication or other document which is not self-

authenticating shall be authenticated and discussed with particularity in an affidavit. Upon a showing of good cause, an affidavit may be based on information and belief. If an examiner finds an application to be in condition for declaration of an interference, the examiner will consider the evidence and explanation only to the extent of determining whether a basis upon which the application would be entitled to a judgment relative to the patentee is alleged and, if a basis is alleged, an interference may be declared.

12. Section 1.609 is amended by revising paragraphs (b)(1), (b)(2) and (b)(3) to read as follows:

**§ 1.609 Preparation of interference papers by examiner.**

\* \* \* \* \*

(b) \* \* \*

(1) The proposed count or counts and, if there is more than one count proposed, explaining why the counts define different patentable inventions;

(2) The claims of any application or patent which correspond to each count, explaining why each claim designated as corresponding to a count is directed to the same patentable invention as the count;

(3) The claims in any application or patent which do not correspond to each count and explaining why each claim designated as not corresponding to any count is not directed to the same patentable invention as any count; and

\* \* \* \* \*

13. Section 1.610 is revised to read as follows:

**§ 1.610 Assignment of interference to administrative patent judge, time period for completing interference.**

(a) Each interference will be declared by an administrative patent judge who may enter all interlocutory orders in the interference, except that only the Board shall hear oral argument at final hearing, enter a decision under §§ 1.617, 1.640(e), 1.652, 1.656(i) or 1.658, or enter any other order which terminates the interference.

(b) As necessary, another administrative patent judge may act in place of the one who declared the interference. At the discretion of the administrative patent judge assigned to the interference, a panel consisting of two or more members of the Board may enter interlocutory orders.

(c) Unless otherwise provided in this subpart, times for taking action by a party in the interference will be set on a case-by-case basis by the administrative patent judge assigned to the interference. Times for taking action shall be set and the administrative

patent judge shall exercise control over the interference such that the pendency of the interference before the Board does not normally exceed two years.

(d) An administrative patent judge may hold a conference with the parties to consider simplification of any issues, the necessity or desirability of amendments to counts, the possibility of obtaining admissions of fact and genuineness of documents which will avoid unnecessary proof, any limitations on the number of expert witnesses, the time and place for conducting a deposition (§ 1.673(g)), and any other matter as may aid in the disposition of the interference. After a conference, the administrative patent judge may enter any order which may be appropriate.

(e) The administrative patent judge may determine a proper course of conduct in an interference for any situation not specifically covered by this part.

14. Section 1.611 is amended by redesignating paragraph (c)(8) as paragraph (c)(9); adding a new paragraph (c)(8); and revising paragraphs (b), (c)(6), (c)(7), and (d) to read as follows:

**§ 1.611 Declaration of interference.**

\* \* \* \* \*

(b) When a notice of declaration is returned to the Patent and Trademark Office undelivered, or in any other circumstance where appropriate, an administrative patent judge may send a copy of the notice to a patentee named in a patent involved in an interference or the patentee's assignee of record in the Patent and Trademark Office or order publication of an appropriate notice in the *Official Gazette*.

(c) \* \* \*

(6) The count or counts and, if there is more than one count, the examiner's explanation why the counts define different patentable inventions;

(7) The claim or claims of any application or any patent which correspond to each count;

(8) The examiner's explanation as to why each claim designated as corresponding to a count is directed to the same patentable invention as the count and why each claim designated as not corresponding to any count is not directed to the same patentable invention as any count; and

\* \* \* \* \*

(d) The notice of declaration may also specify the time for:

(1) Filing a preliminary statement as provided in § 1.621(a);

(2) Serving notice that a preliminary statement has been filed as provided in § 1.621(b); and

(3) Filing preliminary motions authorized by § 1.633.

\* \* \* \* \*

15. Section 1.612 is amended by revising paragraph (a) to read as follows:

**§ 1.612 Access to applications.**

(a) After an interference is declared, each party shall have access to and may obtain copies of the files of any application set out in the notice declaring the interference, except for affidavits filed under § 1.131 and any evidence and explanation under § 1.608 filed separate from an amendment. A party seeking access to any abandoned or pending application referred to in the opponent's involved application or access to any pending application referred to in the opponent's patent must file a motion under § 1.635. See § 1.11(e) concerning public access to interference files.

\* \* \* \* \*

16. Section 1.613 is amended by revising paragraphs (c) and (d) to read as follows:

**§ 1.613 Lead attorney, same attorney representing different parties in an interference, withdrawal of attorney or agent.**

\* \* \* \* \*

(c) An administrative patent judge may make necessary inquiry to determine whether an attorney or agent should be disqualified from representing a party in an interference. If an administrative patent judge is of the opinion that an attorney or agent should be disqualified, the administrative patent judge shall refer the matter to the Commissioner. The Commissioner will make a final decision as to whether any attorney or agent should be disqualified.

(d) No attorney or agent of record in an interference may withdraw as attorney or agent of record except with the approval of an administrative patent judge and after reasonable notice to the party on whose behalf the attorney or agent has appeared. A request to withdraw as attorney or agent of record in an interference shall be made by motion (§ 1.635).

17. Section 1.614 is amended by revising paragraphs (a) and (c) to read as follows:

**§ 1.614 Jurisdiction over interference.**

(a) The Board acquires jurisdiction over an interference when the interference is declared under § 1.611.

\* \* \* \* \*

(c) The examiner shall have jurisdiction over any pending application until the interference is declared. An administrative patent

judge may for a limited purpose restore jurisdiction to the examiner over any application involved in the interference.

18. Section 1.615 is revised to read as follows:

**§ 1.615 Suspension of ex parte prosecution.**

(a) When an interference is declared, ex parte prosecution of an application involved in the interference is suspended. Amendments and other papers related to the application received during pendency of the interference will not be entered or considered in the interference without the consent of an administrative patent judge.

(b) Ex parte prosecution as to specified matters may be continued concurrently with the interference with the consent of the administrative patent judge.

19. Section 1.616 is revised to read as follows:

**§ 1.616 Sanctions for failure to comply with rules or order or for taking and maintaining a frivolous position.**

(a) An administrative patent judge or the Board may impose an appropriate sanction against a party who fails to comply with the regulations of this part or any order entered by an administrative patent judge or the Board. An appropriate sanction may include among others entry of an order:

(1) Holding certain facts to have been established in the interference;

(2) Precluding a party from filing a paper;

(3) Precluding a party from presenting or contesting a particular issue;

(4) Precluding a party from requesting, obtaining, or opposing discovery;

(5) Awarding compensatory expenses and/or compensatory attorney fees; or

(6) Granting judgment in the interference.

(b) An administrative patent judge or the Board may impose a sanction, including a sanction in the form of compensatory expenses and/or compensatory attorney fees, against a party for taking and maintaining a frivolous position in papers filed in the interference.

(c) To the extent that an administrative patent judge or the Board has authorized a party to compel the taking of testimony or the production of documents or things from an individual or entity located in a NAFTA country or a WTO member country concerning knowledge, use, or other activity relevant to proving or disproving a date of invention (§ 1.671(h)), but the testimony, documents or things have

not been produced for use in the interference to the same extent as such information could be made available in the United States, the administrative patent judge or the Board shall draw such adverse inferences as may be appropriate under the circumstances, or take such other action permitted by statute, rule, or regulation, in favor of the party that requested the information in the interference, including imposition of appropriate sanctions under paragraph (a) of this section.

(d) A party may file a motion (§ 1.635) for entry of an order imposing sanctions, the drawing of adverse inferences or other action under paragraph (a), (b) or (c) of this section. Where an administrative patent judge or the Board on its own initiative determines that a sanction, adverse inference or other action against a party may be appropriate under paragraph (a), (b) or (c) of this section, the administrative patent judge or the Board shall enter an order for the party to show cause why the sanction, adverse inference or other action is not appropriate. The Board shall take action in accordance with the order unless, within 20 days after the date of the order, the party files a paper which shows good cause why the sanction, adverse inference or other action would not be appropriate.

20. Section 1.617 is amended by revising paragraphs (a), (b), (d), (e), (g) and (h) to read as follows:

**§ 1.617 Summary judgment against applicant.**

(a) An administrative patent judge shall review any evidence filed by an applicant under § 1.608(b) to determine if the applicant is *prima facie* entitled to a judgment relative to the patentee. If the administrative patent judge determines that the evidence shows the applicant is *prima facie* entitled to a judgment relative to the patentee, the interference shall proceed in the normal manner under the regulations of this part. If in the opinion of the administrative patent judge the evidence fails to show that the applicant is *prima facie* entitled to a judgment relative to the patentee, the administrative patent judge shall, concurrently with the notice declaring the interference, enter an order stating the reasons for the opinion and directing the applicant, within a time set in the order, to show cause why summary judgment should not be entered against the applicant.

(b) The applicant may file a response to the order, which may include an appropriate preliminary motion under § 1.633 (c), (f) or (g), and state any reasons why summary judgment should

not be entered. Any request by the applicant for a hearing before the Board shall be made in the response. Additional evidence shall not be presented by the applicant or considered by the Board unless the applicant shows good cause why any additional evidence was not initially presented with the evidence filed under § 1.608(b). At the time an applicant files a response, the applicant shall serve a copy of any evidence filed under § 1.608(b) and this paragraph.

\* \* \* \* \*

(d) If a response is timely filed by the applicant, all opponents may file a statement and may oppose any preliminary motion filed under § 1.633 (c), (f) or (g) by the applicant within a time set by the administrative patent judge. The statement may set forth views as to why summary judgment should be granted against the applicant, but the statement shall be limited to discussing why all the evidence presented by the applicant does not overcome the reasons given by the administrative patent judge for issuing the order to show cause. Except as required to oppose a motion under § 1.633 (c), (f) or (g) by the applicant, evidence shall not be filed by any opponent. An opponent may not request a hearing.

(e) Within a time authorized by the administrative patent judge, an applicant may file a reply to any statement or opposition filed by any opponent.

\* \* \* \* \*

(g) If a response by the applicant is timely filed, the administrative patent judge or the Board shall decide whether the evidence submitted under § 1.608(b) and any additional evidence properly submitted under paragraphs (b) and (e) of this section shows that the applicant is *prima facie* entitled to a judgment relative to the patentee. If the applicant is not *prima facie* entitled to a judgment relative to the patentee, the Board shall enter a final decision granting summary judgment against the applicant. Otherwise, an interlocutory order shall be entered authorizing the interference to proceed in the normal manner under the regulations of this subpart.

(h) Only an applicant who filed evidence under § 1.608(b) may request a hearing. If that applicant requests a hearing, the Board may hold a hearing prior to entry of a decision under paragraph (g) of this section. The administrative patent judge shall set a date and time for the hearing. Unless otherwise ordered by the administrative patent judge or the Board, the applicant and any opponent will each be entitled

to no more than 30 minutes of oral argument at the hearing.

21. Section 1.618 is amended by revising paragraph (a) to read as follows:

**§ 1.618 Return of unauthorized papers.**

(a) An administrative patent judge or the Board shall return to a party any paper presented by the party when the filing of the paper is not authorized by, or is not in compliance with the requirements of, this subpart. Any paper returned will not thereafter be considered in the interference. A party may be permitted to file a corrected paper under such conditions as may be deemed appropriate by an administrative patent judge or the Board.

\* \* \* \* \*

22. Section 1.621 is amended by revising paragraph (b) to read as follows:

**§ 1.621 Preliminary statement, time for filing, notice of filing.**

\* \* \* \* \*

(b) When a party files a preliminary statement, the party shall also simultaneously file and serve on all opponents in the interference a notice stating that a preliminary statement has been filed. A copy of the preliminary statement need not be served until ordered by the administrative patent judge.

23. Section 1.622 is amended by revising paragraph (b) to read as follows:

**§ 1.622 Preliminary statement; who made invention; where invention made.**

\* \* \* \* \*

(b) The preliminary statement shall state whether the invention was made in the United States, a NAFTA country (and, if so, which NAFTA country), a WTO member country (and, if so, which WTO member country), or in a place other than the United States, a NAFTA country, or a WTO member country. If made in a place other than the United States, a NAFTA country, or a WTO member country, the preliminary statement shall state whether the party is entitled to the benefit of 35 U.S.C. 104(a)(2).

24. Section 1.623 is amended by revising the section heading and paragraph (a) introductory text to read as follows:

**§ 1.623 Preliminary statement; invention made in United States, a NAFTA country, or a WTO member country.**

(a) When the invention was made in the United States, a NAFTA country, or a WTO member country, or a party is entitled to the benefit of 35 U.S.C. 104(a)(2), the preliminary statement

must state the following facts as to the invention defined by each count:

\* \* \* \* \*

25. Section 1.624 is amended by revising the section heading and paragraphs (a) and (c) to read as follows:

**§ 1.624 Preliminary statement; invention made in a place other than the United States, a NAFTA country, or a WTO member country.**

(a) When the invention was made in a place other than the United States, a NAFTA country, or a WTO member country and a party intends to rely on introduction of the invention into the United States, a NAFTA country, or a WTO member country, the preliminary statement must state the following facts as to the invention defined by each count:

(1) The date on which a drawing of the invention was first introduced into the United States, a NAFTA country, or a WTO member country.

(2) The date on which a written description of the invention was first introduced into the United States, a NAFTA country, or a WTO member country.

(3) The date on which the invention was first disclosed to another person in the United States, a NAFTA country, or a WTO member country.

(4) The date on which the inventor's conception of the invention was first introduced into the United States, a NAFTA country, or a WTO member country.

(5) The date on which an actual reduction to practice of the invention was first introduced into the United States, a NAFTA country, or a WTO member country. If an actual reduction to practice of the invention was not introduced into the United States, a NAFTA country, or a WTO member country, the preliminary amendment shall so state.

(6) The date after introduction of the inventor's conception into the United States, a NAFTA country, or a WTO member country when active exercise of reasonable diligence in the United States, a NAFTA country, or a WTO member country toward reducing the invention to practice began.

\* \* \* \* \*

(c) When a party alleges under paragraph (a)(1) of this section that a drawing was introduced into the United States, a NAFTA country, or a WTO member country, a copy of that drawing shall be filed with and identified in the preliminary statement. When a party alleges under paragraph (a)(2) of this section that a written description of the invention was introduced into the United States, a NAFTA country, or a

WTO member country, a copy of that written description shall be filed with and identified in the preliminary statement. See § 1.628(b) when a copy of the first drawing or first written description introduced in the United States, a NAFTA country, or a WTO member country cannot be filed with the preliminary statement.

26. Section 1.625 is amended by revising paragraph (a) introductory text to read as follows:

**§ 1.625 Preliminary statement; derivation by an opponent.**

(a) When a party intends to prove derivation by an opponent from the party, the preliminary statement must state the following as to the invention defined by each count:

\* \* \* \* \*

27. Section 1.626 is revised to read as follows:

**§ 1.626 Preliminary statement; earlier application.**

When a party does not intend to present evidence to prove a conception or an actual reduction to practice and the party intends to rely solely on the filing date of an earlier filed application to prove a constructive reduction to practice, the preliminary statement may so state and identify the earlier filed application with particularity.

28. Section 1.627(b) is revised to read as follows:

**§ 1.627 Preliminary statement; sealing before filing, opening of statement.**

\* \* \* \* \*

(b) A preliminary statement may be opened only at the direction of an administrative patent judge.

29. Section 1.628 is revised to read as follows:

**§ 1.628 Preliminary statement; correction of error.**

(a) A material error arising through inadvertence or mistake in connection with a preliminary statement or drawings or a written description submitted therewith or omitted therefrom may be corrected by a motion (§ 1.635) for leave to file a corrected statement. The motion shall be supported by an affidavit stating the date the error was first discovered, shall be accompanied by the corrected statement and shall be filed as soon as practical after discovery of the error. If filed on or after the date set by the administrative patent judge for service of preliminary statements, the motion shall also show that correction of the error is essential to the interest of justice.

(b) When a party cannot attach a copy of a drawing or written description to

the party's preliminary statement as required by § 1.623(c), § 1.624(c) or § 1.625(c), the party shall show good cause and explain in the preliminary statement why a copy of the drawing or written description cannot be attached to the preliminary statement and shall attach to the preliminary statement the earliest drawing or written description made in or introduced into the United States, a NAFTA country, or a WTO member country which is available. The party shall file a motion (§ 1.635) to amend its preliminary statement promptly after the first drawing, first written description, or drawing or written description first introduced into the United States, a NAFTA country, or a WTO member country becomes available. A copy of the drawing or written description may be obtained, where appropriate, by a motion (§ 1.635) for additional discovery under § 1.687 or during a testimony period.

30. Section 1.629 is amended by revising paragraphs (a), (c) (1) and (d) to read as follows:

**§ 1.629 Effect of preliminary statement.**

(a) A party shall be strictly held to any date alleged in the preliminary statement. Doubts as to definiteness or sufficiency of any allegation in a preliminary statement or compliance with formal requirements will be resolved against the party filing the statement by restricting the party to its effective filing date or to the latest date of a period alleged in the preliminary statement, as may be appropriate. A party may not correct a preliminary statement except as provided by § 1.628.

\* \* \* \* \*

(c) \* \* \*

(1) Shall be restricted to the party's effective filing date and

\* \* \* \* \*

(d) If a party files a preliminary statement which contains an allegation of a date of first drawing or first written description and the party does not file a copy of the first drawing or written description with the preliminary statement as required by § 1.623(c), § 1.624(c), or § 1.625(c), the party will be restricted to the party's effective filing date as to that allegation unless the party complies with § 1.628(b). The content of any drawing or written description submitted with a preliminary statement will not normally be evaluated or considered by the Board.

\* \* \* \* \*

31. Section 1.630 is revised to read as follows:

**§ 1.630 Reliance on earlier application.**

A party shall not be entitled to rely on the filing date of an earlier filed application unless the earlier application is identified (§ 1.611(c)(5)) in the notice declaring the interference or the party files a preliminary motion under § 1.633 seeking the benefit of the filing date of the earlier application.

32. Section 1.631(a) is revised to read as follows:

**§ 1.631 Access to preliminary statement, service of preliminary statement.**

(a) Unless otherwise ordered by an administrative patent judge, concurrently with entry of a decision on preliminary motions filed under § 1.633 any preliminary statement filed under § 1.621(a) shall be opened to inspection by the senior party and any junior party who filed a preliminary statement. Within a time set by the administrative patent judge, a party shall serve a copy of its preliminary statement on each opponent who served a notice under § 1.621(b).

\* \* \* \* \*

33. Section 1.632 is revised to read as follows:

**§ 1.632 Notice of intent to argue abandonment, suppression or concealment by opponent.**

A notice shall be filed by a party who intends to argue that an opponent has abandoned, suppressed, or concealed an actual reduction to practice (35 U.S.C. 102(g)). A party will not be permitted to argue abandonment, suppression, or concealment by an opponent unless the notice is timely filed. Unless authorized otherwise by an administrative patent judge, a notice is timely when filed within ten (10) days after the close of the testimony-in-chief of the opponent.

34. Section 1.633 is amended by revising paragraphs (a), (b), (f), (g) and (i) to read as follows:

**§ 1.633 Preliminary motions.**

\* \* \* \* \*

(a) A motion for judgment against an opponent's claim designated to correspond to a count on the ground that the claim is not patentable to the opponent. The motion shall separately address each claim alleged to be unpatentable. In deciding an issue raised in a motion filed under this paragraph (a), a claim will be construed in light of the specification of the application or patent in which it appears. A motion under this paragraph shall not be based on:

- (1) Priority of invention by the moving party as against any opponent or
- (2) Derivation of the invention by an opponent from the moving party. See § 1.637(a).

(b) A motion for judgment on the ground that there is no interference-in-fact. A motion under this paragraph is proper only if the interference involves a design application or patent or a plant application or patent or no claim of a party which corresponds to a count is identical to any claim of an opponent which corresponds to that count. See § 1.637(a). When claims of different parties are presented in "means plus function" format, it may be possible for the claims of the different parties not to define the same patentable invention even though the claims contain the same literal wording.

\* \* \* \* \*

(f) A motion to be accorded the benefit of the filing date of an earlier filed application. See § 1.637(a) and (f).

(g) A motion to attack the benefit accorded an opponent in the notice declaring the interference of the filing date of an earlier filed application. See § 1.637(a) and (g).

\* \* \* \* \*

(i) When a motion is filed under paragraph (a), (b), or (g) of this section, an opponent, in addition to opposing the motion, may file a motion to redefine the interfering subject matter under paragraph (c) of this section, a motion to substitute a different application under paragraph (d) of this section, or a motion to add a reissue application to the interference under paragraph (h) of this section.

\* \* \* \* \*

35. Section 1.636 is revised to read as follows:

**§ 1.636 Motions, time for filing.**

(a) A preliminary motion under § 1.633(a) through (h) shall be filed within a time period set by an administrative patent judge.

(b) A preliminary motion under § 1.633(i) or (j) shall be filed within 20 days of the service of the preliminary motion under § 1.633(a), (b), (c)(1), or (g) unless otherwise ordered by an administrative patent judge.

(c) A motion under § 1.634 shall be diligently filed after an error is discovered in the inventorship of an application or patent involved in an interference unless otherwise ordered by an administrative patent judge.

(d) A motion under § 1.635 shall be filed as specified in this subpart or when appropriate unless otherwise ordered by an administrative patent judge.

36. Section 1.637 is amended by revising paragraphs (a), (b), (c)(1)(v), (c)(1)(vi), (c)(2)(ii), (c)(2)(iii), (c)(3)(ii), (c)(4)(ii), (d), introductory text, (e)(1)(viii), (e)(2)(vii), (f)(2), and (h), (4);

removing paragraphs (c)(2)(iv), (c)(3)(iii), and (d) (4); and adding paragraphs (c)(1)(vii), (e)(1)(ix), and (e)(2)(viii) to read as follows:

**§ 1.637 Content of motions.**

(a) A party filing a motion has the burden of proof to show that it is entitled to the relief sought in the motion. Each motion shall include a statement of the precise relief requested, a statement of the material facts in support of the motion, in numbered paragraphs, and a full statement of the reasons why the relief requested should be granted. If a party files a motion for judgment under § 1.633(a) against an opponent based on the ground of unpatentability over prior art, and the dates of the cited prior art are such that the prior art appears to be applicable to the party, it will be presumed, without regard to the dates alleged in the preliminary statement of the party, that the cited prior art is applicable to the party unless there is included with the motion an explanation, and evidence if appropriate, as to why the prior art does not apply to the party.

(b) Unless otherwise ordered by an administrative patent judge or the Board, a motion under § 1.635 shall contain a certificate by the moving party stating that the moving party has conferred with all opponents in an effort in good faith to resolve by agreement the issues raised by the motion. The certificate shall indicate whether any opponent plans to oppose the motion. The provisions of this paragraph do not apply to a motion to suppress evidence (§ 1.656(h)).

(c) \* \* \*

(1) \* \* \*

(v) Show that each proposed count defines a separate patentable invention from every other count proposed to remain in the interference.

(vi) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of any earlier filed application, if benefit of the earlier filed application is desired with respect to a proposed count.

(vii) If an opponent is accorded the benefit of the filing date of an earlier filed application in the notice of declaration of the interference, show why the opponent is not also entitled to benefit of the earlier filed application with respect to the proposed count. Otherwise, the opponent will be presumed to be entitled to the benefit of the earlier filed application with respect to the proposed count.

(2) \* \* \*

(ii) Show that the claim proposed to be amended or added defines the same patentable invention as the count.

(iii) Show the patentability to the applicant of each claim proposed to be amended or added and apply the terms of the claim proposed to be amended or added to the disclosure of the application; when necessary a moving party applicant shall file with the motion a proposed amendment to the application amending the claim corresponding to the count or adding the proposed additional claim to the application.

(3) \* \* \*

(ii) Show the claim defines the same patentable invention as another claim whose designation as corresponding to the count the moving party does not dispute.

(4) \* \* \*

(ii) Show that the claim does not defined the same patentable invention as any other claim whose designation in the notice declaring the interference as corresponding to the count the party does not dispute.

\* \* \* \* \*

(d) A preliminary motion under § 1.633(d) to substitute a different application of the moving party shall:

\* \* \* \* \*

(e) \* \* \*

(1) \* \* \*

(viii) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier filed application, if benefit is desired with respect to a proposed count.

(ix) If an opponent is accorded the benefit of the filing date of an earlier filed application in the notice of declaration of the interference, show why the opponent is not also entitled to benefit of the earlier filed application with respect to the proposed count. Otherwise, the opponent will be presumed to be entitled to the benefit of the earlier filed application with respect to the proposed count.

(2) \* \* \*

(vii) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of an earlier filed application, if benefit is desired with respect to a proposed count.

(viii) If an opponent is accorded the benefit of the filing date of an earlier filed application in the notice of declaration of the interference, show why the opponent is not also entitled to benefit of the earlier filed application with respect to the proposed count. Otherwise, the opponent will be presumed to be entitled to the benefit of the earlier filed application with respect to the proposed count.

(f) \* \* \*

(2) When an earlier application is an application filed in the United States,

certify that a complete copy of the file of the earlier application, except for documents filed under § 1.131 or § 1.608, has been served on all opponents. When the earlier application is an application filed in a foreign country, certify that a copy of the application has been served on all opponents. If the earlier filed application is not in English, the requirements of § 1.647 must also be met.

\* \* \* \* \*

(h) \* \* \*

(4) Be accompanied by a motion under § 1.633(f) requesting the benefit of the filing date of any earlier filed application, if benefit is desired.

37. Section 1.638 is revised to read as follows:

**§ 1.638 Opposition and reply; time for filing opposition and reply.**

(a) Unless otherwise ordered by an administrative patent judge, any opposition to any motion shall be filed within 20 days after service of the motion. An opposition shall identify any material fact set forth in the motion which is in dispute and include an argument why the relief requested in the motion should be denied.

(b) Unless otherwise ordered by an administrative patent judge, any reply shall be filed within 15 days after service of the opposition. A reply shall be directed only to new points raised in the opposition.

38. Section 1.639 is amended by revising paragraphs (a), (b), (c) and (d)(1) to read as follows:

**§ 1.639 Evidence in support of motion, opposition, or reply.**

(a) Except as provided in paragraphs (c) through (g) of this section, proof of any material fact alleged in a motion, opposition, or reply must be filed and served with the motion, opposition, or reply unless the proof relied upon is part of the interference file or the file of any patent or application involved in the interference or any earlier application filed in the United States of which a party has been accorded or seeks to be accorded benefit.

(b) Proof may be in the form of patents, printed publications, and affidavits. The pages of any affidavits filed under this paragraph shall, to the extent possible, be given sequential numbers, which shall also serve as the record page numbers for the affidavits in the event they are included in the party's record (§ 1.653). Any patents and printed publications submitted under this paragraph and any exhibits identified in affidavits submitted under this paragraph shall, to the extent

possible, be given sequential exhibit numbers, which shall also serve as the exhibit numbers in the event the patents, printed publications and exhibits are filed with the party's record (§ 1.653).

(c) If a party believes that additional evidence in the form of testimony that is unavailable to the party is necessary to support or oppose a preliminary motion under § 1.633 or a motion to correct inventorship under § 1.634, the party shall describe the nature of any proposed testimony as specified in paragraphs (d) through (g) of this section. If the administrative patent judge finds that testimony is needed to decide the motion, the administrative patent judge may grant appropriate interlocutory relief and enter an order authorizing the taking of testimony and deferring a decision on the motion to final hearing.

(d) \* \* \*

(1) Identify the person whom it expects to use as an expert;

\* \* \* \* \*

39. Section 1.640 is amended by revising paragraphs (a), (b), (c), (d) introductory text, (d)(1), (d)(3) and (e) to read as follows:

**§ 1.640 Motions, hearing and decision, redeclaration of interference, order to show cause.**

(a) A hearing on a motion may be held in the discretion of the administrative patent judge. The administrative patent judge shall set the date and time for any hearing. The length of oral argument at a hearing on a motion is a matter within the discretion of the administrative patent judge. An administrative patent judge may direct that a hearing take place by telephone.

(b) Unless an administrative patent judge or the Board is of the opinion that an earlier decision on a preliminary motion would materially advance the resolution of the interference, decision on a preliminary motion shall be deferred to final hearing. Motions not deferred to final hearing will be decided by an administrative patent judge. An administrative patent judge may consult with an examiner in deciding motions. An administrative patent judge may take up motions for decisions in any order, may grant, deny, or dismiss any motion, and may take such other action which will secure the just, speedy, and inexpensive determination of the interference. A matter raised by a party in support of or in opposition to a motion that is deferred to final hearing will not be entitled to consideration at final hearing unless the matter is raised in the party's brief at final hearing. If the administrative patent judge determines

that the interference shall proceed to final hearing on the issue of priority or derivation, a time shall be set for each party to file a paper identifying any decisions on motions or on matters raised sua sponte by the administrative patent judge that the party wishes to have reviewed at final hearing as well as identifying any deferred motions that the party wishes to have considered at final hearing. Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified by the party or by an opponent for consideration or review at final hearing shall be filed or, if appropriate, noticed under § 1.671(e) during the testimony-in-chief period of the party.

(1) When appropriate after the time expires for filing replies to oppositions to preliminary motions, the administrative patent judge will set a time for filing any amendment to an application involved in the interference and for filing a supplemental preliminary statement as to any new counts which may become involved in the interference if a preliminary motion to amend or substitute a count has been filed. Failure or refusal of a party to timely present an amendment required by an administrative patent judge shall be taken without further action as a disclaimer by that party of the invention involved. A supplemental preliminary statement shall meet the requirements specified in §§ 1.623, 1.624, 1.625, or 1.626, but need not be filed if a party states that it intends to rely on a preliminary statement previously filed under § 1.621(a). At an appropriate time in the interference, and when necessary, an order will be entered redeclaring the interference.

(2) After the time expires for filing preliminary motions, a further preliminary motion under § 1.633 will not be considered except as provided by § 1.645(b).

(c) When a decision on any motion under §§ 1.633, 1.634, or 1.635 or on any matter raised sua sponte by an administrative patent judge is entered which does not result in the issuance of an order to show cause under paragraph (d) of this section, a party may file a request for reconsideration within 14 days after the date of the decision. The request for reconsideration shall be filed and served by hand or Express Mail. The filing of a request for reconsideration will not stay any time period set by the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. No opposition to a request for reconsideration shall be

filed unless requested by an administrative patent judge or the Board. A decision ordinarily will not be modified unless an opposition has been requested by an administrative patent judge or the Board. The request for reconsideration normally will be acted on by the administrative patent judge or the panel of the Board which issued the decision.

(d) An administrative patent judge may issue an order to show cause why judgment should not be entered against a party when:

(1) A decision on a motion or on a matter raised sua sponte by an administrative patent judge is entered which is dispositive of the interference against the party as to any count;

\* \* \* \* \*

(3) The party is a junior party whose preliminary statement fails to overcome the effective filing date of another party.

(e) When an order to show cause is issued under paragraph (d) of this section, the Board shall enter judgment in accordance with the order unless, within 20 days after the date of the order, the party against whom the order issued files a paper which shows good cause why judgment should not be entered in accordance with the order.

(1) If the order was issued under paragraph (d)(1) of this section, the paper may:

(i) Request that final hearing be set to review any decision which is the basis for the order as well as any other decision of the administrative patent judge that the party wishes to have reviewed by the Board at final hearing or

(ii) Fully explain why judgment should not be entered.

(2) Any opponent may file a response to the paper within 20 days of the date of service of the paper. If the order was issued under paragraph (d)(1) of this section and the party's paper includes a request for final hearing, the opponent's response must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. If the order was issued under paragraph (d)(1) of this section and the paper does not include a request for final hearing, the opponent's response may include a request for final hearing, which must identify every decision of the administrative patent judge that the opponent wishes to have reviewed by the Board at a final hearing. Where only the opponent's response includes a request for a final hearing, the party filing the paper shall, within 14 days from the date of service of the opponent's response, file a reply

identifying any other decision of the administrative patent judge that the party wishes to have reviewed by the Board at a final hearing.

(3) The paper or the response should be accompanied by a motion (§ 1.635) requesting a testimony period if either party wishes to introduce any evidence to be considered at final hearing (§ 1.671). Any evidence that a party wishes to have considered with respect to the decisions and deferred motions identified for consideration or review at final hearing shall be filed or, if appropriate, noticed under § 1.671(e) during the testimony period of the party. A request for a testimony period shall be construed as including a request for final hearing.

(4) If the paper contains an explanation of why judgment should not be entered in accordance with the order, and if no party has requested a final hearing, the decision that is the basis for the order shall be reviewed based on the contents of the paper and the response. If the paper fails to show good cause, the Board shall enter judgment against the party against whom the order issued.

40. Section 1.641 is revised to read as follows:

**§ 1.641 Unpatentability discovered by administrative patent judge.**

(a) During the pendency of an interference, if the administrative patent judge becomes aware of a reason why a claim designated to correspond to a count may not be patentable, the administrative patent judge may enter an order notifying the parties of the reason and set a time within which each party may present its views, including any argument and any supporting evidence, and, in the case of the party whose claim may be unpatentable, any appropriate preliminary motions under §§ 1.633(c), (d) and (h).

(b) If a party timely files a preliminary motion in response to the order of the administrative patent judge, any opponent may file an opposition (§ 1.638(a)). If an opponent files an opposition, the party may reply (§ 1.638(b)).

(c) After considering any timely filed views, including any timely filed preliminary motions under § 1.633, oppositions and replies, the administrative patent judge shall decide how the interference shall proceed.

41. Section 1.642 is revised to read as follows:

**§ 1.642 Addition of application or patent to interference.**

During the pendency of an interference, if the administrative patent

judge becomes aware of an application or a patent not involved in the interference which claims the same patentable invention as a count in the interference, the administrative patent judge may add the application or patent to the interference on such terms as may be fair to all parties.

42. Section 1.643(b) is revised to read as follows:

**§ 1.643 Prosecution of interference by assignee.**

\* \* \* \* \*

(b) An assignee of a part interest in an application or patent involved in an interference may file a motion (§ 1.635) for entry of an order authorizing it to prosecute the interference. The motion shall show the inability or refusal of the inventor to prosecute the interference or other cause why it is in the interest of justice to permit the assignee of a part interest to prosecute the interference. The administrative patent judge may allow the assignee of a part interest to prosecute the interference upon such terms as may be appropriate.

43. Section 1.644 is amended by revising paragraphs (a) introductory text, (a)(1), (a)(2), (b), (c), (d), (f) and (g) to read as follows:

**§ 1.644 Petitions in interferences.**

(a) There is no appeal to the Commissioner in an interference from a decision of an administrative patent judge or the Board. The Commissioner will not consider a petition in an interference unless:

(1) The petition is from a decision of an administrative patent judge or the Board and the administrative patent judge or the Board shall be of the opinion that the decision involves a controlling question of procedure or an interpretation of a rule as to which there is a substantial ground for a difference of opinion and that an immediate decision on petition by the Commissioner may materially advance the ultimate termination of the interference;

(2) The petition seeks to invoke the supervisory authority of the Commissioner and does not relate to the merits of priority of invention or patentability or the admissibility of evidence under the Federal Rules of Evidence; or

\* \* \* \* \*

(b) A petition under paragraph (a)(1) of this section filed more than 15 days after the date of the decision of the administrative patent judge or the Board may be dismissed as untimely. A petition under paragraph (a)(2) of this section shall not be filed prior to the party's brief for final hearing (see

§ 1.656). Any petition under paragraph (a)(3) of this section shall be timely if it is filed simultaneously with a proper motion under §§ 1.633, 1.634, or 1.635 when granting the motion would require waiver of a rule. Any opposition to a petition under paragraphs (a)(1) or (a)(2) of this section shall be filed within 20 days of the date of service of the petition. Any opposition to a petition under paragraph (a)(3) of this section shall be filed within 20 days of the date of service of the petition or the date an opposition to the motion is due, whichever is earlier.

(c) The filing of a petition shall not stay the proceeding unless a stay is granted in the discretion of the administrative patent judge, the Board, or the Commissioner.

(d) Any petition must contain a statement of the facts involved, in numbered paragraphs, and the point or points to be reviewed and the action requested. The petition will be decided on the basis of the record made before the administrative patent judge or the Board, and no new evidence will be considered by the Commissioner in deciding the petition. Copies of documents already of record in the interference shall not be submitted with the petition or opposition.

\* \* \* \* \*

(f) Any request for reconsideration of a decision by the Commissioner shall be filed within 14 days of the decision of the Commissioner and must be accompanied by the fee set forth in § 1.17(h). No opposition to a request for reconsideration shall be filed unless requested by the Commissioner. The decision will not ordinarily be modified unless such an opposition has been requested by the Commissioner.

(g) Where reasonably possible, service of any petition, opposition, or request for reconsideration shall be such that delivery is accomplished within one working day. Service by hand or Express Mail complies with this paragraph.

\* \* \* \* \*

44. Section 1.645 is amended by revising paragraphs (a), (b) and (d) to read as follows:

**§ 1.645 Extension of time, late papers, stay of proceedings.**

(a) Except to extend the time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a civil action, a party may file a motion (§ 1.635) seeking an extension of time to take action in an interference. See § 1.304(a) for extensions of time for filing a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or for commencing a

civil action. The motion shall be filed within sufficient time to actually reach the administrative patent judge before expiration of the time for taking action. A moving party should not assume that the motion will be granted even if there is no objection by any other party. The motion will be denied unless the moving party shows good cause why an extension should be granted. The press of other business arising after an administrative patent judge sets a time for taking action will not normally constitute good cause. A motion seeking additional time to take testimony because a party has not been able to procure the testimony of a witness shall set forth the name of the witness, any steps taken to procure the testimony of the witness, the dates on which the steps were taken, and the facts expected to be proved through the witness.

(b) Any paper belatedly filed will not be considered except upon notion (§ 1.635) which shows good cause why the paper was not timely filed, or where an administrative patent judge or the Board, sua sponte, is of the opinion that it would be in the interest of justice to consider the paper. See § 1.304(a) for exclusive procedures relating to belated filing of a notice of appeal to the U.S. Court of Appeals for the Federal Circuit or belated commencement of a civil action.

\* \* \* \* \*

(d) An administrative patent judge may stay proceedings in an interference.

45. Section 1.646 is amended by revising paragraphs (a)(1), (a)(2), (b), (c) introductory text, (c)(1), (c)(4), (d) and (e); redesignating paragraph (c)(5) as paragraph (c)(6) and revising it; and adding a new paragraph (c)(5) to read as follows:

**§ 1.646 Service of papers, proof of service.**

(a) \* \* \*

(1) Preliminary statements when filed under § 1.621; preliminary statements shall be served when service is ordered by an administrative patent judge.

(2) Certified transcripts and exhibits which accompany the transcripts filed under § 1.676; copies of transcripts shall be served as part of a party's record under § 1.653(c).

(b) Service shall be on an attorney or agent for a party. If there is no attorney or agent for the party, service shall be on the party. An administrative patent judge may order additional service or waive service where appropriate.

(c) Unless otherwise ordered by an administrative patent judge, or except as otherwise provided by this subpart, service of a paper shall be made as follows:

(1) By handing a copy of the paper or causing a copy of the paper to be handed to the person served.

\* \* \* \* \*

(4) By mailing a copy of the paper by first class mail; when service is by first class mail the date of mailing is regarded as the date of service.

(5) By mailing a copy of the paper by Express Mail; when service is by Express Mail the date of deposit with the U.S. Postal Service is regarded as the date of service.

(6) When it is shown to the satisfaction of an administrative patent judge that none of the above methods of obtaining or serving the copy of the paper was successful, the administrative patent judge may order service by publication of an appropriate notice in the *Official Gazette*.

(d) An administrative patent judge may order that a paper be served by hand or Express Mail.

(e) The due date for serving a paper is the same as the due date for filing the paper in the Patent and Trademark Office. Proof of service must be made before a paper will be considered in an interference. Proof of service may appear on or be affixed to the paper. Proof of service shall include the date and manner of service. In the case of personal service under paragraphs (c)(1) through (c)(3) of this section, proof of service shall include the names of any person served and the person who made the service. Proof of service may be made by an acknowledgment of service by or on behalf of the person served or a statement signed by the party or the party's attorney or agent containing the information required by this section. A statement of an attorney or agent attached to, or appearing in, the paper stating the date and manner of service will be accepted as *prima facie* proof of service.

46. Section 1.647 is revised to read as follows:

**§ 1.647 Translation of document in foreign language.**

When a party relies on a document or is required to produce a document in a language other than English, a translation of the document into English and an affidavit attesting to the accuracy of the translation shall be filed with the document.

47. Section 1.651 is amended by revising paragraphs (a), (c)(1), (c)(2), (c)(3) and (d) to read as follows:

**§ 1.651 Setting times for discovery and taking testimony, parties entitled to take testimony.**

(a) At an appropriate stage in an interference, an administrative patent

judge shall set a time for filing motions (§ 1.635) for additional discovery under § 1.687(c) and testimony periods for taking any necessary testimony.

\* \* \* \* \*

(c) \* \* \*

(1) The administrative patent judge orders the taking of testimony under § 1.639(c);

(2) The party alleges in its preliminary statement a date of invention prior to the effective filing date of the senior party;

(3) A testimony period has been set to permit an opponent to prove a date of invention prior to the effective filing date of the party and the party has filed a preliminary statement alleging a date of invention prior to that date; or

\* \* \* \* \*

(d) Testimony, including any testimony to be taken in a place outside the United States, shall be taken and completed during the testimony periods set under paragraph (a) of this section. A party seeking to extend the period for taking testimony must comply with §§ 1.635 and 1.645(a).

48. Section 1.652 is revised to read as follows:

**§ 1.652 Judgment for failure to take testimony or file record.**

If a junior party fails to timely take testimony authorized under § 1.651, or file a record under § 1.653(c), an administrative patent judge, with or without a motion (§ 1.635) by another party, may issue an order to show cause why judgment should not be entered against the junior party. When an order is issued under this section, the Board shall enter judgment in accordance with the order unless, within 15 days after the date of the order, the junior party files a paper which shows good cause why judgment should not be entered in accordance with the order. Any other party may file a response to the paper within 15 days of the date of service of the paper. If the party against whom the order was issued fails to show good cause, the Board shall enter judgment against the party.

49. Section 1.653 is amended by removing and reserving paragraphs (c)(5), (f) and (h) and by revising paragraphs (a), (b), (c) introductory text, (c)(1), (c)(4), (d), (g) and (i) to read as follows:

**§ 1.653 Record and exhibits.**

(a) Testimony shall consist of affidavits under §§ 1.672 (b), (c) and (g), 1.682(c), 1.683(b) and 1.688(b), transcripts of depositions under §§ 1.671(g) and 1.672(a) when a deposition is authorized by an administrative patent judge, transcripts

of depositions under §§ 1.672(d), 1.682(d), 1.683(c) and 1.688(c), agreed statements under § 1.672(h), transcripts of interrogatories, cross-interrogatories, and recorded answers and copies of written interrogatories and answers and written requests for admissions and answers under § 1.688(a).

(b) An affidavit shall be filed as set forth in § 1.677. A certified transcript of a deposition, including a deposition cross-examining an affiant, shall be filed as set forth in §§ 1.676, 1.677 and 1.678. An original agreed statement shall be filed as set forth in § 1.672(h).

(c) In addition to the items specified in paragraph (b) of this section and within a time set by an administrative patent judge, each party shall file three copies and serve one copy of a record consisting of:

(1) An index of the names of the witnesses for the party, giving the pages of the record where the direct testimony and cross-examination of each witness begins.

\* \* \* \* \*

(4) Each affidavit by a witness for the party, transcript, including transcripts of cross-examination of any affiant who testified for the party and transcripts of compelled deposition testimony by a witness for the party, agreed statement relied upon by the party, and transcript of interrogatories, cross-interrogatories and recorded answers.

\* \* \* \* \*

(d) The pages of the record shall be consecutively numbered to the extent possible.

\* \* \* \* \*

(g) The record may be produced by standard typographical printing or by any other process capable of producing a clear black permanent image. All printed matter except on covers must appear in at least 11 point type on opaque, unglazed paper. Footnotes may not be printed in type smaller than 9 point. The page size shall be 21.8 by 27.9 cm. (8½ by 11 inches) (letter size) with printed matter 16.5 by 24.1 cm. (6½ by 9½ inches). The record shall be bound with covers at their left edges in such manner as to lie flat when open to any page and in one or more volumes of convenient size (approximately 100 pages per volume is suggested). When there is more than one volume, the numbers of the pages contained in each volume shall appear at the top of the cover for each volume.

(i) Each party shall file its exhibits with the record specified in paragraph (c) of this section. Exhibits include documents and things identified in affidavits or on the record during the taking of oral depositions as well as

official records and publications filed by the party under § 1.682(a). One copy of each documentary exhibit shall be served. Documentary exhibits shall be filed in an envelope or folder and shall not be bound as part of the record. Physical exhibits, if not filed by an officer under § 1.676(d), shall be filed with the record. Each exhibit shall contain a label which identifies the party submitting the exhibit and an exhibit number, the style of the interference (e.g., Jones v. Smith), and the interference number. Where possible, the label should appear at the bottom right-hand corner of each documentary exhibit. Upon termination of an interference, an administrative patent judge may return an exhibit to the party filing the exhibit. When any exhibit is returned, an order shall be entered indicating that the exhibit has been returned.

\* \* \* \* \*

50. Section 1.654 is amended by revising paragraphs (a) and (d) to read as follows:

**§ 1.654 Final hearing.**

(a) At an appropriate stage of the interference, the parties will be given an opportunity to appear before the Board to present oral argument at a final hearing. An administrative patent judge may set a date and time for final hearing. Unless otherwise ordered by an administrative patent judge or the Board, each party will be entitled to no more than 30 minutes of oral argument at final hearing. A party who does not file a brief for final hearing (§ 1.656(a)) shall not be entitled to appear at final hearing.

\* \* \* \* \*

(d) After final hearing, the interference shall be taken under advisement by the Board. No further paper shall be filed except under § 1.658(b) or as authorized by an administrative patent judge or the Board. No additional oral argument shall be had unless ordered by the Board.

51. Section 1.655 is revised to read as follows:

**§ 1.655 Matters considered in rendering a final decision.**

(a) In rendering a final decision, the Board may consider any properly raised issue, including priority of invention, derivation by an opponent from a party who filed a preliminary statement under § 1.625, patentability of the invention, admissibility of evidence, any interlocutory matter deferred to final hearing, and any other matter necessary to resolve the interference. The Board may also consider whether entry of any

interlocutory order was an abuse of discretion. All interlocutory orders shall be presumed to have been correct, and the burden of showing an abuse of discretion shall be on the party attacking the order. When two or more interlocutory orders involve the same issue, the last entered order shall be presumed to have been correct.

(b) A party shall not be entitled to raise for consideration at final hearing any matter which properly could have been raised by a motion under §§ 1.633 or 1.634 unless the matter was properly raised in a motion that was timely filed by the party under §§ 1.633 or 1.634 and the motion was denied or deferred to final hearing, the matter was properly raised by the party in a timely filed opposition to a motion under §§ 1.633 or 1.634 and the motion was granted over the opposition or deferred to final hearing, or the party shows good cause why the issue was not properly raised by a timely filed motion or opposition. A party that fails to contest, by way of a timely filed preliminary motion under § 1.633(c), the designation of a claim as corresponding to a count, or fails to timely argue the separate patentability of a particular claim when the ground for unpatentability is first raised, may not subsequently argue to an administrative patent judge or the Board the separate patentability of claims designated to correspond to the count with respect to that ground.

(c) In the interest of justice, the Board may exercise its discretion to consider an issue even though it would not otherwise be entitled to consideration under this section.

52. In § 1.656, paragraphs (a), (d), (e), (g), (h), and (i) are revised; paragraphs (b)(1) through (b)(6) are redesignated as (b)(3) through (b)(8); newly designated paragraphs (b)(5) and (b)(6) are revised; and new paragraphs (b)(1) and (b)(2) are added to read as follows:

**§ 1.656 Briefs for final hearing.**

(a) Each party shall be entitled to file briefs for final hearing. The administrative patent judge shall determine the briefs needed and shall set the time and order for filing briefs.

(b)\* \* \*

(1) A statement of interest indicating the full name of every party represented by the attorney in the interference and the name of the real party in interest if the party named in the caption is not the real party in interest.

(2) A statement of related cases indicating whether the interference was previously before the Board for final hearing and the name and number of any related appeal or interference which is pending before, or which has been

decided by, the Board, or which is pending before, or which has been decided by, the U.S. Court of Appeals for the Federal Circuit or a district court in a proceeding under 35 U.S.C. 146. A related appeal or interference is one which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending interference.

\* \* \* \* \*

(5) A statement of the facts, in numbered paragraphs, relevant to the issues presented for decision with appropriate references to the record.

(6) An argument, which may be preceded by a summary, which shall contain the contentions of the party with respect to the issues it is raising for consideration at final hearing, and the reasons therefor, with citations to the cases, statutes, other authorities, and parts of the record relied on.

\* \* \* \* \*

(d) Unless ordered otherwise by an administrative patent judge, briefs shall be double-spaced (except for footnotes, which may be single-spaced) and shall comply with the requirements of § 1.653(g) for records except the requirement for binding.

(e) An original and four copies of each brief must be filed.

\* \* \* \* \*

(g) Any party, separate from its opening brief, but filed concurrently therewith, may file an original and four copies of concise proposed findings of fact and conclusions of law. Any proposed findings of fact shall be in numbered paragraphs and shall be supported by specific references to the record. Any proposed conclusions of law shall be in numbered paragraphs and shall be supported by citation of cases, statutes, or other authority. Any opponent, separate from its opening or reply brief, but filed concurrently therewith, may file a paper accepting or objecting to any proposed findings of fact or conclusions of law; when objecting, a reason must be given. The Board may adopt the proposed findings of fact and conclusions of law in whole or in part.

(h) If a party wants the Board in rendering its final decision to rule on the admissibility of any evidence, the party shall file with its opening brief an original and four copies of a motion (§ 1.635) to suppress the evidence. The provisions of § 1.637(b) do not apply to a motion to suppress under this paragraph. Any objection previously made to the admissibility of the evidence of an opponent is waived unless the motion required by this paragraph is filed. A party that failed to

challenge the admissibility of the evidence of an opponent on a ground that could have been raised in a timely objection under § 1.672(c), 1.682(c), 1.683(b) or 1.688(b) may not move under this paragraph to suppress the evidence on that ground at final hearing. An original and four copies of an opposition to the motion may be filed with an opponent's opening brief or reply brief as may be appropriate.

(i) When a junior party fails to timely file an opening brief, an order may issue requiring the junior party to show cause why the Board should not treat failure to file the brief as a concession of priority. If the junior party fails to show good cause within a time period set in the order, judgment may be entered against the junior party.

53. Section 1.657 is revised to read as follows:

**§ 1.657 Burden of proof as to date of invention.**

(a) A rebuttable presumption shall exist that, as to each count, the inventors made their invention in the chronological order of their effective filing dates. The burden of proof shall be upon a party who contends otherwise.

(b) In an interference involving copending applications or involving a patent and an application having an effective filing date on or before the date the patent issued, a junior party shall have the burden of establishing priority by a preponderance of the evidence.

(c) In an interference involving an application and a patent and where the effective filing date of the application is after the date the patent issued, a junior party shall have the burden of establishing priority by clear and convincing evidence.

54. Section 1.658 is amended by revising paragraphs (a) and (b) to read as follows:

**§ 1.658 Final decision.**

(a) After final hearing, the Board shall enter a decision resolving the issues raised at final hearing. The decision may enter judgment, in whole or in part, remand the interference to an administrative patent judge for further proceedings, or take further action not inconsistent with law. A judgment as to a count shall state whether or not each party is entitled to a patent containing the claims in the party's patent or application which correspond to the count. When the Board enters a decision awarding judgment as to all counts, the decision shall be regarded as a final decision for the purpose of judicial review (35 U.S.C. 141-144, 146) unless a request for reconsideration under

paragraph (b) of this section is timely filed.

(b) Any request for reconsideration of a decision under paragraph (a) of this section shall be filed within one month after the date of the decision. The request for reconsideration shall specify with particularity the points believed to have been misapprehended or overlooked in rendering the decision. Any opposition to a request for reconsideration shall be filed within 14 days of the date of service of the request for reconsideration. Service of the request for reconsideration shall be by hand or Express Mail. The Board shall enter a decision on the request for reconsideration. If the Board shall be of the opinion that the decision on the request for reconsideration significantly modifies its original decision under paragraph (a) of this section, the Board may designate the decision on the request for reconsideration as a new decision. A decision on reconsideration is a final decision for the purpose of judicial review (35 U.S.C. 141-144, 146).

\* \* \* \* \*

55. Section 1.660 is amended by adding paragraph (e) to read as follows:

**§ 1.660 Notice of reexamination, reissue, protest, or litigation.**

\* \* \* \* \*

(e) The notice required by this section is designed to assist the administrative patent judge and the Board in efficiently handling interference cases. Failure of a party to comply with the provisions of this section may result in sanctions under § 1.616. Knowledge by, or notice to, an employee of the Office other than an employee of the Board, of the existence of the reexamination, application for reissue, protest, or litigation shall not be sufficient. The notice contemplated by this section is notice addressed to the administrative patent judge in charge of the interference in which the application or patent is involved.

56. Section 1.662 is amended by revising paragraphs (a) and (b) to read as follows:

**§ 1.662 Request for entry of adverse judgment; reissue filed by patentee.**

(a) A party may, at any time during an interference, request and agree to entry of an adverse judgment. The filing by a party of a written disclaimer of the invention defined by a count, concession of priority or unpatentability of the subject matter of a count, abandonment of the invention defined by a count, or abandonment of the contest as to a count will be treated as a request for entry of an adverse

judgment against the applicant or patentee as to all claims which correspond to the count. Abandonment of an application, other than an application for reissue having a claim of the patent sought to be reissued involved in the interference, will be treated as a request for entry of an adverse judgment against the applicant as to all claims corresponding to all counts. Upon the filing by a party of a request for entry of an adverse judgment, the Board may enter judgment against the party.

(b) If a patentee involved in an interference files an application for reissue during the interference and the reissue application does not include a claim that corresponds to a count, judgment may be entered against the patentee. A patentee who files an application for reissue which includes a claim that corresponds to a count shall, in addition to complying with the provisions of § 1.660(b), timely file a preliminary motion under § 1.633(h) or show good cause why the motion could not have been timely filed or would not be appropriate.

\* \* \* \* \*

57. Section 1.664 is revised to read as follows:

**§ 1.664 Action after interference.**

(a) After termination of an interference, the examiner will promptly take such action in any application previously involved in the interference as may be necessary. Unless entered by order of an administrative patent judge, amendments presented during the interference shall not be entered, but may be subsequently presented by the applicant subject to the provisions of this subpart provided prosecution of the application is not otherwise closed.

(b) After judgment, the application of any party may be held subject to further examination, including an interference with another application.

58. Section 1.671 is amended by revising paragraphs (a) introductory text, (c)(1), (c)(2), (c)(6), (c)(7), (e), (f) and (g); redesignating paragraph (h) as paragraph (i) and revising it, and adding new paragraphs (h) and (j) to read as follows:

**§ 1.671 Evidence must comply with rules.**

(a) Evidence consists of testimony and referenced exhibits, official records and publications filed under § 1.682, testimony and referenced exhibits from another interference, proceeding, or action filed under § 1.683, discovery relied upon under § 1.688, and the

specification (including claims) and drawings of any application or patent:

\* \* \* \* \*

(c) \* \* \*

(1) *Courts of the United States, U.S. Magistrate, court, trial court, or trier of fact* means administrative patent judge or Board as may be appropriate.

(2) *Judge* means administrative patent judge.

\* \* \* \* \*

(6) *Before the hearing* in Rule 703 of the Federal Rules of Evidence means before giving testimony by affidavit or oral deposition.

(7) *The trial or hearing* in Rules 803(24) and 804(5) of the Federal Rules of Evidence means the taking of testimony by affidavit or oral deposition.

\* \* \* \* \*

(e) A party may not rely on an affidavit (including any exhibits), patent or printed publication previously submitted by the party under § 1.639(b) unless a copy of the affidavit, patent or printed publication has been served and a written notice is filed prior to the close of the party's relevant testimony period stating that the party intends to rely on the affidavit, patent or printed publication. When proper notice is given under this paragraph, the affidavit, patent or printed publication shall be deemed as filed under §§ 1.640(b), 1.640(e)(3), 1.672(b) or 1.682(a), as appropriate.

(f) The significance of documentary and other exhibits identified by a witness in an affidavit or during oral deposition shall be discussed with particularity by a witness.

(g) A party must file a motion (§ 1.635) seeking permission from an administrative patent judge prior to compelling testimony or production of documents or things under 35 U.S.C. 24 or from an opposing party. The motion shall describe the general nature and the relevance of the testimony, document, or thing. If permission is granted, the party shall notice a deposition under § 1.673 and may proceed to take testimony.

(h) A party must file a motion (§ 1.635) seeking permission from an administrative patent judge prior to compelling testimony or production of documents or things in a foreign country.

(1) In the case of testimony, the motion shall:

(i) Describe the general nature and relevance of the testimony;

(ii) Identify the witness by name or title;

(iii) Identify the foreign country and explain why the party believes the

witness can be compelled to testify in the foreign country, including a description of the procedures that will be used to compel the testimony in the foreign country and an estimate of the time it is expected to take to obtain the testimony; and

(iv) Demonstrate that the party has made reasonable efforts to secure the agreement of the witness to testify in the United States but has been unsuccessful in obtaining the agreement, even though the party has offered to pay the expenses of the witness to travel to and testify in the United States.

(2) In the case of production of a document or thing, the motion shall:

(i) Describe the general nature and relevance of the document or thing;

(ii) Identify the foreign country and explain why the party believes production of the document or thing can be compelled in the foreign country, including a description of the procedures that will be used to compel production of the document or thing in the foreign country and an estimate of the time it is expected to take to obtain production of the document or thing; and

(iii) Demonstrate that the party has made reasonable efforts to obtain the agreement of the individual or entity having possession, custody, or control of the document to produce the document or thing in the United States but has been unsuccessful in obtaining that agreement, even though the party has offered to pay the expenses of producing the document or thing in the United States.

(i) Evidence which is not taken or sought and filed in accordance with this subpart shall not be admissible.

(j) The weight to be given deposition testimony taken in a foreign country will be determined in view of all the circumstances, including the laws of the foreign country governing the testimony. Little, if any, weight may be given to deposition testimony taken in a foreign country unless the party taking the testimony proves by clear and convincing evidence, as a matter of fact, that knowingly giving false testimony in that country in connection with an interference proceeding in the United States Patent and Trademark Office is punishable under the laws of that country and that the punishment in that country for such false testimony is comparable to or greater than the punishment for perjury committed in the United States. The administrative patent judge and the Board, in determining foreign law, may consider any relevant material or source, including testimony, whether or not

submitted by a party or admissible under the Federal Rules of Evidence.

59. Section 1.672 is revised to read as follows:

**§ 1.672 Manner of taking testimony.**

(a) Unless testimony must be compelled under 35 U.S.C. 24, compelled from a party, or compelled in a foreign country, testimony of a witness shall be taken by affidavit in accordance with this subpart. Testimony which must be compelled under 35 U.S.C. 24, compelled from a party, or compelled in a foreign country shall be taken by oral deposition.

(b) A party presenting testimony of a witness by affidavit shall, within the time set by the administrative patent judge for serving affidavits, file a copy of the affidavit or, if appropriate, notice under § 1.671(e). If the affidavit relates to a party's case-in-chief, it shall be filed or noticed no later than the date set by an administrative patent judge for the party to file affidavits for its case-in-chief. If the affidavit relates to a party's case-in-rebuttal, it shall be filed or noticed no later than the date set by an administrative patent judge for the party to file affidavits for its case-in-rebuttal. A party shall not be entitled to rely on any document referred to in the affidavit unless a copy of the document is filed with the affidavit. A party shall not be entitled to rely on any thing mentioned in the affidavit unless the opponent is given reasonable access to the thing. A thing is something other than a document. The pages of affidavits filed under this paragraph and of any other testimony filed therewith under §§ 1.683(a) and 1.688(a) shall, to the extent possible, be given sequential numbers which shall also serve as the record page numbers for the affidavits and other testimony in the party's record to be filed under § 1.653. Exhibits identified in the affidavits or in any other testimony filed under §§ 1.683(a) and 1.688(a) and any official records and printed publications filed under § 1.682(a) shall, to the extent possible, be given sequential exhibit numbers, which shall also serve as the exhibit numbers when the exhibits are filed with the party's record. The affidavits, testimony filed under §§ 1.683(a) and 1.688(a) and exhibits shall be accompanied by an index of the names of the witnesses, giving the number of the page where the testimony of each witness begins, and by an index of the exhibits briefly describing the nature of each exhibit and giving the number of the page where each exhibit is first identified and offered into evidence.

(c) If an opponent objects to the admissibility of any evidence contained

in or submitted with an affidavit filed under paragraph (b) of this section, the opponent must, no later than the date set by the administrative patent judge for filing objections under this paragraph, file objections stating with particularity the nature of each objection. An opponent that fails to object to the admissibility of the evidence contained in or submitted with an affidavit on a ground that could have been raised in a timely objection under this paragraph will not be entitled to move under § 1.656(h) to suppress the evidence on that ground. If an opponent timely files objections, the party may, within 20 days of the due date for filing objections, file one or more supplemental affidavits, official records or printed publications to overcome the objections. No objection to the admissibility of the supplemental evidence shall be made, except as provided by § 1.656(h). The pages of supplemental affidavits filed under this paragraph shall, to the extent possible, be sequentially numbered beginning with the number following the last page number of the party's testimony submitted under paragraph (b) of this section. The page numbers assigned to the supplemental affidavits shall also serve as the record page numbers for the supplemental affidavits in the party's record filed under § 1.653. Additional exhibits identified in supplemental affidavits and any supplemental official records and printed publications shall, to the extent possible, be given sequential numbers beginning with the number following the last number of the exhibits submitted under paragraph (b) of this section. The exhibit numbers shall also serve as the exhibit numbers when the exhibits are filed with the party's record. The supplemental affidavits shall be accompanied by an index of the names of the witnesses and an index of exhibits of the type specified in paragraph (b) of this section.

(d) After the time expires for filing objections and supplemental affidavits, or earlier when appropriate, the administrative patent judge shall set a time within which any opponent may file a request to cross-examine an affiant on oral deposition. If any opponents requests cross-examination of an affiant, the party shall notice a deposition at a reasonable location within the United States under § 1.673(e) for the purpose of cross-examination by any opponent. Any redirect and recross shall take place at the deposition. At any deposition for the purpose of cross-examination of a witness, the party shall not be entitled to rely on any document or thing not

mentioned in one or more of the affidavits filed under paragraphs (b) and (c) of this section, except to the extent necessary to conduct proper redirect. The party who gives notice of a deposition shall be responsible for providing a translator if the witness does not testify in English, for obtaining a court reporter, and for filing a certified transcript of the deposition as required by § 1.676. Within 45 days of the close of the period for taking cross-examination, the party shall serve (but not file) a copy of each transcript on each opponent together with copies of any additional documentary exhibits identified by the witness during the deposition. The pages of the transcripts served under this paragraph shall, to the extent possible, be sequentially numbered beginning with the number following the last page number of the party's supplemental affidavits submitted under paragraph (c) of this section. The numbers assigned to the transcript pages shall also serve as the record page numbers for the transcripts in the party's record filed under § 1.653. Additional exhibits identified in the transcripts, shall, to the extent possible, be given sequential numbers beginning with the number following the last number of the exhibits submitted under paragraphs (b) and (c) of this section. The exhibit numbers assigned to the additional exhibits shall also serve as the exhibit numbers when those exhibits are filed with the party's record. The deposition transcripts shall be accompanied by an index of the names of the witnesses, giving the number of the page where cross-examination, redirect and recross of each witness begins, and an index of exhibits of the type specified in paragraph (b) of this section.

(e) [Reserved]

(f) When a deposition is authorized to be taken within the United States under this subpart and if the parties agree in writing, the deposition may be taken in any place within the United States, before any person authorized to administer oaths, upon any notice, and in any manner, and when so taken may be used like other depositions.

(g) If the parties agree in writing, the affidavit testimony of any witness may be submitted without opportunity for cross-examination.

(h) If the parties agree in writing, testimony may be submitted in the form of an agreed statement setting forth how a particular witness would testify, if called, or the facts in the case of one or more of the parties. The agreed statement shall be filed in the Patent and Trademark Office. See § 1.653(a).

(i) In an unusual circumstance and upon a showing that testimony cannot be taken in accordance with the provisions of this subpart, an administrative patent judge upon motion (§ 1.635) may authorize testimony to be taken in another manner.

60. Section 1.673 is amended by revising paragraphs (a), (b) introductory text, (c) through (e) and (g) to read as follows:

**§ 1.673 Notice of examination of witness.**

(a) A party authorized to take testimony of a witness by deposition shall, after complying with paragraphs (b) and (g) of this section, file and serve a single notice of deposition stating the time and place of each deposition to be taken. Depositions to be taken in the United States may be noticed for a reasonable time and place in the United States. A deposition may not be noticed for any other place without approval of an administrative patent judge. The notice shall specify the name and address of each witness and the general nature of the testimony to be given by the witness. If the name of a witness is not known, a general description sufficient to identify the witness or a particular class or group to which the witness belongs may be given instead.

(b) Unless the parties agree or an administrative patent judge or the Board determine otherwise, a party shall serve, but not file, at least three working days prior to the conference required by paragraph (g) of this section, if service is made by hand or Express Mail, or at least 14 days prior to the conference if service is made by any other means, the following:

\* \* \* \* \*

(c) A party shall not be permitted to rely on any witness not listed in the notice, or any document not served or any thing not listed as required by paragraph (b) of this section:

(1) Unless all opponents agree in writing or on the record to permit the party to rely on the witness, document or thing, or

(2) Except upon a motion (§ 1.635) promptly filed which is accompanied by any proposed notice, additional documents, or lists and which shows good cause why the notice, documents, or lists were not served in accordance with this section.

(d) Each opponent shall have a full opportunity to attend a deposition and cross-examine.

(e) A party who has presented testimony by affidavit and is required to notice depositions for the purpose of cross-examination under § 1.672(b), shall, after complying with paragraph

(g) of this section, file and serve a single notice of deposition stating the time and place of each cross-examination deposition to be taken.

\* \* \* \* \*

(g) Before serving a notice of deposition and after complying with paragraph (b) of this section, a party shall have an oral conference with all opponents to attempt to agree on a mutually acceptable time and place for conducting the deposition. A certificate shall appear in the notice stating that the oral conference took place or explaining why the conference could not be had. If the parties cannot agree to a mutually acceptable place and time for conducting the deposition at the conference, the parties shall contact an administrative patent judge who shall then designate the time and place for conducting the deposition.

\* \* \* \* \*

61. Section 1.674 is amended by revising paragraph (a) to read as follows:

**§ 1.674 Persons before whom depositions may be taken.**

(a) A deposition shall be taken before an officer authorized to administer oaths by the laws of the United States or of the place where the examination is held.

\* \* \* \* \*

62. Section 1.675 is amended by revising paragraph (d) to read as follows:

**§ 1.675 Examination of witness, reading and signing transcript of deposition.**

\* \* \* \* \*

(d) Unless the parties agree in writing or waive reading and signature by the witness on the record at the deposition, when the testimony has been transcribed a transcript of the deposition shall, unless the witness refuses to read and/or sign the transcript of the deposition, be read by the witness and then signed by the witness in the form of:

- (1) An affidavit in the presence of any notary or
- (2) A declaration.

63. Section 1.676 is amended by revising paragraph (a)(4) to read as follows:

**§ 1.676 Certification and filing by officer, marking exhibits.**

(a) \* \* \*

(4) The presence or absence of any opponent.

\* \* \* \* \*

64. Section 1.677 is revised to read as follows:

**§ 1.677 Form of an affidavit or a transcript of deposition.**

(a) An affidavit or a transcript of a deposition must be on opaque,

unglazed, durable paper approximately 21.8 by 27.9 cm. (8½ by 11 inches) in size (letter size). The printed matter shall be double-spaced on one side of the paper in not smaller than 11 point type with a margin of 3.8 cm. (1½ inches) on the left-hand side of the page. The pages of each transcript must be consecutively numbered and the name of the witness shall appear at the top of each page (§ 1.653(e)). In transcripts of depositions, the questions propounded to each witness must be consecutively numbered unless paper with numbered lines is used and each question must be followed by its answer.

(b) Exhibits must be numbered consecutively to the extent possible and each must be marked as required by § 1.653(i).

65. Section 1.678 is revised to read as follows:

**§ 1.678 Time for filing transcript of deposition.**

Unless otherwise ordered by an administrative patent judge, a certified transcript of a deposition must be filed in the Patent and Trademark Office within one month after the date of deposition. If a party refuses to file a certified transcript, the administrative patent judge or the Board may take appropriate action under § 1.616. If a party refuses to file a certified transcript, any opponent may move for leave to file the certified transcript and include a copy of the transcript as part of the opponent's record.

66. Section 1.679 is revised to read as follows:

**§ 1.679 Inspection of transcript.**

A certified transcript of a deposition filed in the Patent and Trademark Office may be inspected by any party. The certified transcript may not be removed from the Patent and Trademark Office unless authorized by an administrative patent judge upon such terms as may be appropriate.

67. Section 1.682 is revised to read as follows:

**§ 1.682 Official records and printed publications.**

(a) A party may introduce into evidence, if otherwise admissible, an official record or printed publication not identified in an affidavit or on the record during an oral deposition of a witness, by filing a copy of the official record or printed publication or, if appropriate, a notice under § 1.671(e). If the official record or printed publication relates to the party's case-in-chief, it shall be filed or noticed together with any affidavits filed by the party under § 1.672(b) for its case-in-chief or, if the

party does not serve any affidavits under § 1.672(b) for its case-in-chief, no later than the date set by an administrative patent judge for the party to file affidavits under § 1.672(b) for its case-in-chief. If the official record or printed publication relates to rebuttal, it shall be filed or noticed together with any affidavits filed by the party under § 1.672(b) for its case-in-rebuttal or, if the party does not file any affidavits under § 1.672(b) for its case-in-rebuttal, no later than the date set by an administrative patent judge for the party to file affidavits under § 1.672(b) for its case-in-rebuttal. Official records and printed publications filed under this paragraph shall be assigned sequential exhibit numbers by the party in the manner set forth in § 1.672(b). The official record and printed publications shall be accompanied by a paper which shall:

- (1) Identify the official record or printed publication;
- (2) Identify the portion thereof to be introduced in evidence; and
- (3) Indicate generally the relevance of the portion sought to be introduced in evidence.

(b) [Reserved]

(c) Unless otherwise ordered by an administrative patent judge, any written objection by an opponent to the paper or to the admissibility of the official record or printed publication shall be filed no later than the date set by the administrative patent judge for the opponent to file objections under § 1.672(c) to affidavits submitted by the party under § 1.672(b). An opponent who fails to object to the admissibility of the official record or printed publication on a ground that could have been raised in a timely objection under this paragraph will not be entitled to move under § 1.656(h) to suppress the evidence on that ground. If an opponent timely files an objection, the party may respond by filing one or more supplemental affidavits, official records or printed publications, which must be filed together with any supplemental evidence filed by the party under § 1.672(c) or, if the party does not file any supplemental evidence under § 1.672(c), no later than the date set by an administrative patent judge for the party to file supplemental affidavits under § 1.672(c). No objection to the admissibility of the supplemental evidence shall be made, except as provided by § 1.656(h). The pages of supplemental affidavits and the exhibits filed under this section shall be sequentially numbered by the party in the manner set forth in § 1.672(c). The supplemental affidavits and exhibits shall be accompanied by an index of

witnesses and an index of exhibits of the type required by § 1.672(b).

(d) Any request by an opponent to cross-examine on oral deposition the affiant of a supplemental affidavit submitted under paragraph (c) of this section shall be filed no later than the date set by the administrative patent judge for the opponent to file a request to cross-examine an affiant with respect to an affidavit served by the party under § 1.672 (b) or (c). If any opponent requests cross-examination of an affiant, the party shall file notice of a deposition for a reasonable location within the United States under § 1.673(e) for the purpose of cross-examination by any opponent. Any redirect and recross shall take place at the deposition. At any deposition for the purpose of cross-examination of a witness, the party shall not be entitled to rely on any document or thing not mentioned in one or more of the affidavits filed under this paragraph, except to the extent necessary to conduct proper redirect. The party who gives notice of a deposition shall be responsible for providing a translator if the witness does not testify in English, for obtaining a court reporter, and for filing a certified transcript of the deposition as required by § 1.676. Within 45 days of the close of the period for taking cross-examination, the party shall serve (but not file) a copy of each deposition transcript on each opponent together with copies of any additional documentary exhibits identified by the witness during the deposition. The pages of deposition transcripts and exhibits served under this paragraph shall be sequentially numbered by the party in the manner set forth in § 1.672(d). The deposition transcripts shall be accompanied by an index of the names of the witnesses, giving the number of the page where cross-examination, redirect and recross of each witness begins, and an index of exhibits of the type specified in § 1.672(b).

68. Section 1.683 is revised to read as follows:

**§ 1.683 Testimony in another interference, proceeding, or action.**

(a) A party may introduce into evidence, if otherwise admissible, testimony by affidavit or oral deposition and referenced exhibits from another interference, proceeding, or action involving the same parties by filing a copy of the affidavit or a copy of the transcript of the oral deposition and the referenced exhibits. If the testimony and referenced exhibits relate to the party's case-in-chief, they shall be filed together with any affidavits served by the party

under § 1.672(b) for its case-in-chief or, if the party does not file any affidavits under § 1.672(b) for its case-in-chief, no later than the date set by an administrative patent judge for the party to file affidavits under § 1.672(b) for its case-in-chief. If the testimony and referenced exhibits relate to rebuttal, they shall be filed together with any affidavits served by the party under § 1.672(b) for its case-in-rebuttal or, if the party does not file any affidavits under § 1.672(b) for its case-in-rebuttal, no later than the date set by an administrative patent judge for the party to file affidavits under § 1.672(b) for its case-in-rebuttal. Pages of affidavits and deposition transcripts served under this paragraph and any new exhibits served therewith shall be assigned sequential numbers by the party in the manner set forth in § 1.672(b). The testimony shall be accompanied by a paper which specifies with particularity the exact testimony to be used and demonstrates its relevance.

(b) Unless otherwise ordered by an administrative patent judge, any written objection by an opponent to the paper or the admissibility of the testimony and referenced exhibits filed under this section shall be filed no later than the date set by the administrative patent judge for the opponent to file any objections under § 1.672(c) to affidavits submitted by the party under § 1.672(b). An opponent who fails to challenge the admissibility of the testimony or referenced exhibits on a ground that could have been raised in a timely objection under this paragraph will not be entitled to move under § 1.656(h) to suppress the evidence on that ground. If an opponent timely files an objection, the party may respond with one or more supplemental affidavits, official records or printed publications, which must be filed together with any supplemental evidence filed by the party under § 1.672(c) or, if the party does not file any supplemental evidence under § 1.672(c), no later than the date set by an administrative patent judge for the party to file supplemental evidence under § 1.672(c). No objection to the admissibility of the evidence contained in or submitted with a supplemental affidavit shall be made, except as provided by § 1.656(h). The pages of supplemental affidavits and the exhibits filed under this section shall be sequentially numbered by the party in the manner set forth in § 1.672(c). The supplemental affidavits and exhibits shall be accompanied by an index of witnesses and an index of exhibits of the type required by § 1.672(b).

(c) Any request by an opponent to cross-examine on oral deposition the

affiant of an affidavit or supplemental affidavit submitted under paragraph (a) or (b) of this section shall be filed no later than the date set by the administrative patent judge for the opponent to file a request to cross-examine an affiant with respect to an affidavit filed by the party under § 1.672 (b) or (c). If any opponent requests cross-examination of an affiant, the party shall file a notice of deposition for a reasonable location within the United States under § 1.673(e) for the purpose of cross-examination by any opponent. Any redirect and recross shall take place at the deposition. At any deposition for the purpose of cross-examination of a witness, the party shall not be entitled to rely on any document or thing not mentioned in one or more of the affidavits filed under this paragraph, except to the extent necessary to conduct proper redirect. The party who gives notice of a deposition shall be responsible for providing a translator if the witness does not testify in English, for obtaining a court reporter, and for filing a certified transcript of the deposition as required by § 1.676. Within 45 days of the close of the period for taking cross-examination, the party shall serve (but not file) a copy of each deposition transcript on each opponent together with copies of any additional documentary exhibits identified by the witness during the deposition. The pages of deposition transcripts and exhibits served under this paragraph shall be sequentially numbered by the party in the manner set forth in § 1.672(d). The deposition transcripts shall be accompanied by an index of the names of the witnesses, giving the number of the page where cross-examination, redirect and recross of each witness begins, and an index of exhibits of the type specified in § 1.672(b).

69. Section 1.684 is removed and reserved.

70. Section 1.685 is amended by revising paragraphs (d) and (e) to read as follows:

**§ 1.685 Errors and irregularities in depositions.**

\* \* \* \* \*

(d) An objection to the deposition on any grounds, such as the competency of a witness, admissibility of evidence, manner of taking the deposition, the form of questions and answers, any oath or affirmation, or conduct of any party at the deposition, is waived unless an objection is made on the record at the deposition stating the specific ground of objection. Any objection which a party wishes considered by the Board at final

hearing shall be included in a motion to suppress under § 1.656(h).

(e) Nothing in this section precludes taking notice of plain errors affecting substantial rights although they were not brought to the attention of an administrative patent judge or the Board.

71. Section 1.687 is amended by revising paragraph (c) to read as follows:

**§ 1.687 Additional discovery.**

\* \* \* \* \*

(c) Upon a motion (§ 1.635) brought by a party within the time set by an administrative patent judge under § 1.651 or thereafter as authorized by § 1.645 and upon a showing that the interest of justice so requires, an administrative patent judge may order additional discovery, as to matters under the control of a party within the scope of the Federal Rules of Civil Procedure, specifying the terms and conditions of such additional discovery. See § 1.647 concerning translations of documents in a foreign language.

\* \* \* \* \*

72. Section 1.688 is revised to read as follows:

**§ 1.688 Use of discovery.**

(a) If otherwise admissible, a party may introduce into evidence an answer to a written request for an admission or an answer to a written interrogatory obtained by discovery under § 1.687 by filing a copy of the request for admission or the written interrogatory and the answer. If the answer relates to a party's case-in-chief, the answer shall be served together with any affidavits served by the party under § 1.672(b) for its case-in-chief or, if the party does not serve any affidavits under § 1.672(b) for its case-in-chief, no later than the date set by an administrative patent judge for the party to serve affidavits under § 1.672(b) for its case-in-chief. If the answer relates to the party's rebuttal, the answer shall be served together with any affidavits served by the party under § 1.672(b) for its case-in-rebuttal or, if the party does not serve any affidavits under § 1.672(b) for its case-in-rebuttal, no later than the date set by an administrative patent judge for the party to serve affidavits under § 1.672(b) for its case-in-rebuttal.

(b) Unless otherwise ordered by an administrative patent judge, any written objection to the admissibility of an answer shall be filed no later than the date set by the administrative patent judge for the opponent to file any objections under § 1.672(c) to affidavits submitted by the party under § 1.672(b). An opponent who fails to challenge the admissibility of an answer on a ground

that could have been raised in a timely objection under this paragraph will not be entitled to move under § 1.656(h) to suppress the evidence on that ground. If an opponent timely files an objection, the party may respond with one or more supplemental affidavits, which must be filed together with any supplemental evidence filed by the party under § 1.672(c) or, if the party does not file any supplemental evidence under § 1.672(c), no later than the date set by an administrative patent judge for the party to file supplemental affidavits under § 1.672(c). No objection to the admissibility of the evidence contained in or submitted with a supplemental affidavit shall be made, except as provided by § 1.656(h). The pages of supplemental affidavits and the exhibits filed under this section shall be sequentially numbered by the party in the manner set forth in § 1.672(c). The supplemental affidavits and exhibits shall be accompanied by an index of witnesses and an index of exhibits of the type required by § 1.672(b).

(c) Any request by an opponent to cross-examine on oral deposition the affiant of a supplemental affidavit submitted under paragraph (b) of this section shall be filed no later than the date set by the administrative patent judge for the opponent to file a request to cross-examine an affiant with respect to an affidavit filed by the party under § 1.672(b) or (c). If any opponent requests cross-examination of an affiant, the party shall file a notice of deposition for a reasonable location within the United States under § 1.673(e) for the purpose of cross-examination by any opponent. Any redirect and recross shall take place at the deposition. At any deposition for the purpose of cross-examination of a witness, the party shall not be entitled to rely on any document or thing not mentioned in one or more of the affidavits filed under this paragraph, except to the extent necessary to conduct proper redirect. The party who gives notice of a deposition shall be responsible for providing a translator if the witness does not testify in English, for obtaining a court reporter, and for filing a certified transcript of the deposition as required by § 1.676. Within 45 days of the close of the period for taking cross-examination, the party shall serve (but not file) a copy of each deposition transcript on each opponent together with copies of any additional documentary exhibits identified by the witness during the deposition. The pages of deposition transcripts and exhibits served under this paragraph shall be sequentially numbered by the

party in the manner set forth in § 1.672(d). The deposition transcripts shall be accompanied by an index of the names of the witnesses, giving the number of the page where cross-examination, redirect and recross of each witness begins, and an index of exhibits of the type specified in § 1.672(b).

(d) A party may not rely upon any other matter obtained by discovery unless it is introduced into evidence under this subpart.

73. Section 1.690 is amended by revising paragraphs (a), (b) and (c) to read as follows:

**§ 1.690 Arbitration of interferences.**

(a) Parties to a patent interference may determine the interference or any aspect thereof by arbitration. Such arbitration shall be governed by the provisions of Title 9, United States Code. The parties must notify the Board in writing of their intention to arbitrate. An agreement to arbitrate must be in writing, specify the issues to be arbitrated, the name of the arbitrator or a date not more than thirty (30) days after the execution of the agreement for the selection of the arbitrator, and provide that the arbitrator's award shall be binding on the parties and that judgment thereon can be entered by the Board. A copy of the agreement must be filed within twenty (20) days after its execution. The parties shall be solely responsible for the selection of the arbitrator and the rules for conducting proceedings before the arbitrator. Issues not disposed of by the arbitration will be resolved in accordance with the procedures established in this subpart, as determined by the administrative patent judge.

(b) An arbitration proceeding under this section shall be conducted within such time as may be authorized on a case-by-case basis by an administrative patent judge.

(c) An arbitration award will be given no consideration unless it is binding on the parties, is in writing and states in a clear and definite manner the issue or issues arbitrated and the disposition of each issue. The award may include a statement of the grounds and reasoning in support thereof. Unless otherwise ordered by an administrative patent judge, the parties shall give notice to the Board of an arbitration award by filing within twenty (20) days from the date of the award a copy of the award signed by the arbitrator or arbitrators. When an award is timely filed, the award shall, as to the parties to the arbitration, be dispositive of the issue or issues to which it relates.

\* \* \* \* \*

Dated: March 3, 1995.

**Bruce A. Lehman,**

*Assistant Secretary of Commerce and  
Commissioner of Patents and Trademarks.*

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