DEPARTMENT OF COMMERCE

Patent and Trademark Office

37 CFR Part 1

[Docket No.: 980826226–8226–01]

RIN 0651–AA98

Changes To Implement the Patent Business Goals

AGENCY: Patent and Trademark Office, Commerce.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Patent and Trademark Office (PTO) has established business goals for the organizations reporting to the Assistant Commissioner for Patents (Patent Business Goals). The Patent Business Goals have been established in response to the Vice-President's designation of the PTO as an agency that has a high impact on the public, and they are designed to make the PTO a more business-like agency. The focus of the Patent Business Goals is to increase the level of service to the public by raising the efficiency and effectiveness of the PTO's business processes.

The PTO is considering a number of changes to the rules of practice and procedure to support the Patent Business Goals. The PTO is publishing this Advance Notice of Proposed Rulemaking to allow for public input at an early stage in the rule making process. The PTO is soliciting comments on these specific changes to the rules of practice or procedures.

DATES: *Comment Deadline Date:* To be ensured of consideration, written comments must be received on or before December 4, 1998. While comments may be submitted after this date, the PTO cannot ensure that consideration will be given to such comments. No public hearing will be held.

ADDRESSES: Comments should be sent by mail message over the Internet addressed to regreform@uspto.gov. Comments may also be submitted by mail addressed to: Box Comments—Patents, Assistant Commissioner for Patents, Washington, D.C. 20231, or by facsimile to (703) 308–6916, marked to the attention of Hiram H. Bernstein. Although comments may be submitted by mail or facsimile, the Office prefers to receive comments via the Internet. Where comments are submitted by mail, the Office would prefer that the comments be submitted on a DOS formatted 3¼ inch disk accompanied by a paper copy.

The comments will be available for public inspection at the Special Program Law Office, Office of the Deputy Assistant Commissioner for Patent Policy and Projects, located at Suite 520, of One Crystal Park, 2011 Crystal Drive, Arlington, Virginia, and will be available through anonymous file transfer protocol (ftp) via the Internet (address: ftp.uspto.gov). Since comments will be made available for public inspection, information that is not desired to be made public, such as an address or phone number, should not be included in the comments.

FOR FURTHER INFORMATION CONTACT: *With regard to* this Advance Notice of Proposed Rulemaking in General: Hiram H. Bernstein or Robert W. Bahr, by telephone at (703) 305–9285, or by mail addressed to: Box Comments—Patents, Assistant Commissioner for Patents, Washington, DC 20231, or by facsimile to (703) 308–6916, marked to the attention of Mr. Bernstein.

With regard to simplifying request for small entity status (Topic 1): James E. Bryant, III, at the above telephone number.

With regard to requiring separate surcharges and supplying filing receipts (Topic 2), and permitting delayed submission of an oath or declaration, and changing time period for submission of the basic filing fee and English translation (Topic 3), and creating a PTO review service for applicant-created forms (Topic 21): Fred A. Silverberg, at the above telephone number.

With regard to limiting the number of claims in an application (Topic 4), providing for presumptive elections (Topic 14), and creating alternative review procedures for applications under appeal (Topic 18): Robert W. Bahr, at the above telephone number.

With regard to harmonizing standards for patent drawings (Topic 5), printing patents in color (Topic 6), and reducing time for filing corrected or formal drawings (Topic 7): Karin L. Tyson, at the above telephone number.

With regard to permitting electronic submission of voluminous material (Topic 8): Jay Lucas, at the above telephone number.

With regard to imposing limits/requirements on information disclosure statement submissions (Topic 9), and refusing information disclosure statement consideration under certain circumstances (Topic 10): Kenneth M. Schor, at the above telephone number.

With regard to providing no cause suspension of action (Topic 11): Gerald A. Dost, at the above telephone number.

With regard to requiring a handling fee for preliminary amendments and supplemental replies (Topic 12): Randall L. Green, at the above telephone number.

With regard to changing amendment practice to replacement by paragraphs/claims (Topic 13), requiring identification of broadening in a reissue application (Topic 16), and changing multiple reissue application treatment (Topic 17): Joseph A. Narcavage, at the above telephone number.

With regard to creating a rocket docket for design applications (Topic 15): Lawrence E. Anderson, at the above telephone number.

With regard to eliminating preauthorization of payment of the issue fee (Topic 19), and reevaluating the Disclosure Document Program (Topic 20): John F. Gonzales, at the above telephone number.

SUPPLEMENTARY INFORMATION:

I. Background

For Fiscal Year 1999, the PTO is emphasizing its core business: (1) the granting of patents; (2) the registering of trademarks; and (3) the dissemination of the information contained in those documents. The Presidential themes of encouraging innovation and investment, enhancing our customers' satisfaction and seeking efficiencies through international cooperation are embodied in the business goals of the organizations reporting to the Assistant Commissioner for Patents (Patent Business Goals).

President Clinton's Framework for Global Electronic Commerce demands that the United States make its system for protecting patentable innovations more efficient to meet the needs of the fast-moving electronic age. The PTO was selected by Vice President Gore as one of a small group of Federal agencies, known as High Impact Agencies, that has a direct impact on the public. The products and services that the PTO provides to its customers must enable them to get their new inventions and new ideas into the American and global marketplace.

The PTO's participation as a High Impact Agency is expressed in its Year 2000 Commitments, part of the Fiscal Year 1999 Annual Performance Plan. Some key objectives of that plan include:

1. The PTO will reduce its processing or cycle time (*i.e.*, the actual time spent by the PTO in processing an application, which does not include the time when the PTO is awaiting a reply or other action by the applicant) for inventions to twelve months by the year 2003.

2. The PTO will test reengineered processes and automated systems, and

be ready to deploy electronic processing of patent applications by the year 2003.

3. The PTO will work with the World Intellectual Property Organization (WIPO) to achieve electronic filing of Patent Cooperation Treaty applications, and by the year 2000, electronically receive and process Patent Cooperation Treaty (PCT) applications at the PTO.

The activities in this plan call for changes in the very nature of the patent prosecution activity as it currently exists. Such activities are reflected in the regulations of the PTO, Title 37 of the Code of Federal Regulations. This rulemaking is designed to be the vehicle of the changes to these regulations, to embody the spirit and substance of the PTO's activities for self-improvement.

II. Specific Patent Business Goals

The PTO has established five specific Patent Business Goals, which have been adopted as part of the Fiscal Year 1999 Corporate Plan Submission of the President. The five Patent Business Goals are:

Goal 1: Reduce PTO processing time (cycle time) to twelve months or less for all inventions.

Goal 2: Establish fully-supported and integrated Industry Sectors.

Goal 3: Receive applications and publish patents electronically.

Goal 4: Exceed our customers' quality expectations, through the competencies and empowerment of our employees.

Goal 5: Align fees commensurate with resource utilization and customer efficiency.

The organizations reporting to the Assistant Commissioner for Patents have developed a business plan (Patent Business Plan) to achieve the Patents Business Goals. The rule and procedure changes currently under consideration by the PTO, and to which this Advance Notice of Proposed Rulemaking (Advance Notice) pertains, are in support of the Patent Business Plan.

An example of how the PTO is considering changes to the rules of practice and procedure to meet the varied demands of its customers is shown by the consideration of both an expedited examination procedure for design applications as well as an expanded suspension of action (or deferred examination) procedure. Currently, all applications are, with limited exceptions, scheduled for examination based upon their filing date. *See* section 708.02 of the Manual of Patent Examining Procedure (6th ed., rev. 3, July 1997) (MPEP). While the rules of practice do provide for the advancement of applications for examination (37 CFR 1.102) and suspension of action in an application (37 CFR 1.103), the current procedures are not sufficiently tailored to the varied needs of the PTO's customers.

The PTO is considering providing a procedure under which those design applicants who need rapid examination due to rapid style changes will be able to request expedited examination of their applications. The PTO is also considering providing a procedure under which those applicants who do not need or desire examination (*e.g.*, the cost of prosecution is a burden and the invention is not yet commercially viable) will be able to request a prolonged suspension of action. Obviously, applicants may be required to pay additional fees (*e.g.*, to recover the PTO's costs of exception processing for an expedited application) or waive certain rights (*e.g.*, agree to publication of the application as a condition of a prolonged suspension of action) to avail themselves of the benefits of these procedures.

Finally, the changes under consideration are intended to improve the PTO's business processes in the context of the current legal and technological environment. Should these environments change (*e.g.*, by adoption of an international Patent Law Treaty, enactment of H.R. 400 or S. 507, 105th Cong., 1st Sess. (1997), or implementation of new automation capabilities), the PTO would have to reconsider its business processes and make such further changes to the rules of practice as are necessary.

III. Topics for Public Comment

A. Introduction

The topics on which the PTO particularly desires public input at this rulemaking stage are:

(1) Simplifying requests for small entity status (37 CFR 1.27);

(2) Requiring separate surcharges and supplying filing receipts (37 CFR 1.53);

(3) Permitting delayed submission of an oath or declaration, and changing time period for submission of the basic filing fee and English translation (37 CFR 1.52, 1.53);

(4) Limiting the number of claims in an application (37 CFR 1.75);

(5) Harmonizing standards for patent drawings (37 CFR 1.84);

(6) Printing patents in color (37 CFR 1.84);

(7) Reducing time for filing corrected or formal drawings (37 CFR 1.85);

(8) Permitting electronic submission of voluminous material (37 CFR 1.96, 1.821);

(9) Imposing limits/requirements on information disclosure statement submissions (37 CFR 1.98);

(10) Refusing information disclosure statement consideration under certain circumstances (37 CFR 1.98);

(11) Providing no cause suspension of action (37 CFR 1.103);

(12) Requiring a handling fee for preliminary amendments and supplemental replies (37 CFR 1.111);

(13) Changing amendment practice to replacement by paragraphs/claims (37 CFR 1.121);

(14) Providing for presumptive elections (37 CFR 1.141);

(15) Creating a rocket docket for design applications (37 CFR 1.155);

(16) Requiring identification of broadening in a reissue application (37 CFR 1.173);

(17) Changing multiple reissue application treatment (37 CFR 1.177);

(18) Creating alternative review procedures for applications under appeal (37 CFR 1.192);

(19) Eliminating preauthorization of payment of the issue fee (37 CFR 1.311);

(20) Reevaluating the Disclosure Document Program; and

(21) Creating a PTO review service for applicant-created forms.

A discussion of each of these topics is set forth below.

The topics discussed in this Advance Notice are those for which the PTO is considering the greatest change from current practice. For this reason, the PTO is publishing this Advance Notice (rather than a Notice of Proposed Rulemaking) to obtain public input on these topics at the inception of the rulemaking process. The public is invited to submit written comments on any of the topics, including issues related to changes in practice as well as the implementation of any such change in practice. Certain topics do not conclude with questions; however, the PTO desires comments on such topics in general.

Other Considerations

This Advance Notice is in conformity with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Executive Order 12612 (October 26, 1987), and the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). It has been determined that this rulemaking is significant for the purposes of Executive Order 12866 (September 30, 1993).

This Advance Notice involves information collection requirements which are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). The collections of information involved in this Advance Notice have been reviewed and previously approved by OMB under the following control

numbers: 0651–0021, 0651–0030, 0651–0031, 0651–0032, 0651–0033, 0651–0035, and 0651–0037. Any collections of information whose requirements will be revised as a result of the proposed rule changes discussed in this Advance Notice will be submitted to OMB for approval. The principal impact of the changes under consideration in this Advance Rule is to raise the efficiency and effectiveness of the PTO's business processes to make the PTO a more business-like agency and increase the level of the PTO's service to the public.

Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), the PTO has submitted a copy of this Advance Notice to OMB for its review of these information collections. Interested persons are requested to send comments regarding these information collections, including suggestions for reducing this burden, to Robert J. Spar, Director, Special Program Law Office, Patent and Trademark Office, Washington, D.C. 20231, or to the Office of Information and Regulatory Affairs of OMB, New Executive Office Bldg., 725 17th St. NW, rm. 10235, Washington, DC 20503, Attn: Desk Officer for the Patent and Trademark Office.

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

B. Discussion of Specific Topics

1. Simplifying request for small entity status (37 CFR 1.27)

Summary: The PTO is considering simplifying applicant's request for small entity status. The currently used small entity statement forms would be eliminated as they would no longer be needed.

Specifics of Change being Considered: Small entity status would be established at any time by a simple assertion of entitlement to small entity status without the currently required formalistic reference to 37 CFR 1.9. Payment of the (exact) small entity basic filing fee would be considered an assertion of small entity status. To establish small entity status after payment of the basic filing fee, a written assertion of small entity status would be required to be submitted with or prior to a fee payment. There would be no change in the current requirement to make an investigation in order to determine entitlement to small entity status; the PTO would only be changing the ease with which small entity status can be claimed once it has been determined that a claim to such status is appropriate.

Problem and Background: 37 CFR 1.27 currently requires that a request for small entity status be accompanied by submission of an appropriate statement that the party seeking small entity status qualifies in accordance with 37 CFR 1.9. Either a reference to 37 CFR 1.9 or a specific statement relating to the provisions of 37 CFR 1.9 is mandatory. For a small business, the small business must either state that exclusive rights remain with the small business, or if not, identify the party to which some rights have been transferred so that the party to which rights have been transferred can submit its own small entity statement (37 CFR 1.27(c)(1)(iii)). This can lead to the submission of multiple small entity statements for each request for small entity status where rights in the invention are split. The request for small entity status and reference/statement may be submitted prior to paying, or at the time of paying, any small entity fee. In part, to ensure that at least the reference to 37 CFR 1.9 is complied with, the PTO has produced four types of small entity statement forms (including ones for the inventors, small businesses and non-profit organizations) that include the required reference to 37 CFR 1.9 and specific statements as to exclusive rights in the invention. Additionally, the statement forms relating to small businesses and non-profit organizations need to be signed by an appropriate official empowered to act on behalf of the small business or non-profit organization. Refunds of non-small entity fees can only be obtained if a refund is specifically requested within two months of the payment of the full (non-small entity) fee and is supported by the required small entity statement. *See* 37 CFR 1.28(a)(1). The two-month refund window is not extendable.

The rigid requirements of 37 CFR 1.27 and 1.28 have led to a substantial number of problems. Applicants, particularly *pro se* applicants, do not always recognize that a particular reference to 37 CFR 1.9 is required in their request to establish small entity status. They believe that all they have to do is pay the small entity fee and state that they are a small entity. Further, the time required to ascertain who are the appropriate officials to sign the statement and to have the statements (referring to 37 CFR 1.9) signed and collected (where more than one is necessary), results, in many instances, in having to pay the higher non-small entity fees and then seek a refund. These situations result in: (1) small entity applicants also having to pay additional fees (*e.g.*, surcharges and extension(s) of time fees for the delayed submission of the small entity statement form); (2) additional correspondence with the PTO to perfect a claim for small entity status; and (3) the filing of petitions with petition fees to revive abandoned applications. This increases the pendency of the prosecution of the application in the PTO and, in some cases, results in loss of patent term. For example, under current procedures, if a *pro se* applicant files a new application with small entity fees but without a small entity statement, the PTO mails a notice to the *pro se* applicant requiring the full basic filing fee of a non-small entity. Even if the applicant timely files a small entity statement, the applicant must still timely pay the small entity surcharge for the delayed submission of the small entity statement to avoid abandonment of the application. A second example is a non-profit organization paying the basic filing fee as a non-small entity because of difficulty in obtaining the non-profit small entity statement form signed by an appropriate official. In this situation, a refund pursuant to 37 CFR 1.26, based on establishing status as a small entity, may only be obtained if a statement under 37 CFR 1.27 and the request for the excess amount are filed within the non-extendable two-month period from the date of the timely payment of the full fee. A third example is an application filed without the basic filing fee on behalf of a small business by a practitioner who includes the standard authorization to pay additional fees. The PTO will immediately charge the non-small entity basic filing fee without specific notification thereof at the time of the charge. By the time the deposit account statement is received and reviewed, the two-month period for refund may have expired.

Accordingly, a simpler procedure to establish small entity status would reduce processing time within the PTO (Patent Business Goal 1) and would be a tremendous benefit to small entity applicants as it would eliminate the time-consuming and aggravating processing requirements that are mandated by the current rules. Thus, the proposed simplification would help small entity applicants to receive patents sooner with fewer expenditures

in fees and resources and the PTO could issue the patent with fewer resources (Patent Business Goals 4 and 5).

Simplified Request for Small Entity Status: The PTO is considering allowing small entity status to be established by the submission of an assertion of entitlement to small entity status. The current formal requirements of 37 CFR 1.27, which include a reference to either 37 CFR 1.9, or to the exclusive rights in the invention, would be eliminated. If small entity status is to be requested at the time of payment of the basic filing fee, the payment of the (exact) small entity basic filing fee will be considered to be a sufficient assertion. If small entity status was not established when the basic filing fee was paid, a later claim to small entity status would be by way of a written assertion. Payment of a small entity fee (*e.g.*, extension of time, or issue fee) without inclusion of a written assertion would not be sufficient.

The written assertion will not be required to be presented in any particular form. Written assertions of small entity status or references to small entity fees will be liberally interpreted to represent the required assertion. The written assertion could be made in any paper filed in or with the application and need be no more than a simple sentence or a box checked in an application transmittal letter or reply cover sheet. Accordingly, small entity status could be established without submission of any of the current small entity statement forms (PTO/SB/09–12) that embody and comply with the current requirements of 37 CFR 1.27 and which are therefore now used to establish small entity status.

An applicant filing a patent application and paying the exact small entity basic filing fee would automatically establish small entity status for the application even without any further written assertion of small entity status. If payment is made, but it is not the exact small entity basic filing fee required and a written assertion of small entity status is not present, the PTO would mail a notice of insufficient filing fees as in current practice. The PTO would not consider a basic filing fee submitted in an amount above the correct small entity basic filing fee, but below the non-small entity filing fee, as a request to establish small entity status unless an additional written assertion is also present. Of course, the submission of a basic filing fee below the correct small entity basic filing fee would not serve to establish small entity status. Where an application is originally filed by a party, who is in fact a small entity, with an authorization to charge fees (including filing fees) and no indication (assertion) of entitlement to small entity status, that authorization would not be sufficient to establish small entity status unless the authorization was specifically directed to small entity filing fees. The general authorization to charge fees would continue to be acted upon immediately and the full (not small entity) filing fees would be charged with applicant having two months to request a refund by asserting entitlement to small entity status. This would be so even if the application were a continuing application where small entity status had been established in the prior application.

Once small entity status is established in an application, any change in status from small to non-small, would also require a specific written assertion to that extent, similar to current practice.

The party who could request small entity status would be any party permitted by PTO regulations to pay the basic filing fee and file a paper in the application. This eliminates the additional requirement of obtaining the signature of an appropriate party other than the party prosecuting the application. By way of example, in the case of three *pro se* inventors for a particular application, any of the three inventors upon filing the application could pay a small entity basic filing fee and thereby establish small entity status for the application. For small business concerns and non-profit organizations, the practitioner could supply the assertion rather than the current requirement for an appropriate official of the organization to execute a small entity statement form.

PTO policy and procedures already permit establishment of small entity status in certain applications through simplified procedures. For example, small entity status may be established in a continuing or reissue applications simply by payment of the small entity basic filing fee if the prior application/patent had small entity status. *See* 37 CFR 1.28(a)(2). The instant concept of payment of the basic statutory filing fee to establish small entity status in a new application is merely a logical extension of that practice.

There may be some concern that elimination of the small entity statement forms will result in applicants requesting small entity status who are not actually entitled to such status. On balance, it seems that more errors occur where small entity applicants who are entitled to such status run afoul of procedural hurdles formed by the requirements of 37 CFR 1.27 than the requirements help to prevent status claims for those who are not in fact entitled to such status.

Correction of any inadvertent and incorrect establishment of small entity status would be by way of a paper under 37 CFR 1.28(c) as in current practice.

Continued Obligations for Thorough Investigation of Small Entity Status: Applicants should not confuse the fact that the PTO is making it easier to qualify for small entity status with the need to do a complete and thorough investigation and to assert that they do in fact qualify for small entity status. It should be clearly understood that, even though it would be much easier to assert and thereby establish small entity status, applicants would continue to need to make a full and complete investigation of all facts and circumstances before making a determination of actual entitlement to small entity status. Where entitlement to small entity status is uncertain it should not be claimed. *See* MPEP 509.03. The assertion of small entity status (even by mere payment of the exact small entity basic filing fee) is not appropriate until such an investigation has been completed. Thus, in the previous example of the three *pro se* inventors, before one of the inventors could pay the small entity basic filing fee to establish small entity status, the inventor would need to check with the other two inventors to determine whether small entity status was appropriate.

The intent of 37 CFR 1.27 is that the person making the assertion of small entity status is the person in a position to know the facts about whether or not status as a small entity can be properly established. That person, thus, has a duty to investigate the circumstances surrounding entitlement to small entity status to the fullest extent. Therefore, while the PTO is interested in making it easier to claim small entity status, it is important to note that small entity status must not be claimed unless the person or persons can unequivocally make the required self-certification.

Consistent with 37 CFR 1.4(d)(2), which sets forth that for the presentation to the PTO (whether by signing, filing, submitting, or later advocating) of any paper by a party, whether a practitioner or non-practitioner, the payment of a small entity basic filing fee would constitute a certification under 37 CFR 10.18. Thus, a simple payment of the small entity basic statutory filing fee will activate the provisions of 37 CFR 1.4(d)(2) and, by that, provoke the self-certification as set forth in 37 CFR 10.18(b), regardless of whether the party is a practitioner or non-practitioner.

2. Requiring separate surcharges and supplying filing receipts (37 CFR 1.53)

Summary: The PTO is considering charging separate surcharges in a nonprovisional application for the delayed submission of an oath/declaration, and the application filing fee, and issuing another filing receipt, without charge, to correct any errors or to update filing information, as needed.

Specifics of Change Being Considered: The PTO would charge a separate surcharge (currently $130) for each missing part item that is submitted in a delayed manner. Thus, the delayed submission of both an oath/declaration under 37 CFR 1.63, and the payment of the basic filing fee in a nonprovisional application filed under 35 U.S.C. 111(a), would result in the imposition of two surcharges (totaling $260). The change under consideration would not apply to provisional applications filed under 35 U.S.C. 111(b) and 37 CFR 1.53(c). In addition, as the basic national fee must be submitted by the expiration of the applicable twenty- or thirty-month period in 35 U.S.C. 371(b) in a PCT application, the change under consideration would also be inapplicable to applications filed under the PCT.

While the PTO would be charging a separate surcharge for each missing part submitted in a delayed manner, the PTO would also be providing three new user-friendly services which were requested by, and would provide benefits that are desired by, our customers. The three new user-friendly services are: (1) issuing a corrected filing receipt without the fee presently required by 37 CFR 1.9(h) when an oath/declaration, and/or the payment of the application filing fee are submitted in a delayed manner; (2) issuing a corrected filing receipt without the fee presently required by 37 CFR 1.19(h), and without a question as to fault, for any error in the filing receipt; and (3) placing a copy of each filing receipt supplied to the applicant in the application file as evidence of issuance of the filing receipt.

Background: Approximately thirty-one per cent of all nonprovisional applications filed are missing parts applications, that is, an application filed without an executed oath/declaration and/or the application filing fee, with a substantial burden being placed on the PTO to provide additional handling, storage and processing for these missing part applications. Neither the payment of the application filing fee nor an oath/declaration in compliance with 37 CFR 1.63 is needed for an application to meet the minimum requirements to be accorded a filing date in a nonprovisional application. *See* 37 CFR 1.53(b). Currently, the PTO charges a single surcharge of $130 for the filing of an oath/declaration or the filing fee or both on a date later than the application filing date. At present, the PTO issues a filing receipt at the time a determination is made that an application meets the minimum requirements to receive a filing date. The filing receipt includes, among other things, bibliographic information (*e.g.*, inventive entity/application identifier, title, continuing data, inventor's city and state address, foreign priority, attorney docket number), while also denoting, among other things, the application number, filing date and receipt of the application filing fee. A ''Notice of Omitted Item(s)'' (form PTO–1669) or a ''Notice To File Missing Parts'' (PTO–1533), if needed, are mailed separately. A ''Notice of Omitted Items'' is mailed by the PTO in an application wherein the application papers so deposited have been accorded a filing date, but a portion (*e.g.*, some of the page(s) of or figure(s) of drawings described in the specification) has been omitted from the submitted application parts. *See Change in Procedure Relating to an Application Filing Date;* Notice, 61 FR 30041 (June 13, 1996), 1188 *Off. Gaz. Pat. Office* 48 (July 9, 1996), and MPEP 601.01(d)–(h). A ''Notice To File Missing Parts'' is mailed by the PTO in an application wherein a part of the application (*e.g.*, the oath/declaration, or the appropriate application filing fee) has been omitted on filing. *See Changes in Practice in Supplying Certified Copies and Filing Receipts;* Notice, 1199 *Off. Gaz. Pat. Office* 38 (June 10, 1997), and MPEP 601.01(a). Examination of the application does not begin until all the required parts (*e.g.*, filing fee, and oath/declaration) are received. *See* 37 CFR 1.53(h).

In addition, the PTO recently amended 37 CFR 1.41 and 1.53 (effective December 1, 1997) to provide that the names of the inventors are no longer required in order for an application to meet the minimum requirements to be accorded a filing date. *See Changes to Patent Practice and Procedure;* Final Rule Notice, 62 FR 53131, 53186–88 (October 10, 1997), 1203 *Off. Gaz. Pat. Office* 63, 111–13 (October 21, 1997). The names of all the inventors are taken from an executed oath/declaration timely submitted in compliance with 37 CFR 1.63, with the inventive entity being set at that time, 37 CFR 1.41(a)(1). The filing receipt is mailed even if an oath/declaration in compliance with 37 CFR 1.63, the application filing fee, or the actual names of the inventors have not been submitted on filing. In an application which is entitled to a filing date but not naming the actual inventors on filing, an identifier (*e.g.*, the attorney's docket number, or all or a part of the names of the actual inventors) may be used to identify the application, 37 CFR 1.41(a)(3). In the past, upon the filing of an oath/declaration in compliance with 37 CFR 1.63, the PTO did not issue a corrected filing receipt, but only updated PTO records as to the actual inventors for the application. If (1) the inventive entity being submitted by the later filed oath/declaration was different from the identifier/inventive entity used to identify the application on filing and (2) applicant(s) desired a corrected filing receipt containing the corrected information or correction of any other information contained thereon (not due to PTO error), then applicant(s) had to request such in a separate paper filed with the PTO along with the requisite fee under 37 CFR 1.19(h). Further, where a proper small entity statement was not submitted until after the mailing of the filing receipt and a corrected filing receipt was desired to show small entity status based on the small entity statement submitted after the mailing of the filing receipt, a request for such a corrected filing receipt must have been filed along with the requisite fee under 37 CFR 1.19(h).

Separate surcharges: The cost for processing these missing parts applications has increased. Further, the separate submission of each missing part in a delayed manner causes the PTO to perform double the amount of work, as the application would be twice processed for a submitted missing part, with presently only one surcharge being required. Those who delay in submitting either of the items noted above should bear the costs. Patent Business Goal (5) is to assess fees commensurate with resource utilization and customer efficiency. In support of that goal, it is being considered that a separate surcharge be required for the filing of an oath/declaration in compliance with 37 CFR 1.63, and for the payment of the application filing fee on a date later than the application filing date. Therefore, if both the oath/declaration and the application filing fee were submitted on a date later than the application filing date, a payment of $260 ($130 for the late filing of the oath/declaration, and $130 for the late filing of the application filing fee) in current fees would be due on the application.

No incentive currently exists for the submission of the basic filing fee on filing if an executed oath or declaration is not also available for submission.

This change would encourage applicants to submit the basic filing fee on filing, even if an executed oath or declaration is not available for submission. Patent Business Goal (1) is to reduce PTO processing time to twelve months or less for all inventions. This change, in combination with the change under consideration in topic 3, would reduce pre-examination processing time, since it would encourage the submission on filing of an application in condition for examination, even if an executed oath or declaration is not available for submission on filing.

Three new services: While the PTO would be charging a separate surcharge for each missing part submitted in a delayed manner, the PTO would also be providing three new user-friendly services which were requested by our customers and provide benefits that are desired by our customers. As a first new service, in addition to the filing receipt being mailed at the time the application is accorded a filing date, a corrected filing receipt would always be mailed to reflect receipt of the oath/declaration in compliance with 37 CFR 1.63, and/or the payment of the application filing fee when they are submitted. No longer would applicant have to file a request for a new filing receipt, to pay a separate fee for it per 37 CFR 1.19(h), or submit a status letter to see if PTO records were updated due to the filing of the oath/declaration. The corrected filing receipt should reflect the actual inventive entity of the application, if it was mailed in response to the receipt of the oath/declaration in compliance with 37 CFR 1.63. Patent Business Goal (4) is to exceed our customers' quality expectations, through the competencies and empowerment of our employees. This new service would be in support of that goal. The PTO has begun this first new service in anticipation of the increase in surcharge fees and to better serve our customers' needs.

As a second new service, if there is an error in the data printed on the filing receipt and a request for a corrected receipt is submitted, the PTO would issue a corrected filing receipt without a fee and without a question as to fault. Patent Business Goal (1) is to reduce PTO processing time to twelve months or less for all inventions. Patent Business Goal (4) is to exceed our customers' quality expectations, through the competencies and empowerment of our employees. Without having to determine who caused the error in the filing receipt, corrected filing receipts would be issued faster and with less inconvenience to all, which would be in support of those goals. Further, the PTO has received substantial feedback that timely receipt of an accurate filing receipt is of great importance to our customers. This second new service is in direct response to this repeated message. Again, the PTO has already begun this second new service in anticipation of the increase in surcharge fees and to better serve our customers' needs.

As a third new service, every time a filing receipt is issued, the PTO would place a copy of the filing receipt in the application file as evidence thereof. Today, a copy of a filing receipt is not placed in the application file, irrespective of the reasons for its issuance. By always placing a copy of the filing receipt in the application file, it will be easier to later determine whether there is still an error in the filing receipt in question, or whether a filing receipt or a corrected filing receipt was actually mailed. Further, since a copy of the filing receipt would now be located in the application file, the time for the PTO to answer questions regarding a particular filing receipt would be greatly reduced. Patent Business Goal (4) is to exceed our customer's quality expectations, through the competencies and empowerment of our employees. This would be in support of that goal.

3. Permitting delayed submission of an oath or declaration, and changing the time period for submission of the basic filing fee and English translation (37 CFR 1.52, 1.53)

Summary: The PTO is considering amending 37 CFR 1.53 to provide that an executed oath or declaration for a nonprovisional application would not be required until the expiration of a period that would be set in a ''Notice of Allowability'' (PTOL–37). The PTO is also considering amending 37 CFR 1.52 and 1.53 to provide that the basic filing fee and an English translation (if necessary) for a nonprovisional application must be submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application.

Specifics of Change Being Considered: The PTO is considering amending 37 CFR 1.53 to provide that an executed oath or declaration for a nonprovisional application would not be required until the applicant is notified that it must be submitted within a one-month period that would be set in a ''Notice of Allowability,'' provided that the following are submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application: (1) the name(s), residence(s), and citizenship(s) of the person(s) believed to be the inventor(s); (2) all foreign priority claims; and (3) a statement submitted by a registered practitioner that: (a) an inventorship inquiry has been made, (b) the practitioner has sent a copy of the application (as filed) to each of the person(s) believed to be the inventor(s), (c) the practitioner believes that the inventorship of the application is as indicated by the practitioner, and (d) the practitioner has given the person(s) believed to be the inventor(s) notice of their obligations under 37 CFR 1.63(b). In addition, the PTO is considering requiring an applicant to file a continuing application to file an executed oath or declaration naming an inventorship different from that previously stated by the practitioner once prosecution in an application is closed.

The PTO is also considering amending 37 CFR 1.52 and 1.53 to provide, by rule, that the basic filing fee and an English translation (if the application was filed in a language other than English) for a nonprovisional application must be submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application. Applicants will not be given a notice (*e.g.*, a ''Notice To File Missing Parts'' (PTO–1533)) that the basic filing fee is missing or insufficient, unless the application is filed with an insufficient basic filing fee that at least equals the basic filing fee that was in effect the previous fiscal year. Finally, the filing receipt will indicate the amount of filing fee received and remind applicants that the basic filing fee must be submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application.

These changes will permit the PTO to virtually eliminate the current practice of mailing notices (*e.g.*, a ''Notice To File Missing Parts'') during the initial processing of a nonprovisional application to require submission of an oath or declaration, basic filing fee, or an English translation.

Background: As discussed above, 37 CFR 1.53(b), as amended effective December 1, 1997, does not require that a nonprovisional application under 35 U.S.C. 111(a) include an executed oath or declaration under 37 CFR 1.63, the names of the inventor(s), any filing fee, or English language application papers for the application to meet the minimum requirements to be accorded a filing date. The PTO, however, does not examine the application until an executed oath or declaration under 37 CFR 1.63 (naming the inventor(s)), the filing fee, and English language application papers are submitted. If an

executed oath or declaration under 37 CFR 1.63, filing fee, or English language application papers are not submitted with the filing of a nonprovisional application, the PTO will mail a notice requiring that they be filed (with a surcharge) within two months from the mail date of the notice (plus any extensions under 37 CFR 1.136) to avoid abandonment.

The PTO has received numerous comments from the public indicating that there is great difficulty in filing an executed oath or declaration (*e.g.*, at times it is difficult to determine the names of the actual inventor(s) or it may be difficult to locate the inventor(s)), and that pre-examination processing of a nonprovisional application is a long burdensome process. Difficulty in obtaining the signatures of all the inventor(s) has often resulted in a petition (and fee) under 37 CFR 1.47 (filing when an inventor refuses to sign or cannot be reached). The PTO cannot eliminate the requirement for an oath or declaration in a nonprovisional application without a statutory change. *See* 35 U.S.C. 111(a)(2)(C) and 115. The Commissioner, however, has latitude as to when an oath or declaration and the filing fee must be submitted for a nonprovisional application. *See* 35 U.S.C. 111(a)(3).

Discussion: The PTO is considering amending 37 CFR 1.53 to provide that an executed oath or declaration for a nonprovisional application is not required until the expiration of a period that would be set in a ''Notice of Allowability'' (plus extensions under 37 CFR 1.136), rather than prior to examination of the application. Permitting delayed submission of the oath or declaration until the expiration of a period set in the mailing of a ''Notice of Allowability'' would allow practitioners additional time to have the oath or declaration executed by all the inventor(s). In addition, if the invention turns out to be unpatentable, no signatures for the oath or declaration would ever be needed.

If an oath or declaration is not submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application, the PTO will require that within this period a registered practitioner: (1) submit the name(s), residence(s), and citizenship(s) of the person(s) believed to be the inventor(s); (2) submit all foreign priority claims; and (3) make and submit a statement that he or she has made an inventorship inquiry (*i.e.*, ascertain the inventorship of the application to the best of his or her knowledge) and that he or she believes that the inventorship is in fact those person(s) so identified as the person(s) believed to be the inventor(s). In addition, the practitioner must state that he or she has sent such person(s) a copy of the application (specification, including claims, and drawings) filed in the PTO, and given such person(s) notice of their obligations to review and understand the contents of the application and of their duty to disclose to the PTO all information known to the person to be material to patentability under 37 CFR 1.56. *See* 37 CFR 1.63(b).

The surcharge set forth in 37 CFR 1.16(e) would also be required if the oath or declaration is submitted on a date later than the filing date of the application, regardless of whether the oath or declaration is filed before a ''Notice of Allowability'' is mailed.

For examination purposes, it would be presumed that the inventive entity is that set forth by the practitioner in the application as forwarded to the examiner. As discussed above, all claims for foreign priority benefits under 35 U.S.C. 119 or 365 would be submitted prior to examination. The examiner needs this foreign priority claim information to determine whether an additional ''back-up'' rejection is appropriate. *See* MPEP 904.02. If an oath or declaration is omitted on filing, the first Office action would inform applicant(s) (*e.g.*, through an attached Notice of Informal Application, PTO–152) that an oath or declaration is outstanding.

37 CFR 1.48(f)(1) would continue to provide that, in an application not including an executed oath or declaration, the submission of an executed oath or declaration (such as in reply to a ''Notice of Allowability'') naming an inventorship different from that previously indicated by the practitioner as the person(s) believed to be the inventor(s) would operate to correct the inventorship without the need for the filing of a petition under 37 CFR 1.48. Nevertheless, this action may cause examination-related problems with the application, in that upon entry of such an oath or declaration the examiner would have to consider whether new rejection(s) are necessary under, for example, 35 U.S.C. 102(a) (''invention * * * by others''), or 102(e) (''invention * * * by another''), or 103/102(a) or (e). Therefore, the PTO is considering requiring a processing fee (in addition to the surcharge) for submission of such an oath or declaration after the first Office action but before the close of prosecution on the merits. In addition, if such an oath or declaration necessitates that a new ground of rejection be made, the next Office action containing the new ground of rejection, absent anything to the contrary, may be made final. *See* MPEP 706.07(a). The PTO is also considering prohibiting the submission of such an oath or declaration that names an inventorship different from that previously indicated by the practitioner as the person(s) believed to be the inventor(s) after prosecution on the merits has closed (*e.g.*, after a final Office action, allowance, or action under *Ex parte Quayle*, 1935 Dec. Comm'r Pat. 11 (1935)), and requiring that a continuing application be filed in order to permit entry of such an oath or declaration.

The right to prosecute an application (*e.g.*, appoint a representative by a power of attorney or authorization of agent) flows from ownership of the application, which in turn flows from inventorship. In the absence of an assignment the inventor has the right to conduct prosecution of the application (even if the application was prepared and filed by the company for whom the inventor works). Where there is an assignment, the assignee may intervene pursuant to 37 CFR 3.71 and conduct the prosecution to the exclusion of the named inventors. In a large percentage of applications, inventors execute an assignment when the oath or declaration under 37 CFR 1.63 is executed, and appoint representatives as part of the oath or declaration.

Delaying execution of the oath or declaration will, most likely, also encourage delaying execution of the assignment. 37 CFR 3.71 requires an actual assignee of record and does not provide a right of prosecution for parties having an expectation of assignment (*e.g.*, based on an employment contract or a shop right). Hence, since a delay in executing the oath or declaration under 37 CFR 1.63 will probably cause a delay in executing an assignment, an assignee may be unable to avail itself of controlling prosecution under 37 CFR 3.71.

A registered practitioner may take some actions in a patent application by providing his registration number on the paper. *See* 37 CFR 1.34(b). However, only an attorney or agent that is of record, the inventor, or the assignee of the entire interest can take certain actions in an application. For example, only an attorney or agent that is of record can change the correspondence address. *See* 37 CFR 1.33(a). In addition, only an attorney or agent that is of record may execute a power to inspect. *See* 37 CFR 1.14(e)(2).

The PTO is also considering amending 37 CFR 1.34(b) to include in the definition of ''attorney or agent of record'' the attorney or agent that filed

the application. With such a change, an appointment as a representative would not be required before the attorney could change the address in the application file or authorize another to inspect the patent application file, among other things. In addition, 37 CFR 1.34(b) would be amended to provide that a *pro se* inventor who signs a transmittal letter for an application is considered to represent all inventors for the purposes of prosecuting the patent application. *Pro se* inventors frequently do not realize that all inventors need to sign each piece of correspondence to the Office (*e.g.*, each amendment, *see* MPEP 714.01(a)) and a *pro se* inventor will frequently have difficulty obtaining the other inventor's signature during the time provided. With such a change, *pro se* applicants that do not have the foresight of appointing a single representative will have an easier time filing a response to Office actions.

Additionally, the PTO is considering amending 37 CFR 1.52(d) and 1.53 to provide that an English language translation (if the application was filed in a language other than English) and the basic filing fee be submitted no later than one month from the filing date of the nonprovisional application. This one-month period would be extendable under 37 CFR 1.136. The current process of mailing notices (*e.g.*, a ''Notice To File Missing Parts'' (PTO–1533)) which gives a period (*e.g.*, two months) for submitting the basic filing fee or English translation in a nonprovisional application would be eliminated, as: (1) the basic filing fee would be due on filing, or required with the surcharge under 37 CFR 1.16(e) within one month (plus extensions under 37 CFR 1.136) from the filing date of the application; and (2) any English translation (if the application was filed in a language other than English) would be required with the processing fee set forth in 37 CFR 1.17(k) within one month (plus extensions under 37 CFR 1.136) from the filing date of the application. Except for the situation discussed below, there is no apparent justification for the PTO continuing to mail notices to advise applicants of that which they should already know: (1) that they did not submit the basic filing fee with the application; or (2) that they did not file the application in English.

For example: (1) if the basic filing fee is submitted on filing, no surcharge under 37 CFR 1.16(e) or extension fee under 37 CFR 1.17(a) is required; (2) if the basic filing fee is not submitted on filing but is submitted within one month of the application filing date, the surcharge under 37 CFR 1.16(e) is required but no extension fee under 37 CFR 1.17(a) is required; and (3) if the basic filing fee is not submitted on filing or within one month of the application filing date, but is submitted within six months (the one month that would be provided by rule plus five additional months that may be obtained pursuant to 37 CFR 1.136) of the application filing date, the surcharge under 37 CFR 1.16(e) and appropriate extension fee under 37 CFR 1.17(a) are required. The processing fee set forth in 37 CFR 1.17(k) is required whenever the original application is filed in a language other than English, regardless of when the English translation is submitted.

Exception: In the situation in which an application is filed with an insufficient basic filing fee (due to a fee increase) that at least equals the basic filing fee that was in effect the previous Fiscal Year, the applicant will be given a filing fee deficiency notice, which notice will set a one-month period (extendable under 37 CFR 1.136) within which the balance of the current basic filing fee and the surcharge under 37 CFR 1.16(e) must be filed to avoid abandonment. In all other situations, the current basic filing fee, if not submitted on filing, must be submitted with the surcharge under 37 CFR 1.16(e) within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application to avoid abandonment of the application. The filing receipt will indicate the filing fee received and would be modified to include language reminding applicants that the basic filing fee must be submitted within one month (plus any extensions under 37 CFR 1.136) from the filing date of the application.

For PCT international applications: The PTO is considering amending 37 CFR 1.494 and 1.495 to provide that an English translation of the international application, if filed in a language other than English (35 U.S.C. 371(c)(2)), would be required within one month of the expiration of the applicable twenty- or thirty-month period in 35 U.S.C. 371(b), which one-month period may be extended under 37 CFR 1.136. The PTO is also considering amending 37 CFR 1.494 and 1.495 to provide that an oath or declaration (35 U.S.C. 371(c)(4)) would not be required until the applicant is notified that it must be submitted within a one-month period that would be set in a ''Notice of Allowability,'' provided that the following are submitted within one month (which one-month period may be extended under 37 CFR 1.136) of the expiration of the applicable twenty-or thirty-month period in 35 U.S.C. 371(b): (1) the residence of each inventor (the name and citizenship of each inventor must be provided on the PCT Request); and (2) a statement submitted by a registered practitioner that: (a) the practitioner has sent a copy of the application (as filed) to each of the inventors, and (b) the practitioner has given the inventor(s) notice of their obligations under 37 CFR 1.63(b). The basic national fee (35 U.S.C. 371(c)(1)) would continue to be required by the expiration of the applicable twenty-or thirty-month period in 35 U.S.C. 371(b), which period is non-extendable.

Patent Business Goal (1) is to reduce PTO processing time to twelve months or less for all inventions. Reducing pre-examination cycle time of an application and forwarding applications for examination in a shorter period of time would be consistent with that goal. This change (in combination with the change to the period within which an oath or declaration must be submitted) will greatly reduce the number of notices that the PTO must issue during the pre-examination processing of new applications. These changes will also result in applications being initially processed and forwarded for examination in a shorter period of time, and reduce the amount of storage space used for and ease the tracking of applications in pre-examination processing.

The PTO considers the changes to permit delayed submission of an oath or declaration and to require the basic filing fee and any necessary translation within one month of the application filing date to be linked, in that together they will permit a great reduction in the number of notices that the PTO must issue during the pre-examination processing of new applications. Thus, comments opposing any change to require the basic filing fee and any necessary translation within one month of the application filing date should consider that the PTO will probably not adopt the change to permit delayed submission of an oath or declaration if the PTO does not also adopt the change to require the basic filing fee and any necessary translation within one month of the application filing date.

Questions: The PTO is specifically requesting comments on the following issues:

1. The submission of an oath or declaration after the first Office action which changes the names of the inventor(s) from those originally indicated by the practitioner may cause additional work to be performed by the PTO, in particular, by an examiner, as set forth above. As a result, the PTO is considering charging an additional processing fee for the submission of

such an oath or declaration, and prohibiting the submission of such an oath or declaration after the close of prosecution. Would the benefits gained by the ability to delay the filing of the oath or declaration outweigh the drawbacks resulting from: (1) the PTO charging a fee for the submission of such an oath or declaration after the first Office action but before close of prosecution; and (2) the PTO prohibiting the submission of an oath or declaration that names an inventorship different from that previously indicated by the practitioner as the person(s) believed to be the inventor(s) after the close of prosecution?

2. Over time, obtaining an executed oath or declaration from all of the inventors becomes increasingly difficult: inventors may forget about or lose interest in an application; they may leave the corporation; and they may become disgruntled. While delaying obtaining the inventor's signature on an oath or declaration may be initially beneficial to the practitioner, it would be more difficult for the practitioner to obtain all of the inventors' signatures on an oath or declaration at the time of allowance (which may be years after filing). National applications resulting from a PCT application entering the national stage have a higher incidence of petitions under 37 CFR 1.47 than national applications filed under 35 U.S.C. 111(a). This may be caused by delay in filing the oath or declaration, which could be thirty months after the filing of the PCT application. Therefore, permitting applicants to delay the submission of an oath or declaration until the expiration of a period set in a ''Notice of Allowability'' may result in an increase in the number of petitions filed under 37 CFR 1.47. Would the benefits gained by delaying the filing of the oath or declaration outweigh the drawbacks resulting from the increased difficulty in obtaining the inventor(s)' signatures on the oath or declaration, and an increased number of petitions under 37 CFR 1.47 due to the inability to obtain an inventor's signature? Is it a concern to applicants that these petitions under 37 CFR 1.47 will be filed during the publishing (and not pre-examination) process?

3. Delaying submission of the oath or declaration in a PCT application until the mailing of a ''Notice of Allowability'' would delay its entry into the national stage. A PCT application is not accorded a 35 U.S.C. 102(e) date until the applicant fulfills the requirements of 35 U.S.C. 371(c)(1), (2) and (4), which include filing an oath or declaration in compliance with 35 U.S.C. 115 and 37 CFR 1.497. *See* 35 U.S.C. 371(c)(4). Is it a concern that, if an applicant in a PCT application delays submission of the oath or declaration until the period set in a ''Notice of Allowability,'' the PCT application would be accorded a 35 U.S.C. 102(e) date as of the date the oath or declaration is submitted?

4. Assuming the above-noted change to 37 CFR 1.34(b) is made giving control of the prosecution to the filer (the attorney or agent that filed the patent application) and the attorney or agent's client is not the inventor, can the client (a potential assignee) take actions allowed an assignee, such as filing a reissue application under 37 CFR 1.172 and submitting a 37 CFR 3.73 statement establishing the right of an assignee to take action?

5. Assuming the above-noted change to 37 CFR 1.34(b) is made, how should an attempt by the inventor(s) to appoint another representative be treated? Should the inventor(s) first be required to file an oath or declaration under 37 CFR 1.63? Should an actual assignee of the inventor(s) be allowed to take action in an application and revoke the attorney of record if an executed oath or declaration of the inventor(s) has not been filed?

6. Notwithstanding any change to 37 CFR 1.34(a), where the inventors execute an assignment but not an oath or declaration under 37 CFR 1.63, is the assignment effective so that the assignee can control prosecution under 37 CFR 3.71 and take necessary action in accordance with 37 CFR 3.73? Note that if status under 37 CFR 1.47 is accorded, if the inventor who originally refused to execute the oath or declaration assigns his interest, the non-signing inventor's assignee cannot control prosecution of the application even if the inventor executes a declaration. Who should the attorney or agent be understood to represent absent an express authorization to act as a representative in the application, the persons indicated as the inventors or an actual or potential assignee?

4. Limiting the number of claims in an application (37 CFR 1.75)

Summary: The PTO is considering a change to 37 CFR 1.75 to limit the number of total and independent claims that will be examined (at one time) in an application.

Specific Change Being Considered: The PTO is considering a change to the rules of practice to: (1) limit the number of total claims that will be examined (at one time) in an application to forty; and (2) limit the number of independent claims that will be examined (at one time) in an application to six. In the event that an applicant presented more than forty total claims or six independent claims for examination at one time, the PTO would withdraw the excess claims from consideration, and require the applicant to cancel the excess claims. This change would apply to all non-reissue utility applications filed on or after the effective date of the rule change, to all reissue utility applications in which the application for the original patent was subject to this change, and to national applications filed under 35 U.S.C. 111(a), as well as national applications that resulted from a PCT international application.

Discussion: Applications containing an excessive number of claims present a specific and significant obstacle to the PTO's meeting its business goals of reducing PTO processing time to twelve months or less for all inventions. While the applications that contain an excessive number of claims are relatively few in percentage (less than 5%), these applications impose a severe burden on PTO clerical and examining resources, as they are extremely difficult to properly process and examine. The extra time and effort spent on these applications has a negative ripple effect, resulting in delays in the processing and examination of all applications, which, in turn, results in an increase in pendency for all applications. In view of the patent term provisions of 35 U.S.C. 154, as amended by the Uruguay Round Agreements Act (URAA), Pub. L. 103–465, 108 Stat. 4809 (1994), PTO processing time and pendency are concerns to the PTO and all applicants. Thus, the PTO considers it inappropriate to continue to permit the proclivity of a relatively low number of applicants (less than 5%) for excessive claim presentation to result in delays in examination and unnecessary pendency for the vast majority of applicants.

Approximately 215,000 utility applications were filed in the PTO in Fiscal Year 1997. PTO computer records indicate that the approximate number and percentage of applications filed in Fiscal Year 1997 containing the following ranges of independent and total claims breaks down as follows:

Applications filed in FY 1997 containing	Number	Percentage FY 1997 filings
Over 50 independent claims	11	00.005
Between 41 and 50 independent claims	23	00.011
Between 31 and 40 independent claims	77	00.358
Between 21 and 30 independent claims	275	00.128
Between 16 and 20 independent claims	536	00.249
Between 11 and 15 independent claims	1,887	00.878
Between 7 and 10 independent claims	7,024	03.267
Between 4 and 6 independent claims	27,147	12.627
Over 6 independent claims	9,833	4.896
Over 500 total claims	5	00.002
Between 201 and 500 total claims	88	00.041
Between 101 and 200 total claims	652	00.303
Between 61 and 100 total claims	2,514	01.169
Between 51 and 60 total claims	2,143	00.997
Between 41 and 50 total claims	4,056	01.887
Between 31 and 40 total claims	8,631	04.014
Between 21 and 30 total claims	23,323	10.848
Over 40 total claims	9,458	4.399

These numbers indicate that over 95% of all applications filed in Fiscal Year 1997 contained fewer than forty total claims and over 95% of all applications filed in Fiscal Year 1997 contained fewer than six independent claims. Thus, the rule change under consideration should not prevent the overwhelming majority of applicants from presenting the desired number of total and independent claims for examination. In addition, the rule change under consideration will benefit the overwhelming majority of applicants, since it will stop a relatively small number of applicants from occupying an inordinate amount of PTO resources.

While the problem with applications containing an excessive number of claims is now reaching a critical stage, this problem has long confronted the PTO. In 1926, Commissioner Robertson remarked that applications containing an excessive number of claims constitute the greatest abuse confronting the PTO (then the Patent Office). *See Ex parte McCullough*, 1927 Dec. Comm'r Pat. 12, 13 (1926). The issuance of patents containing an excessive number of claims has also long been considered an abuse of the courts and the public. *See Carlton* v. *Bokee*, 84 U.S. (17 Wall) 463, 471–72 (1873) (needless multiplication of nebulous claims deemed calculated to deceive and mislead the public); *Wahpeton Canvas Co.* v. *Frontier, Inc.*, 870 F.2d 1546, 1551 n.6, 10 USPQ2d 1201, 1206 n.6 (Fed. Cir. 1989) (presentation of the infringement issue on an overgrown claims jungle to a jury and judge at trial is an unprofessional exercise in obfuscation). Put simply, applications (and the resulting patents) that contain an excessive number of claims are a problem that has long confronted the PTO, the courts, and the public.

Historically, this problem (applications containing an excessive number of claims) has been dealt with on a case-by-case basis, in that the presentation of an unreasonable number of claims in an application may result in an undue multiplicity rejection. *See* MPEP 2173.05(n). The CCPA has affirmed rejections based upon undue multiplicity when the degree of repetition and multiplicity'' in the claims ''beclouds definition in a maze of confusion.'' *See In re Chandler*, 319 F.2d 211, 225, 138 USPQ 138, 148 (CCPA 1963); *see also In re Chandler*, 254 F.2d 396, 117 USPQ 361 (CCPA 1958). In subsequent decisions, however, the CCPA has declined to hold that the presentation of any particular number of claims is so excessive as to confuse or obscure the inventions defined by the claims. *See In re Wakefield*, 422 F.2d 897, 164 USPQ 636 (CCPA 1970); and *In re Flint*, 411 F.2d 1353, 162 USPQ 228 (CCPA 1969). These subsequent decisions have severely cut back on the use of rejections based upon undue multiplicity. *See Ex parte Sheldon*, 172 USPQ 319 (BPAI 1972).

After the 1970s, the PTO balanced the difficulty of making and defending undue multiplicity rejections with likelihood of its success on appeal against the burden of just examining applications containing an excessive number of claims, and generally chose to simply suffer the burden of examining such applications. Recently, however, this problem (applications containing an excessive number of claims) has been exacerbated by the advent of word-processing equipment, which significantly reduces the skill and effort required to draft and present a seemingly endless number of claims in an application. The change during the last twenty years to the index of claims in the application file wrapper illustrates this point: the file wrapper for the 1979 series (the 06 series) applications had an index for fifty claims; the file wrapper for the 1987 series (the 07 series) and 1993 series (the 08 series) applications had an index for 100 claims; the file wrapper for the 1998 series (the 09 series) now has an index for 150 claims.

For these reasons, it is now time for the PTO to act to limit the use of excessive numbers of claims in an application. The PTO is specifically proposing to deal with this problem now on a systemic basis by limiting, via rulemaking, the number of claims that will be examined in an application. This proposal supports the PTO business goals of reducing PTO processing time to twelve months or less for all inventions, and aligning fees to be commensurate with resource utilization and customer efficiency.

A rule limiting the number of claims in an application is within the PTO's rulemaking authority under 35 U.S.C. 6(a) if it ''is within the [PTO's] statutory authority and is reasonably related to the purposes of the enabling legislation * * * and does no violence to due process.'' *See Patlex Corp.* v. *Mossinghoff*, 758 F.2d 594, 606, 225 USPQ 543, 252 (Fed. Cir. 1985) (citations omitted).

35 U.S.C. 41(a)(1)(B) provides that an applicant must pay an additional fee for the presentation of each independent claim in excess of three and each claim in excess of twenty. This implies that an applicant is entitled to present more than three independent claims, and

more than twenty total claims, but it does not imply that the PTO may place no limit on the number of claims that an applicant may present. *See Ex parte Jenkins,* 1930 Dec. Comm'r Pat. 8 (1930) (that the patent statute now requires a fee for additional claims does not mean that there is no end to the number of claims that the applicant may present). In addition, PCT Rule 6.1 specifically states that ''[t]he number of claims shall be reasonable in consideration of the nature of the invention claimed.'' Placing a reasonable limit (*e.g.,* no more than six independent claims and no more than forty total claims) will: (1) permit the PTO to more equitably distribute its resources among the vast number of applications that must be examined each year (35 U.S.C. 131 and 132); and (2) assist the PTO, public, and the courts in ascertaining what it is that the applicant considers to be the invention (35 U.S.C. 112, ¶ 2).

35 U.S.C. 131 and 132 require the PTO to examine the more than two hundred thousand applications that are filed each year, and 35 U.S.C. 282 provides that each claim of the patents resulting from these applications is presumed to be valid, each independently of the others. It is the PTO's goal to issue patents containing claims whose validity is based not solely upon presumptions resulting from the patent statute and PTO regulations, but based upon the actuality that each claim of the applications resulting in such issued patents has been subjected to an effective, high-quality examination. In view of the ever increasing number of applications filed each year, the PTO has determined that it must place some limits on the number of total claims and independent claims that an applicant may present in a single application to ensure that the PTO continues to issue patents that contain only claims that have been subjected to such effective, high-quality examination.

Such a rule would bear a reasonable relationship to the provisions of 35 U.S.C. 112, ¶ 2, that an application conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention. While 35 U.S.C. 112, ¶ 2, provides that the claims describe ''the subject matter which the applicant regards as his invention'' (emphasis added), it does not preclude the PTO from limiting the claims in regard to matters of form. *See Fressola* v. *Manbeck,* 36 USPQ2d 1211, 1214 (D.D.C. 1995).

As discussed above, the historical basis for undue multiplicity rejections was that the presentation of an excessive number of claims in an application generally operated to confuse or obscure the invention. This problem existed in the nineteenth century (*Carlton*) and remains a problem today (*Wahpeton Canvas*). Limiting the number of claims in an application will discourage applicants from presenting claims that confuse or obscure the point of the invention. Thus, such a rule would advance the statutory goal of 35 U.S.C. 112, ¶ 2, that an application or patent conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention. *See Fressola,* 36 USPQ2d at 1214.

Any change to 37 CFR 1.75 to limit the number of claims in an application must also take into account the situation in which a single claim is, in actuality, a plurality of claims (*e.g.,* multiple dependent claims, *Markush* claims (*see Ex parte Markush,* 1925 Dec. Comm'r Pat. 126 (1924)), claims referencing plural sequence listings (*see* MPEP 2422.04), and claims setting forth (non-*Markush*) alternative limitations (*see* MPEP 2173.05(h)). A multiple dependent claim will be counted as the number of claims to which direct reference is made in that multiple dependent claim. *See* 37 CFR 1.75(c). Limits (for a claim to be counted as a single claim) would also be placed on: (1) the number of species that may be embraced within a *Markush* claim; (2) the number of sequence listings that may be referenced in a single claim; and (3) the number of alternative limitations that may be included in a claim.

The PTO is considering only a limit on the number of claims that will be examined in a single application, not a limit of the number of claims that may be presented for the invention(s) disclosed in an application. Forty total claims with six independent claims should be sufficient for an applicant to obtain adequate coverage for an invention. An applicant who is unable to limit him or herself to forty total or six independent claims in a single application may effectively obtain examination of additional claims in another application. As the PTO would expend more of its scarce processing and examination resources on ten applications containing forty claims each than the PTO would expend on a single application containing four hundred claims, the PTO's objective is not to have applicants to spread-out excessive numbers of claims among multiple applications to increase fee revenue. The PTO's objective is to encourage the few applicants who currently present an excessive number of claims in an application to place reasonable limits on the number of claims presented for examination.

Nevertheless, an applicant would effectively be permitted to present any number of claims for examination by filing any number of continuing applications, each application presenting no more than forty total or six independent claims for examination. Thus, the PTO's refusal to examine more than forty total or six independent claims in a single application is not tantamount to a rejection of such claims, as the excess claims would be examined if presented in another application. *See In re Fressola,* 22 USPQ2d 1828, 1831–32 (Comm'r Pat. 1992) (an objection or other requirement is not a rejection if it does not interfere with applicant's substantive right of expression).

In the extraordinary situation in which it would be more beneficial to the PTO, the public, and the applicant to permit the applicant to maintain more than forty claims in a single application (*e.g.,* numerous species claims depending from a single allowable genus claim), the applicant may file a petition under 37 CFR 1.183 requesting a waiver of this limitation. Such petitions would be decided on a case-by-case basis, and would be subject to such other requirements as may be imposed. *See* 37 CFR 1.183.

5. Harmonizing standards for patent drawings (37 CFR 1.84)

Summary: The PTO is considering harmonizing the requirements for patent drawings in 37 CFR 1.84 with the requirements for drawings in the Patent Cooperation Treaty (PCT).

Specifics of Change Being Considered: Amending 37 CFR 1.84 to be more similar to PCT Rule 11.13.

Discussion: The PTO is considering amending 37 CFR 1.84 to harmonize the standards for drawings in U.S. national applications with the standards for drawings in Patent Cooperation Treaty (PCT) applications, which is a well-known and widely accepted standard. The PTO has received a number of comments complaining that the same drawings which were approved and printed in PCT published applications have been objected to under 37 CFR 1.84 in U.S. national applications. This inconsistency is not understood by patent applicants who feel that a drawing that is acceptable for publication of a PCT application should also be acceptable for publication in a U.S. patent. Making corrections to drawings to comply with unnecessary requirements increases the cost to the applicant and the time required to respond to an Office action, both of

which patent applicants would like to reduce. In response to these comments, the PTO is looking into replacing 37 CFR 1.84 with the PCT standards for drawing requirements.

The requirements for drawings in a PCT application are set forth in four places, namely: (1) PCT Article 7; (2) PCT Rules 7, 9, 10, 11, and 12; (3) the PCT Applicant's Guide, Vol. I/A, pages 24–25 (paragraphs 133–141); and (4) the ''Guidelines for Drawings Under the Patent Cooperation Treaty (PCT),'' published in the *PCT Gazette* (No. 7/1978).

Current PTO processing of applications with drawings results in some unnecessary delays in the handling of those applications contrary to Patent Business Goal 1 (reducing PTO processing time). For example, petitions are now required in order to accept black and white photographs, color drawings or color photographs, and the PTO processing of these petitions delays the handling of the application by the examiner. The PCT permits black and white photographs, but does not permit color photographs or color drawings. Thus, to harmonize with the PCT, which does not require a petition to allow black and white photographs, the PTO is considering deleting the requirement for a petition while providing instead that black and white and color photographs and color drawings would be permitted where it is impossible to present in a drawing what is to be shown (*e.g.*, crystalline structures). The examiner, however, may require drawings, where it is possible to present the subject matter in a drawing. For example, a syringe may be drawn. Thus, an examiner would require an applicant who has submitted an application for a syringe and which included a photograph of the syringe to submit a drawing to replace the photograph. The PTO does not currently envision an examiner requiring color drawings or photographs in a design or utility application where black and white drawings or photographs have been submitted.

Question: The drawing standards for PCT applications may not be clearly understood or known because the requirements are set forth in the previously identified four different documents, and not everyone has easy access to these documents. Nonetheless, it is apparent that compliance with the PCT is easier given the experience of many patent applicants of having drawings approved in a PCT application, but objected to in a United States application. Accordingly, if adoption of the PCT standards for drawings is not supported, comments are requested as to whether the PTO should keep 37 CFR 1.84 as is, or how it should be modified, or should the PTO adopt some other standard for the drawings?

6. Printing patents in color (37 CFR 1.84)

Summary: The PTO is considering printing design and utility patents that have color drawings or color photographs in color, along with imposing a fee to cover the extra processing and publication costs.

Specifics of Change Being Considered: The PTO is considering deleting the current requirement for a petition (and $130 petition fee) to accept color drawings or photographs. The PTO is also considering printing in color design and utility patents with color drawings or color photographs, and charging a fee to recover the PTO's cost of processing and printing design and utility patents with such color drawings or color photographs. The cost to the public for ordering color copies would continue to be governed by 37 CFR 1.19(a)(2) (for plant patents) and 1.19(a)(3) (for utility patents).

Discussion: The PTO is considering amending 37 CFR 1.84(a) and (b) to delete the current requirement for a petition (and $130 petition fee) to accept color drawings or photographs. The PTO is also considering amending 37 CFR 1.84 to provide for processing and printing design and utility patents having color drawings or color photographs in color rather than in black and white. A fee will be required. Utility and design patents with color drawings or color photographs are currently printed in black and white, with a note indicating that color drawings or photographs were present in the application. Where color is part of applicant's invention, such as where color is a feature of the claimed invention in a design application, a member of the public seeking to understand the subject matter that is claimed or an examiner seeking to understand the invention disclosed in evaluating the patent as prior art during examination of another application would have to order a color copy of the patent drawings, thereby incurring delays for the special handling required. If design and utility applications were to be printed in color in the same manner as plant patents are printed in color, the copy of the patent in the search files would be a color copy and members of the public and examiners would not have to take additional steps to understand the disclosure of the patent and the scope of the claims. Patents printed in color would continue to have legends indicating that drawings are in color so that a person inspecting a black and white copy thereof would have notice as to the existence of the color drawings.

Processing a patent in color would incur costs separate from those incurred in the printing process in that identification of applications filed in color would need to be made so that the printing contractor would know the color printing was required. The PTO currently scans the originally filed application papers in black-and-white images, and may begin scanning color drawings or photographs included with originally filed application paper in color images. The examination process may also be more complex due to questions relating to the accuracy of the color depiction in color photographs. In addition, printing a patent in color would currently require an expensive photographic process to ensure the proper coloring of the drawings, as is currently required for plant patents. Pursuant to 35 U.S.C. 41(d), the PTO may recover the cost of the service of making color copies of color drawings or photographs included in an application as originally filed available as scanned images and preparing color drawings or photographs as part of the patent publication process. Charging a fee for such additional costs (as compared to the normal patent publication process) would be consistent with Business Goal 5 (assess fees commensurate with resource utilization).

Accordingly, if design and utility patents are to be printed in color, patentees would be required to pay the additional fee, and would not be allowed to not pay the fee or request that the patent be printed only in black and white. In addition, the two-tier fee system, in which a higher fee is charged for color copies of a patent (37 CFR 1.19(a)(3)) than for a copy without color (37 CFR 1.19(a)(1)(i)), for patent copy sales would continue so that customers could obtain a black and white copy of a patent with color drawings for a reduced fee.

While plant patents are currently printed in color, electronic copies of plant patents currently displayed with the Automated Patent System or from CD ROM products are in black and white. The Office has an ongoing project to create color images of plant patents for electronic searching and dissemination. Accordingly, if design and utility patents are printed in color, they also would be available in color electronically.

7. Reducing time for filing corrected or formal drawings (37 CFR 1.85)

Summary: The PTO is considering reducing the time period for submitting corrected or formal drawings from three months to one month from the mailing of the ''Notice of Allowability'' (extensions of time under 37 CFR 1.136 being permitted). The PTO is also requesting comment on the advisability of requiring submission of corrected or formal drawings upon an indication of allowable subject matter.

Specifics of Change Being Considered: The PTO is considering amending 37 CFR 1.85(c) to require either that: (1) corrected or formal drawings be submitted within one month of the mailing of the ''Notice of Allowability'' (extensions of time under 37 CFR 1.136 being permitted); or (2) formal drawings be submitted in reply to any Office action indicating allowable subject matter, and, if a drawing correction has been required, requiring that corrected drawings be submitted in reply to the next Office action indicating allowable subject matter.

Discussion: Currently, 37 CFR 1.85(c) requires corrected or formal drawings to be filed within a period of three months of the mailing date of the ''Notice of Allowability,'' which period may be extended up to six months under 37 CFR 1.136. This causes many problems. First, permitting corrected or formal drawings to be filed as late as six months after the mailing of the ''Notice of Allowability'' leads to a lengthy delay in issuance of patents. Second, the corrected or formal drawings may be submitted after the payment of the issue fee (which must be paid within three months from the mail date of the ''Notice of Allowance and Issue Fee Due''). Thus, if formal or corrected drawings are not filed before payment of the issue fee, the application must still be stored and tracked to await the required drawings. This results in increased processing costs to the PTO, as greater storage space is needed along with continued tracking and monitoring functions. Thus, the current process not only causes delays in issuing patents which is inconsistent with Patent Business Goal 1, reducing PTO processing to twelve months or less, but it also increases our costs which is inconsistent with Patent Business Goal 5, assessing fees commensurate with resource use.

The PTO hopes to address these problems in the following three ways. First, as discussed with regard to 37 CFR 1.84, the PTO would like to make drawing requirements consistent with those of the PCT so as to make it easier to submit drawings which will be approved by the PTO draftspersons and thereby reduce the burden on the applicant. If drawing requirements are consistent with those of the PCT, as proposed with respect to 37 CFR 1.84, applicants would be more likely to submit formal drawings upon filing or while the application is being examined, but prior to allowance. These formal drawings should have a greater chance of being approved by the PTO Draftsperson. Thus, this should reduce the number of applications that are allowed with drawings that are not accepted by the PTO Draftsperson. Second, the PTO intends to encourage drawing corrections and/or formal drawings to be submitted earlier in the examination process. This is because the PTO intends to deploy draftspersons into each of the technology centers where it will be easier for the Draftsperson to review such corrected or formal drawings without interrupting the examination process. Thus, this should also reduce the number of applications with drawings that have not been approved by the PTO Draftsperson. Third, with the current proposal, the PTO proposes to reduce the time for submitting drawings to one month from the Notice of Allowability. By reducing the window for submitting drawings to one month, and then charging for extension of time fees, applicants will be encouraged to quickly submit the drawings within the one month period and, more than likely, before payment of the issue fee, in order to avoid extension of time fees, which rapidly increase as more extensions are requested. Thus, the change in the period for submitting corrected/formal drawings under consideration should have the effect of reducing the number of applications that have drawing corrections or formal drawings submitted after the payment of the issue fee.

Question: Should the PTO require corrected or formal drawings to be filed in reply to an Office action indicating allowable subject matter?

8. Permitting electronic submission of voluminous material (37 CFR 1.96, 1.821)

Summary: The PTO is considering rule changes to permit the voluntary submission of large computer program listings and nucleotide and/or amino acid sequence listings in only a machine-readable form. This would save the handling of heavy and voluminous paper listings.

Specifies of Change Being Considered: Suitable changes would be made to 37 CFR 1.96 and 1.821 *et seq.* to: (1) permit machine readable computer program listings to be submitted as the official copy provided it is submitted in an appropriate archival medium; (2) permit a machine-readable submission of the nucleotide and/or amino acid sequence listings as the official copy provided it is submitted in an appropriate archival medium; and (3) no longer require the voluminous paper submissions of computer program listings or nucleotide and/or amino acid sequence listings.

Background: Since 1990, the PTO has required the submission of the nucleotide and/or amino acid sequence listings (sequence listings) associated with biotechnology applications to be presented in computer readable form on floppy disks, as well as in paper. The sequence listings, which are often over ten thousand bases in length, are not susceptible to human eye-searching. The magnetic storage and processing is therefore the only practical means for examining this very important branch of technology, which grew by fifty percent in 1997 and is expected to undergo sustained growth. Not only are the number of pending applications multiplying, but the number of sequence listings per application and the size of the sequence listings themselves have grown by one-hundred percent each year. The PTO recently received a submission containing twenty-two thousand sequence listings, which required eight boxes of paper for the sequence listing. The PTO is also starting to see very long individual sequence listings of over one million residues. As the genome projects complete more of the genomes of various organisms, the PTO will see more of these voluminous applications.

This sequence size expansion has had a significant effect on electronic storage, but even worse has created paper files of gross size which are very difficult to manage. The paper printouts are often over five thousand pages in length, and require boxes to contain them. Carts carry the applications to the examiners for processing. For example, the Expressed Sequence Tags (EST) applications include up to several thousand sequence listings and may be over a foot thick. In some applications, the file wrappers are falling apart and contain only the sequence listing, with the specification separately preserved. Physically storing the applications becomes problematic because the entire file takes up several cubic feet of space. Since each examiner may have twenty or more of these applications, the applications may take up the bulk of an examiner's office. The magnitude of these problems is expected to increase. For example, an application with ten

thousand sequence listings could result in one thousand applications of ten sequence listings each. *See* MPEP 803.04. Considering that the growth rate of sequence listings is such that they now approach one foot per application, this would require one thousand linear feet of shelf space. With each rack holding twenty-four linear feet, the PTO would need forty-two (1000/24) racks for the applications resulting from that one application. Clearly, something needs to be done to address this onslaught of paper.

The current regulations at 37 CFR 1.821(e) indicate that the electronic version of the sequence listing is a ''copy'' of the paper sequence listing, and that the paper sequence listing is the official copy. In practice, however, the electronic version is the one that enters the computer database of references, and serves as the basis for examination, printing and copies. The concurrence of the electronic and paper version is assured only by a statement of the registered attorney or agent, and cannot be readily checked without the expensive and laborious effort usually reserved only for litigation.

Considering the difficulty of maintaining the two independent versions of the sequence listing, and the irony that the official paper copy is effectively ignored while the unofficial electronic copy is the only one that is used, the PTO is proposing that the paper copy be eliminated in favor of the useful, handy and verifiable computer readable version.

Difficulties with massive amounts of paper also plague the computer arts. One of the major problems facing the computer areas is the filing of applications having several boxes of printed material, which may include computer program listings, appendices and boxes of prior art. Often a single examiner may have several similar applications containing multiple boxes of paper (*i.e.*, programs, appendices and prior art). Just the short-term storage of these boxes is becoming more of a headache. For example, if an examiner has three or four of these applications, he or she may be required to store six to eight boxes of paper. These boxes are stored either in the examiner's office or in an empty room if one is available. The examiner is expected to: (1) keep track of these boxes of materials; (2) physically haul them to his or her office; and (3) consider and be familiar with thousands of sheets of paper. Often when related applications are transferred to another Art Unit, these boxes of materials are misplaced and the applicant is forced to resubmit the boxes of papers.

Computer program listings often come to the office on numerous sheets of microfiche. However, the microfiche films are often copied to paper before printing when a patent is allowed. Since the copies from the microfiche are not copied to the standards of 37 CFR 1.52, the applications are often sent back to the examiner as a printer rush, slowing the publication of the patent.

The PTO may accept electronically filed material in a patent application, regardless of whether it is considered ''essential'' or ''nonessential.'' The patent statute requires that ''[a]n application for patent shall be made * * * **in writing** to the Commissioner.'' 35 U.S.C. 111(a)(1) (emphasis added). With regard to the meaning of the ''in writing'' requirement of 35 U.S.C. 111(a)(1), ''[i]n determining any Act of Congress, unless the context indicates otherwise * * *, 'writing' includes printing and typewriting and **reproduction of visual symbols** by photographing, multigraphing, mimeographing, manifolding, or otherwise.'' 1 U.S.C. 1 (emphasis added); *see also* Fed. R. Evid. 1001(1) (writing defined as including magnetic impulse and electronic recording). An electronic document (or an electronic transmission of a document) is a ''reproduction of visual symbols,'' and the ''in writing'' requirement of 35 U.S.C. 111(a)(1) does not preclude the PTO from accepting an electronically filed document. Likewise, there is nothing in the patent statute that precludes the PTO from designating an ''electronic'' record of an application file as the PTO's ''official'' copy of the application.

The recognition of the electronically stored version of the sequence listings as the official copy is expected to have a minor consequence on our processing of these applications. Sequence listings are already required to be submitted in electronic form, and a receipt system is already in place to handle the acceptance and storage of the electronic versions. Currently the machine-readable version is the copy of choice for search, for printing and for reference purposes.

The submission of machine readable versions of computer program listings, or other voluminous materials, would require the PTO to establish an appropriate system for accepting and using such submissions such that the paper versions of such information will no longer be needed. The submitted archival media may be transferred to centralized electronic office systems to facilitate in-house processing of the information.

Discussion of change under consideration: The PTO is considering revising 37 CFR 1.821 *et seq.* to permit the voluntary submission of a machine readable version of the sequence listings to be the official copy provided it is presented in an appropriate archival medium. The PTO cannot simply make the current submissions of diskettes the official copy in view of the regulations requiring a true archival medium (36 CFR 1228.28(3) and 1234.30). In addition, the PTO is considering revising 37 CFR 1.96 to permit the voluntary submission of all computer program listings in machine readable form provided they are in an appropriate archival medium.

The changes contemplated for sequence listings and computer program listings would eliminate the need for submissions of voluminous paper sequence listings and hard to handle and reproduce microfiche computer program listings. To focus specifically on the PTO's difficult paper handling problem, and to simplify this project so it can be deployed in a short time span, only the nucleotide and/or amino acid sequences and the computer program listings would be accepted in machine readable format. The rest of the specification of a nonprovisional application will be submitted in paper in the conventional manner, subject to 37 CFR 1.52 and other applicable regulations.

In addition to permitting the above-mentioned submissions in nonprovisional applications, the PTO is also considering changing the rules of practice to permit provisional applications to be submitted *in toto* in a machine readable format, again provided that it is presented in an appropriate archival medium.

This initiative is in support of the Patent Business Goal to reduce PTO processing time to twelve months or less for all inventions (Goal 1) and to receive applications and publish patents electronically (Goal 3). Specifically, it would reduce the time and effort required to scan into our electronic archival systems the text of sequence listings and of computer program listings included in the applications as filed.

Appropriate Archival Media: Regulations promulgated by National Archives and Records Administration define the acceptable archival media and formats for transfer and storage of information. *See* 36 CFR 1234.30 and 1228.28.

Relationship to PTO automation plans: These changes being considered are understood to be temporary

solutions to a difficult PTO paper-handling problem.

It should be noted that the PTO is planning for full electronic submission of applications and related documents by Fiscal Year 2003. The changes described above are a smaller step in that direction, permitting the essential, but bulky parts of some applications to be submitted on an acceptable archival medium.

Question: Other materials may also be subject to these large submissions, and part of this endeavor would be the identification and inclusion of definable entities from other technologies that are of a similar nature. The PTO is requesting the public to suggest examples. In considering responses to this question, issues of practical implementation will be given weight. For example, elements of Technical Appendices or documents of an Information Disclosure Statement may be flowcharts, bound books or other items not suitable yet for electronic submission.

9. Imposing limits/requirements on information disclosure statement submissions (37 CFR 1.98)

Summary: The PTO is considering revising 37 CFR 1.98 to establish new requirements and/or limits on information submitted as part of an Information Disclosure Statement (IDS).

Specifics of Change Being Considered: In order to limit IDS submissions to relevant information and to ensure full consideration of an IDS by the PTO, the PTO is considering imposing the following additional requirements for IDS submissions: (1) a statement in the IDS that each citation has been personally reviewed by the registered practitioner who represents applicant, or by at least one inventor where applicant is not represented by a registered practitioner; (2) a copy of each cited U.S. application; and (3) a unique description of each citation's importance relative to each independent claim, or specific dependent claim(s) if that is why it was cited, except that a description would not be required for: (a) any ten citations, and (b) any item cited in a corresponding application by a foreign patent office, PCT international searching authority (ISA), or PCT international preliminary examining authority (IPEA), provided the search report or office action in the English language is also submitted.

The description of each citation would have to set forth a teaching or showing of a feature relative to the claimed invention which is not taught or shown by other citations in the IDS or is taught in a different manner. The description of each citation must be unique to that citation, in that an applicant would not be permitted to provide a description of a citation that is merely cumulative to that of other citations.

Background: Under the current rules (37 CFR 1.56, 1.97 and 1.98), the PTO is being overwhelmed with voluminous IDS submissions which, in many situations, make it very difficult, if not impossible, for an examiner to fully evaluate all of the citations that have been submitted. This is especially true when the citations involved are large in size and/or when large numbers of citations have been submitted. The submission of large numbers of citations and of the entire content of large citations may be due to the public's perception that it must submit, in order to ensure compliance with the duty to disclose requirements of 37 CFR 1.56, even questionable or marginally related citations (*i.e.*, cited items that are clearly not material to patentability). The public appears to have taken the view that it should submit, in compliance with 37 CFR 1.97 and 1.98, even questionable citations in order to ensure that applicant is viewed by the courts as having satisfied the duty of disclosure requirements. MPEP 2001.04 points out as to noncompliance with 37 CFR 1.97 and 1.98 that ''the applicant will have assumed the risk that the failure to submit the information in a manner that will result in its being considered by the examiner may be held to be a violation'' by the courts. MPEP 2004 adds: ''When in doubt, it is desirable and safest to submit information. Even though the attorney, agent, or applicant doesn't consider it necessarily material, someone else may see it differently and embarrassing questions can be avoided''. Thus, an environment has been established that promotes submission of citations which might in some way be considered to be sufficiently relevant to breach the duty of disclosure (once applicant or applicant's counsel becomes aware of the citation) in order to avoid an inference of intentional noncompliance. Applicant presumably does not wish to be placed in a position (in court) of having to explain why a particular document of which applicant was aware was not deemed relevant enough to submit. Therefore, even a document of very questionable relationship to the claims may very well be submitted by applicants (the public), in order to err on the side of caution.

This approach has created an enormous burden on the PTO and seriously jeopardizes the PTO's ability to examine applications in a timely and efficient manner, or achieve its Business Goal to reduce PTO processing time (cycle time) to twelve months or less for all inventions (Goal 1). Applicants frequently cite large numbers of unrelated documents in citation ''dumps'' where applicant does not wish to expend the time to weed out the unrelated documents from large groups of documents (for example those obtained by a pre-search or found in a related U.S. application). In addition, large citations such as compendiums are submitted where only one or two small unidentified portions are relevant.

While it may have been intended under 37 CFR 1.97 and 1.98 that applicant submit questionably related citations, it was never intended that large numbers of unrelated documents be submitted solely to save applicant the effort of reviewing each of them to determine their relevance. Likewise, it was not intended that the entire volume of a large citation be submitted so that applicant need not take the trouble to target the one or two relevant portions.

A further concern arises in those situations where current 37 CFR 1.98 permits applicants to not supply copies of cited U.S. applications. It is a real burden on the examiner to locate and copy one or more pending applications, and this activity (removal of a cited application for copying) has the potential for interfering with the processing and examination of the cited application.

The following are examples of IDS submissions which have placed inordinate demands on the PTO:

(1) For one family of related applications (of several hundred applications), applicants have cited almost three thousand items in each of the several hundred applications.

(2) In another family of five related applications, more than one thousand items were cited in IDS submissions in each of the applications. The items cited were not the same for each application. The five related applications are the children of numerous other applications, each of which had IDS submissions citing at least seven hundred items. The examiner presently has in his office sixteen containers of cited items for these applications, and stacks of cited items which would fill at least eight more containers.

(3) A pending application contains a citation of ten related U.S. applications. Additionally, about eighty-five documents were cited, including text citations which included sixty-nine pages from one text book and 137 pages from another. The Examiner noted in his Office action that these texts appeared to be background related to the general area of the invention. In addition, some of the cited documents were listed in more than one of multiple IDSs submitted, and the additional listings had to be located and crossed through on the appropriate form PTO–1449 accompanying the IDS.

While these three examples represent some of the more extreme IDS submissions, submissions of this nature are not infrequent nor are they isolated occurrences. Also, the PTO frequently receives IDS submissions which are not only large submissions, but they contain unrelated or non-relevant material, thereby making it difficult to identify and evaluate the more significant citations. In conjunction with this, there is a practical limit to the number of citations an examiner can effectively consider, especially where the citations have not been described and copies have not been supplied (and the more significant citations are scattered throughout the lengthy IDS submission).

Although the PTO remains sensitive to the need for applicants to comply with their duty of disclosure under 37 CFR 1.56, the PTO must deal with the growing burden on PTO resources to handle IDS submissions. The PTO obviously does not desire to receive bulky, irrelevant IDSs and ''dumps'' of citations in an application. Also, to the extent that these burdensome submissions are in fact received, it is the intent of the PTO to make the information contained in them as useful to the examiner as is effectively possible. Accordingly, the PTO is considering imposing new limitations to (a) reduce both the number as well as the size of citations that are submitted in IDSs, and (b) impose requirements as to the citations which will make them more usable by the examiner.

Proposal: The PTO is considering revising 37 CFR 1.98 to impose three new requirements/limitations as follows:

I. A Statement of Personal Review of Each Citation Submitted in the IDS Would Be Required

The IDS submitter would be required to state that he/she has personally reviewed each submitted IDS citation to determine whether or not that citation is relevant to the claimed invention(s) and is appropriate to cite to the PTO in the IDS. This statement of personal review would have to be made by:

A registered practitioner, where applicant is represented by a registered practitioner, or

At least one of the inventors where applicant is not represented by a registered practitioner.

II. A Copy of Each Cited U.S. Application Would Have To Be Supplied

The current exception in 37 CFR 1.98(a)(2)(iii) for pending U.S. applications would be eliminated. Accordingly, 37 CFR 1.98(a)(2) would require that an IDS include a legible copy of each cited pending U.S. application.

III. Each Citation Submitted in the IDS Would Have To Be Uniquely Described

Applicant would have to compare each of the citations to each of the independent claims, or specific dependent claim(s), in a meaningful way that is unique to each citation. The description of each citation would have to point out why applicant believes the citation to be unique in its teaching/showing relative to the claimed invention(s).

Exceptions to the unique description requirement for each of the citations are:

(a) An item does not have to be described if—

The item was previously cited (i) by a foreign patent office, and/or (ii) in a PCT ISA search report or IPEA office action, in a corresponding application; and

Applicant submits a copy of the search report or office action where the item was cited (issued by the foreign patent office or PCT) in the English language;

(b) In addition, up to ten citations do not have to be described.

It should be noted that no exception to the unique description requirement will be made for items which were cited in a related U.S. application, even if that related application claims 35 U.S.C. 120 priority from, or provides 35 U.S.C. 120 priority to, the application in which the IDS is submitted. In addition, an exception will not be made for items cited in litigation related to the application.

As to the exception to the unique description requirement made for ten citations of any type: Where more than one IDS submission is made in one application, all of the submitted IDS documents will be taken together as one consolidated IDS. Thus, applicant would not be able to circumvent the exception for up to ten citations by submitting multiple but separate IDS submissions. For example, if six U.S. applications and four patents are cited without descriptions in a first IDS submission, then all additional items included in any subsequent IDS submission must be described or they will not be considered by the PTO.

It should be noted that the choice of which ten citations would be submitted without the unique description is that of the IDS submitter, and there should be no negative inference as to compliance with the provisions of 37 CFR 1.56 where it is chosen to submit the more relevant citations without any description.

Copies of Citations Contain Confidential Information

Pending U.S. applications are an example of items containing confidential information which might be submitted in an IDS. In accordance with MPEP 724.02, IDS citations containing confidential information (*e.g.,* that which is considered by the party submitting same to be either trade secret material or proprietary material, and any such information which is subject to a protective order) are to be clearly labeled as such and are to be filed in a sealed, clearly labeled, envelope or container. The party submitting an IDS citation containing information which is confidential may subsequently petition to expunge that citation from the record as set forth in MPEP 724.05.

Explanation of the Unique Description Requirement for Each Citation

Each item must be individually and uniquely described relative to each of the independent claims, or, if appropriate, to one or more of the dependent claims, in a meaningful way. When determining whether reexamination may be ordered in compliance with *In re Portola Packaging, Inc.,* 110 F.3d 786, 42 USPQ2d 1295 (Fed. Cir. 1997), the PTO would consider a citation described in this manner during a prior related PTO proceeding to have had ''its relevance to patentability of any claim discussed.'' *See Request for Comments on Interim Guidelines for Reexamination of Cases in View of In re Portola Packaging, Inc., 110 F.3d 786, 42 USPQ2d 1295 (Fed. Cir. 1997);* Notice and Request for Public Comments; 63 FR 32646, 32646, 1212 *Off. Gaz. Pat. Office* 13, 13 (July 7, 1998).

Examples of ways to describe a citation (any of which would be acceptable) are as follows:

(1) For the closest or most related citation(s): Point out the features of the citation which are similar to the features of each independent claim. For example—''Of the six ingredients recited in the claim 1 breakfast beverage, Citation A teaches beverage ingredients which are similar to the claimed protein, salt and gum. Citation B teaches beverage ingredients which are similar to claimed protein, sugar and carbonating agent.''

(2) Point out how the citation contains or teaches the general inventive concept of each independent claim. For example—''Citation C teaches the coating method of claim 4 using light to cure the coating shortly after it is cooled in a wind tunnel.''

(3) Point out how the citation represents the invention upon which the independent claim is an improvement. For example—''Citation D shows the entire conveying

system of claim 7, except for the inventive friction roller placed between the two mergers.''

(4) Indicate how the citation teaches at least one feature which is similar to a claim feature that is not already taught. For example—''Citation E shows a valve that is the same type of valve set forth in dependent claim 7.''

(5) Indicate where the citation teaches, in a different way, an already-taught feature which is similar to a claim feature. For example—''Citation F teaches a force-cooling of the exiting material (similar to that of dependent claim 8) as opposed to citation X which taught the cooling as an inherent result of the material exiting into the air.''

In each situation, an additional explanation would be required of how each independent claim (or dependent claim(s), if the citation was for same) patentably defines over the citation.

It is not necessary that the description for each citation be given as related to all claims of the application. Rather, each citation would be described as to its relevance vis-a-vis each independent claim (or specific dependent claim(s) if that is why it was cited). Further, it is contemplated that the closest citations would be described in the greatest detail, and the remaining citations compared to the closest citations.

Impact of Compliance With 37 CFR 1.98, as it Would be Amended

The examiner will fully consider each citation in an IDS which is in compliance with 37 CFR 1.97 and with 1.98 as it would be amended. Conversely, the examiner would not be required to consider any citation in an IDS where the citation is not presented in compliance with 37 CFR 1.97 and 1.98 as it would be amended. It should be noted that the three requirements set forth above would apply to any citation in an IDS. Thus, for example, if a related U.S. application is cited in an IDS and a copy of the specification, including the claims, and the drawings are not provided, the examiner would not be required to consider that U.S. application. Further, the PTO will discard copies of any citations that are submitted where a unique description is required but is not supplied, or where the statement of personal review is not made.

Prior to discarding the citations, the PTO would notify applicant that the citations have been refused further consideration. In the notice to applicant, the PTO would point out why consideration has been refused and how the submission of the citations could be corrected. As is currently the practice, the notice may, at the examiner's option, be set forth in the next Office action on the merits issued by the examiner or be provided in a separate notice giving the applicant an opportunity to correct the IDS. *See* MPEP 609. Thus, the examiner could delay action on the merits until the corrected IDS is received or the time for correction has expired. If the notice is included in the next Office action on the merits, then the application status would advance with the issuance of that action on the merits. Thus, the timeliness of the citations (and refusal of consideration for lack of timeliness) would quite possibly become dependent on a more limiting subsection of 37 CFR 1.97. For example, if the action on the merits is a first Office action, 37 CFR 1.97(b) will apply to the corrected IDS submission, while 37 CFR 1.97(a) would have applied to the original IDS submission (had it been in order). If appropriate correction is made and the submission is considered timely under 37 CFR 1.97, the citations will then be considered. If not, the citations would be removed from the record and discarded. In such a situation, the list of citations (e.g., PTO–1449) which was submitted with the IDS (the citations which were not considered being lined through by the examiner) would be retained in the application file to serve as a permanent record of what item(s) was/were cited.

Rationale as to the Contemplated Revision:

I. Statement of personal review of each citation submitted in the IDS

With the requirement for personal review of each citation, applicants must review an item so that applicant can then make an informed decision that the item is relevant and appropriate to cite to the PTO. This would be effected by requiring the attorney, or where there is no attorney, at least one of the inventors, to do the personal review. In addition, the examiner should only be required to consider a citation where the person submitting the citation to the PTO has first reviewed that citation and determined that the citation is relevant to the claimed invention(s). If the submitter reviews the citation in its entirety and determines that the citation is relevant to the claimed invention(s), then the examiner should consider that citation in its entirety. If only a portion of the citation is pertinent and thus only that portion of the citation has been reviewed by the IDS submitter, then that portion alone should be cited to the PTO, and that portion alone will be considered by the examiner.

The personal review of each citation is a subjective and individual determination of which citations the submitter wishes to make of record, and the reason for doing so is not subject to review. It is envisioned, however, that the very act of making this determination should function as a screening process to effectively filter out marginally related and unrelated citations. As to the requirement to describe each citation relative to the claims, the PTO believes that imposing this requirement is reasonable and fair, and is also highly desirable, because this requirement (coupled with a requirement for personal review of each citation) would enable the PTO to achieve the relief it desires by:

(1) Providing meaningful, useful and relevant information to the examiner, which would greatly facilitate the examiner's evaluation of each IDS citation and the examiner's making a patentability determination on each of the independent and dependent claims. Thus, it would improve the quality of examination, while improving the efficiency of the examination process;

(2) Providing an incentive to cite only the most relevant citations (to avoid having to describe marginally related and unrelated citations). Thus, the citation of large numbers of marginally related and unrelated items would be diminished or eliminated; and

(3) Reducing the overall number of IDS citations that are submitted by eliminating the marginally related and the unrelated citations.

II. A copy of each U.S. application would have to be supplied

Applicants often do not submit copies of cited pending U.S. applications listed in IDSs. Applicant may list multiple application citations in an IDS (sometimes as many as ten or twenty are listed), and if no copies are supplied, the examiner must make a time-consuming effort to obtain and copy all of the cited pending applications so that they can be considered. This will interrupt the examination of the application whenever the file of a cited pending application is not available for inspection and copying. In addition, obtaining and removing the cited application for copying will also interrupt the examination of the cited application.

III. IDS citations would have to be uniquely described

The present proposal would permit filers of small IDSs (*i.e.*, ten or less citations) to continue filing IDSs without any description, as they are currently filed under 37 CFR 1.98. While it is believed to be unreasonably burdensome for the PTO to consider unduly large numbers of IDS citations which are not described, the PTO is amenable to dealing with ten (or less)

IDS citations which are not described, even though the examiner has no guidance from applicant as to what is actually shown or disclosed in the ten citations.

PTO Goals to be Furthered: The proposal being considered is important to the PTO Goals of reducing PTO processing time (PTO Goal 1) and enhancing the quality of examination (PTO Goal 4). Requiring copies of all citations will reduce delays and help the PTO meet its twelve-month pendency goal. The presence of the copies of cited documents will permit those citations to be considered by the examiner at the earliest possible point after their submission and thereby enhance the quality of the examination. The descriptions of citations will provide for better quality because the examiner will have a better understanding of why applicant considers the citation to be relevant (*i.e.*, the citation will be made more useful to the examiner). Imposing a requirement of a statement of personal review of the citations will force applicants to evaluate all possible items being considered for citation to the PTO such that only the most relevant items will be cited to the PTO, and correspondingly, it should cut down on or eliminate the large dumps of citations that the PTO is now receiving. This will save the examiner time which is presently expended to read and evaluate cumulative and minimally relevant citations. This time can be better spent evaluating the more relevant citations, thus resulting in a higher quality of examination.

The PTO has determined that it must do something to reduce the size of the voluminous IDS submissions. Suggestions of other options are welcomed. If another option is suggested, it should explain why and how that option would be better.

The PTO expects that many will oppose the above-described proposal for a variety of reasons. These reasons may include, for example, concerns as to the burden being imposed on applicant to prepare the IDS, the conflicting time requirements that will create problems (the need to submit the IDS by a certain date conflicts with the extra time needed to prepare the descriptions which would be required before the IDS could be submitted), and concerns about not properly analyzing or describing a citation (or all the features, embodiments or parts of the entire disclosure of the citation) or even overlooking a relevant citation. The comments, however, should be constructive and address how (and why) some other option(s) would be better, or as effective, while being more acceptable to the public.

10. Refusing information disclosure statement consideration under certain circumstances (37 CFR 1.98)

Summary: The PTO is considering revising 37 CFR 1.98 to reserve the PTO's authority to not consider submissions of an Information Disclosure Statement (IDS) in unduly burdensome circumstances, even where all the stated requirements of 37 CFR 1.98 are met.

Specifics of Change Being Considered: An unduly burdensome IDS submission may be denied consideration even though it complies with 37 CFR 1.98. For example, extremely large documents and compendiums may not be accepted if submitted. Applicant will, however, be notified and given an opportunity to modify the submission to eliminate the burdensome aspect of the IDS.

Background: 37 CFR 1.97 states that information will be considered by the PTO if it satisfies the provisions of 37 CFR 1.97 and 1.98. In the above proposal to revise 37 CFR 1.98 (see above), the PTO is contemplating revision of 37 CFR 1.98 to deal with unduly burdensome IDS submissions by imposing new requirements/limitations.

It should be noted that even if the rules of practice are revised as per the above proposal for 37 CFR 1.98, applicants may still cite compendiums, such as compilations of individual articles, entire magazines, journals, encyclopedia or technical dictionary volumes, textbooks, and volumes of technical abstracts. In addition, if a compendium is submitted as one of the ''excepted ten citations,'' no description would be required as to the entire compendium. Even though such a submission might comply with the letter of 37 CFR 1.98, consideration of the submission would be unduly burdensome to the examiner. It clearly would not further the PTO mission and goals to have the examiner consider the entire text of the compendium. Rather, applicant should be required to submit and describe the specific section(s) or portion(s) of the compendium which applicant deems to provide the basis for making the citation, and such a specific citation would be acceptable.

Therefore, the PTO should have a mechanism to deal with unusual IDS circumstances where consideration of all or some part of an IDS would be unduly burdensome to the examiner.

Proposal: The PTO is contemplating revision of 37 CFR 1.98 to reserve the authority of the examiner to refuse consideration of an IDS submission, or any part of it, where such consideration would be unduly burdensome to the examiner (such that the PTO mission and goals would not be furthered by requiring the examiner to provide consideration).

When an unduly burdensome IDS is submitted, the PTO would notify applicant that the IDS, or a particular portion of it, has been refused further consideration. In the notice to applicant, the PTO would point out why it would be unduly burdensome for the examiner to consider the IDS (or portion thereof) and how the IDS could be modified to eliminate its burdensome aspect. As is currently the practice, the notice may, at the examiner's option, be set forth in the next Office action on the merits issued by the examiner or be provided in a separate notice giving the applicant an opportunity to correct the IDS. *See* MPEP 609. Thus, the examiner could delay action on the merits until the corrected IDS is received or the time for correction has expired. If the notice is included in the next Office action on the merits, then the application status would advance with the issuance of that action on the merits. Thus, the timeliness of the citations (and refusal of consideration for lack of timeliness) would quite possibly become dependent on a more limiting subsection of 37 CFR 1.97. For example, if the action on the merits is a first Office action, 37 CFR 1.97(b) will apply to the corrected IDS submission, while 37 CFR 1.97(a) would have applied to the original IDS submission (had it been in order). If appropriate correction is made and the submission is considered timely under 37 CFR 1.97, the re-submitted citations will then be considered. If not, the IDS documents objected to as unduly burdensome would be removed from the record and discarded. In such a situation, the list of citations (*e.g.*, PTO–1449) which was submitted with the IDS (the citations which were not considered being lined through by the examiner) would be retained in the application file to serve as a permanent record of what item(s) was/were cited.

Examples: Presented are some examples of IDS submissions (in addition to the compendium submission which is discussed above) that comply with the letter of 37 CFR 1.98, yet the PTO would, most likely, regard as unduly burdensome to the examiner:

(1) An IDS presents ten or less citations; however, one or more of the presented citations is a patent containing more than one hundred pages. There is no explanation as to the nature of the relevance of the patent(s) and no specific columns with lines are identified.

(2) An IDS presents ten related U.S. applications with copies of voluminous

records (including litigation documents) and there is no explanation as to the nature of the relevance nor is there an identification of specific parts of the application records.

(3) An IDS presents five hundred citations, each uniquely described relative to the carving-member feature of claim 5 in a slightly different manner.

(4) Applicant submits five hundred citations to a foreign patent office in a foreign application. Applicant then submits the five hundred citations in the corresponding U.S. application as citations previously cited by a foreign patent office (see the above discussion of 37 CFR 1.98) together with a copy of the foreign patent office search report that does not identify relevancy as to the citations, and without any citation description in the IDS.

The above are non-limiting examples of burdensome IDS submissions where consideration would be appropriately denied by the examiner.

PTO Goals to be Furthered: This revision being considered is important to PTO Goals of reducing PTO processing time (PTO Goal 1) and enhancing the quality of the examination (PTO Goal 4). At present, non-conforming and unduly burdensome IDSs are interfering with the PTO effectively carrying out its function of fully considering IDS documents. This second proposal for revision of 37 CFR 1.98 (coupled with the above-presented first proposal) would enable the PTO to reject abusive IDSs and thus permit examination of others in greater detail.

11. Providing no cause suspension of action (37 CFR 1.103)

Summary: The PTO is considering adding an additional suspension of action practice, under which an applicant may request deferred examination of an application without a showing of ''good and sufficient cause,'' and for an extended period of time. The applicant would be required to waive the confidential status of the application under 35 U.S.C. 122, and agree to publication of the application.

Specifics of Change Being Considered: Prior to the first Office action of an application, the applicant may request deferred examination provided the application is entitled to a filing date, the filing fee has been paid, any needed English-language translation of the application has been filed, and all ''outstanding requirements'' have been satisfied, except that the oath or declaration need not be submitted. If an oath or declaration has not been submitted, the names of all of the persons believed to be the inventors must, in good faith, have been identified. Upon request by the applicant, the PTO may defer examination for a period not to exceed three years. Applicant would be required to waive his or her right to have the application kept in confidence under 35 U.S.C. 122, and pay a fee for publication of the application.

Discussion: Under 37 CFR 1.103(a), an applicant may request suspension of action of an application ''for good and sufficient cause and for a reasonable time specified.'' There may be times, however, when suspension of action is desired by the applicant even though ''good and sufficient cause'' is not present, and also for a period greater than the six months permitted under MPEP 709. For example, an applicant may desire deferred examination to obtain time to align funding, or to resolve ownership or potential licensing issues. To provide applicants some flexibility in their business affairs, and a degree of relief from any business constraints due to the ongoing pendency of an application, the PTO is considering permitting applicant to request deferred examination solely at the discretion of the applicant, and for a period of extended length. A showing of ''good and sufficient cause'' would not be required.

This program is intended to provide better service to the public by making it possible to defer action on an application merely by asking, and paying a fee for it to be deferred. The PTO would benefit as well as the PTO would be better able to redirect its limited examining and processing resources to other applications in need of more immediate processing. The suspension may also allow search and/or examination results on counterpart cases in other countries to be received and considered.

In contrast to suspension of action under 37 CFR 1.103(a), which may not be granted for a period exceeding six months without approval of the group director (*see* MPEP 709), deferred examination under this option would continue until applicant requests resumption of prosecution, or the maximum time permitted for such deferral has expired.

A request for deferred examination under this option would only be granted if, in addition to satisfying the formal requirements and paying the required fee (set to recover PTO costs), applicant waives his or her right to have the application kept in confidence under 35 U.S.C. 122 and agrees to publication of the application.

The PTO is considering imposing the following requirements for this deferred examination program

(1) The application must be entitled to a filing date.

(2) The basic application filing fee must have been paid.

(3) Any needed English-language translation of the application must have been filed.

(4) All ''outstanding requirements'' (*e.g.*, requirements to a Notice to File Missing Parts) must have been satisfied, except that the oath or declaration need not be submitted. See the related discussion on 37 CFR 1.53 where it is indicated that the PTO is considering changing the rules of practice to permit submission of the oath or declaration to be deferred until payment of the issue fee.

(5) If an oath or declaration has not been submitted, the names of all of the persons believed to be the inventors must, in good faith, have been identified.

(6) A first Office action on the merits must not have been mailed in the application, or any prior application assigned the same application number if the application is continued prosecution application under 37 CFR 1.53(d).

(7) Applicant must submit ''A Request for Deferred Examination'' under this program which includes:

(a) A waiver of his or her right to have the application kept in confidence under 35 U.S.C. 122, and payment of the fee for publication of the application;

(b) Payment of the required fee for deferred examination; and,

(c) In a design application, a utility application filed before June 8, 1995, or a plant application filed before June 8, 1995, a terminal disclaimer dedicating to the public a terminal part of the term of any patent granted thereon equivalent to the period of suspension of the application (this terminal disclaimer must also apply to any patent granted on any continuing design application that contains a specific reference under 35 U.S.C. 120, 121, or 365(c) to the suspended application).

The PTO considered not making this suspension of action provision inapplicable to any application not subject to the twenty-year patent term provisions of 35 U.S.C. 154(a)(2). Rather than excluding such applications from this program, the PTO is considering simply requiring that a terminal disclaimer for the period of suspension be filed as a condition of granting a suspension of action under this program in an application not subject to the twenty-year patent term provisions of 35 U.S.C. 154(a)(2).

The PTO is further considering the establishment of the following program guidelines

1. *Maximum period of suspension.* Because deferral of action would delay development of final claim form, and in view of the public's right to early knowledge of patent rights, a maximum time for suspension would be set. The maximum time period of suspension would be measured from the filing date of the application, not the date a request for suspension is granted. The PTO favors a maximum period of three years from the filing date or earliest filing date for which a benefit is claimed under 35 U.S.C. 119, 120, 121, or 365. A longer period would seem excessive, and is seen as permitting an applicant to unduly delay issuance of the patent.

2. *Time of publication.* The PTO favors publication as soon as practicable after the PTO grants the request. This would make the specification a publication at the earliest possible time.

3. *Form of publication.* The PTO intends to publish a notice of the application, and of the suspension of action in the *Official Gazette.* The notice would include bibliographic information, an abstract of the invention, a drawing figure and at least one representative claim. A copy of the application, as filed, will be produced and made available to the public in a manner similar to the present Statutory Invention Registration (SIR) publications. This would include placement in the PTO's Automated Patent System (APS) and classified search files. Copies would be fully available to the public.

4. *Effect of Publication.* The application would be open to the public on the date of publication. An application, indexed or classified according to a classification system, and open to public inspection, with a publication document including an abstract and claim arranged with other such documents according to the classification system is available as a prior art publication under 35 U.S.C. 102/103 (*i.e.*, is ''published''). *See In re Wyer*, 655 F.2d 221, 210 USPQ 790 (CCPA 1981); *see also In re Hall*, 781 F.2d 897, 900, 228 USPQ 453, 456 (Fed. Cir. 1986) (a dissertation in a library open to public inspection by the general public, and indexed and cataloged with the other documents in the library, is available as a publication under 35 U.S.C. 102/103). The published application would not be prior art under 35 U.S.C. 102(e) effective from the filing date of the so-published application. Obviously, if the application is subsequently issued as a patent, the patent would be available as prior art under 35 U.S.C. 102(e).

Comments on the Following Questions Are Solicited

1. Should a maximum period for suspension be set for a period of other than three years?

2. Should the application be required to include an executed oath or declaration before a request for suspension of action may be granted? It is noted that the Office is also considering changing 37 CFR 1.53 to permit submission of the oath or declaration to be deferred.

3. Would publication of the application, coupled with the knowledge that a patent may be issued in the future, have a chilling effect on others active in the same field so as to freeze their activities in this area?

12. Requiring a handling fee for preliminary amendments and supplemental replies (37 CFR 1.111)

Summary: The PTO is considering imposing a handling fee for certain preliminary amendments and for all supplemental replies.

Specifics of Change Being Considered: The PTO is considering replacing the current practice of allowing unlimited preliminary amendments and multiple supplemental replies to be filed without requiring any fee with a new practice where a handling fee would be charged for each preliminary amendment filed later than a specified time period after the filing date of the application, and for each supplemental reply that is filed after the initial reply to an Office action has been filed.

Background: Preliminary amendments and supplemental replies cause the PTO to perform administrative processing, the cost of which is not covered by the filing fee. Some preliminary amendments and supplemental replies cause the PTO to perform examiner rework resulting in increased pendency time for the application when such submissions are timely filed but do not reach the examiner prior to the examiner acting on the application. For example, if a preliminary amendment or supplemental reply crosses in the mail with a PTO Office action, the PTO must perform rework including technical support processing of the submission, and further examination of the application by the examiner, and a new or supplemental Office action will most likely have to be prepared and mailed. If the preliminary amendment or supplemental reply is received by the examiner after the examiner has begun to examine the application, or even after the examiner's action has been prepared, but before the Office action was mailed, the examiner would still have to reconsider, and then revise or even redo the action, whether it was ready to be mailed or not, in light of the preliminary amendment or supplemental reply. This may also require an additional search or that the previous search be redone. *See* MPEP 714.05. Accordingly, the PTO is considering revising its patent rules of practice to impose a handling fee for the filing of certain preliminary amendments and for supplemental replies to recover the costs associated with these activities.

Such a change to the patent rules of practice would support the PTO's business goals of reducing the PTO processing time to twelve months or less for all inventions, and assessing fees commensurate with resource utilization and customer efficiency. Processing time in the PTO would be reduced in that applicants would have an incentive to promptly file preliminary amendments and to timely file complete replies to Office actions. The assessment of a handling fee for each preliminary amendment filed outside of a specified time period, and each supplemental reply, will offset the costs accrued by the PTO for extra technical support and examination processing, including the time spent by the examiner to reconsider, and (re)process, such submissions. The PTO anticipates that charging a handling fee for such preliminary amendments and supplemental replies will discourage such filings, thus resulting in a reduction in the amount of time it normally takes to complete the examination of an application, which now includes delays associated with such preliminary amendments and supplemental replies.

The PTO is therefore considering charging a handling fee for each preliminary amendment filed later than a specified time period after the filing date of the application and each supplemental reply rather than banning them in their entirety.

Preliminary Amendments: Current practice permits an applicant to file preliminary amendments any time prior to the mailing of a first Office action. This practice often results in a preliminary amendment crossing in the mail with an Office action. Current practice has also resulted in complaints (petitions) by applicants when the PTO has refused to issue a new Office action when a preliminary amendment is not filed in the PTO before the mailing date of an Office action, but was mailed to the PTO before the applicant received

the Office action, since such a preliminary amendment did not cross in the mail within the meaning of MPEP 714.05. Another area of concern with preliminary amendments is that some preliminary amendments are received at the PTO before the mail date of the first Office action, but not far enough in advance of such mail date that the amendment can be associated with the application file before the examiner has completed the first Office action (*i.e.*, filed a few weeks before the mail date of the Office action). In either scenario, a hardship is caused on both the Office and applicant due to the preliminary amendments not being considered. Preliminary amendments also cause the Office to incur extra expenses in technical support processing of the amendments, and in most instances, the examiner having to modify and mail a new Office action. The applicant suffers by having to inquire about the preliminary amendment not acted upon by the examiner and from having to request a new examiner's action when a timely filed preliminary amendment did not reach the file before the examiner's action was mailed.

An application should be ready for examination when filed, and an applicant may expect the PTO to take up an application for examination shortly thereafter. When the PTO reduces its cycle time to twelve months, applications will receive a first Office action in less than six months after filing. Therefore an effort should be made to have all preliminary amendments before the examiner at the time the application is filed. In the case of a continuing prosecution application (CPA), since the application could be ready for the examiner to review in as little as one day from the date the CPA is filed, the timely submission of a preliminary amendment is of even greater importance.

Accordingly, the PTO is considering charging a handling fee for each preliminary amendment filed: (1) later than one month from the expiration of the applicable twenty-or thirty-month period in 35 U.S.C. 371(b) in a PCT application ; (2) later than one month from the filing date of the application in an application filed under 37 CFR 1.53(b); and (3) later than the filing date of the application in a continued prosecution application (CPA) filed under 37 CFR 1.53(d). These time periods would not be extendable. This handling fee will offset the handling costs incurred by the PTO, and act as an incentive for applicants to file an application in condition for examination. If the handling fee is not paid, the preliminary amendment would merely be made of record in the file but would not be entered.

Exceptions: Not every preliminary amendment filed outside this time period would require a handling fee. For example, no handling fee would be required for any paper submitted in reply to a requirement by the PTO, either written or oral, such as a request to submit a signed copy of a paper previously submitted, but which was not signed. Another example would be when a preliminary amendment is required (*e.g.*, filing of an English translation from a foreign filed application) as a result of a ''Notice To File Missing Parts of Application'' (37 CFR 1.53(f)). Any amendments filed in reply to a ''Notice To File Correct Application Papers'' would also not require a handling fee. It should be noted, however, that if any other type of amendment were to be submitted with the reply to the PTO requirement, which was not specifically required, then a handling fee would be required for that reply. No handling fee would be required for any preliminary amendment which is filed solely for the purpose of reducing the number of claims in an application to be examined, but amendments deleting some claims and adding new, or substitute, claims would have to pay a handling fee even if the net result of the amendment is that fewer claims would be present.

Supplemental Replies: Under current practice, an applicant must file a timely reply to avoid abandonment under 35 U.S.C. 133 and 37 CFR 1.135, but may then file one or more supplemental replies (which may include additional arguments, amendments, evidence, or other material) up until the mailing of the next Office action. This practice encourages the filing of a reply that, while satisfying the requirements of 37 CFR 1.111, may not include all of the amendments or evidence that the applicant seeks to be considered, since the original reply may be supplemented. 37 CFR 1.111(b), however, provides that a proper reply by an applicant to an Office action ''must reply to every ground of objection and rejection in the prior Office action.'' Thus, no more than one reply to an Office action should be necessary in most situations.

Accordingly, the PTO is considering a change to the patent rules of practice to require that all supplemental replies to a non-final Office action must be filed with a handling fee to be entitled to consideration. Under this practice, an applicant would still be permitted to file supplemental replies to an Office action but all additional costs associated with the processing of the supplemental reply would be offset by the handling fee that would have to be paid. If the handling fee is not paid, the supplemental reply would merely be made of record in the file but would not be entered.

Exceptions: A handling fee would not be required for supplemental replies filed after a final Office action as such replies are not automatically entitled to entry. A handling fee would also not be required when the supplemental reply is filed after reaching an agreement for such with the examiner.

An example in which a handling fee would not be required would be when a supplemental reply is filed in response to an agreement reached with an examiner. In this situation the examiner's interview summary record should indicate that the filing of a supplemental reply was approved, and the supplemental reply should clearly indicate that it was filed after receiving approval from the examiner in order to not be subject to payment of the handling fee. It should be noted that the examiner will not be under any obligation to permit the submission of a supplemental reply without a handling fee.

Handling Fee: As earlier indicated, the PTO is taking the approach of charging a handling fee for certain preliminary amendments filed after the application was filed and for each supplemental reply rather than considering banning them in their entirety.

The PTO incurs costs associated with processing preliminary amendments and supplemental replies. Depending on when such papers are filed the costs include not only technical support processing time, but also additional time on the part of the examiner. In order to offset the costs accrued by the PTO in processing certain preliminary amendments filed after the application was filed, or supplemental replies, the handling fee will be set at the aggregate cost to the PTO for both administrative and examiner processing time required for the average preliminary amendment or supplemental reply. It is important to note that the paying of the handling fee does not guarantee that the submission forwarded therewith will be considered by the examiner, as all submissions must still meet the timeliness limitations which currently exist.

13. Changing amendment practice to replacement by paragraphs/claims (37 CFR 1.121)

Summary: The PTO is considering changing the manner of making amendments to require that all amendments to the specification including the claims be presented in the

form of replacement paragraphs and claims, respectively.

Specifics of Change Being Considered: The PTO is considering replacing the current system for making amendments in non-reissue applications with amendment to the specification by replacement paragraphs and amendment to a claim by a replacement claim. This would eliminate the PTO's need to enter changes by handwriting in red ink. Deletions of a paragraph or a claim would be by instruction to cancel. Replacement paragraphs and claims would be a clean copy that is printer-ready, which can be optical character recognition (OCR) scanned during the publishing process. A marked-up copy of the changed paragraphs or claims, using the applicant's choice of mark-up system, would also be supplied as an aid to the examiner. All paragraphs in the specification, including charts, tables, equations, *etc.*, would have to be numbered. An option to provide substitute specifications would be retained for submission of extensive changes.

Background: 37 CFR 1.121(a) permits an applicant to amend the specification, and to a limited degree, the claims, by instructing the PTO to make insertions or deletions at precise points in the specification or claims. Alternatively, applicant may choose to cancel a claim or rewrite a claim in amended form with underlining and bracketing, designating additions or deletions, respectively. Under these rules, amendments are often many pages long, involve extensive and numerous changes to the specification and/or claims, have complex entry instructions, and sometimes include typographical errors. Entry of these amendments, especially when words and phrases must be inserted in hand-written red ink, and many such changes are being made, is very time-consuming and difficult to perform, frequently leading to entry errors (including spelling, wording, and entry locations). In addition, no clean copy of the specification or claims is available for scanning as part of the patent publication process. Thus, the current amendment process leads to printed patents being issued which contain many errors, which is an unsatisfactory situation for both the PTO and applicants/patentees for a number of reasons. First, the PTO has to expend valuable resources to make needed corrections via Certificates of Correction. Second, applicants/patentees want their patents to be correctly printed, without errors, and they are very disappointed when they receive patents that do contain errors. Further, while Certificates of Correction are issued at no cost to applicants/patentees if the errors are the fault of the PTO, applicants/patentees must expend a substantial amount of time and effort carefully reviewing their printed patents, then preparing and submitting requests to the PTO for any needed corrections. It can be readily seen, therefore, that the PTO and its customers both feel that there is a real need for changes to be made to the current system for making amendments so as to reduce the number and causes of Certificates of Correction.

The PTO has been considering changes to the procedure for making amendments to an application for several years. *See Notice of Public Hearing and Request for Comments on 18-Month Publication of Patent Applications;* Advance Proposed Rule Notice, 59 FR 63966, 63970 (December 12, 1994); 1170 *Off. Gaz. Pat. Office* 390, 393–94 (January 3, 1995). The PTO made a specific proposal for changing the procedure for making amendments to an application in late 1996. *See 1996 Changes to Patent Practice and Procedure;* Proposed Rule Notice, 61 FR 49819, 49830–31, 49852–54 (September 23, 1996); 1191 *Off. Gaz. Pat. Office* 105, 113–14, 133–34 (October 22, 1996). This proposal, however, was withdrawn for further study in view of the public comments received. *See Changes to Patent Practice and Procedure;* Final Rule Notice, 62 FR 53131, 53153 (October 10, 1997); 1203 *Off. Gaz. Pat. Office* 63, 82 (October 21, 1997).

Comments received to date in response to both notices have been taken into account in arriving at the currently proposed procedure for making amendments.

Discussion: The preferred option under consideration is a change to 37 CFR 1.121 eliminating the current system for making amendments in non-reissue applications and requiring applicants to present amendments in the form of replacement paragraphs for changes to the specification and replacement claims for any changed claims. The replacement paragraphs/claims would be entered by the PTO as substitute inserts for the paragraphs in the specification or for the affected claims. Should an applicant merely wish to cancel a claim, a specific instruction to cancel or delete the claim would be sufficient. Similarly, a paragraph of the specification could be canceled by a specific instruction to cancel or delete. Except as currently provided, no claim would be canceled by the PTO without specific and direct instructions from the applicant to do so.

In order for the replacement paragraph system to work, all the paragraphs, including headings, charts, graphs, tables, and equations in the specification would have to be numbered. Thus, it is further contemplated that, in conjunction with the change to 37 CFR 1.121, a change to 37 CFR 1.52 may be necessary in order to provide a requirement for the numbering of paragraphs of the specification. Once all the paragraphs are numbered, amendments would be made merely by submitting a replacement paragraph (with the same number) with the desired changes made in the replacement paragraph. If an amendment results in the addition or deletion of one or more paragraphs, an arrangement for identifying any such added or deleted paragraphs shall be established so that the numbering of other paragraphs shall not have to be changed.

It should be noted that the PTO will retain the option of being able to require the submission of a substitute specification, as well as permitting the submission of a substitute specification. 37 CFR 1.125.

In addition to submitting a replacement paragraph/claim to make an amendment, applicant would also be required to submit a marked-up copy of the paragraph/claim to show the differences between the original and the replacement. The marked-up copy would be generated by any method applicant chooses, such as underlining and bracketing, redlining, or by whatever system is available with the compare function of applicant's software. However, it must be clear enough to be readily understood by the examiner.

The replacement paragraph/claim, which would be a clean version without any underlining or bracketing, would be able to be completely scanned as part of the printing process in the Office of Patent Publications which will result in a higher quality of printed patents. Complete scanning of amended portions of the specification and amended claims is not possible today because insertions of words, phrases or sentences made by handwriting in red ink and deletions made by words which have been lined through with red ink are ignored by the scanner. Further, while text marked with underlining and bracketing can be scanned, extra processing is required to delete the brackets and the text within the brackets and to correct misreading of letters caused by the underlining. Thus, using clean replacement paragraphs and claims would permit complete scanning which is a faster and more accurate method of capturing the application for printing while eliminating an extensive amount of key-entry of subject matter.

This should result in patents with fewer errors in need of correction by certificate of correction, which clearly would be a benefit to the patentees while also conserving PTO resources.

When an amendment in the future is presented in an Electronic File Wrapper (EFW) environment, applicants would only have to submit a single clean copy of the replacement paragraph/claim, as the PTO's system (software) would be designed to allow the examiner to see the differences between the original and the amended versions.

Adoption of the preferred option would make the amendment process simpler, reduce processing time and operating costs, and reduce the opportunity for error associated with amendment entry. In addition, it would be consistent with the PTO objective of standardizing processing of amendments in both paper and electronic format in anticipation of a total EFW environment, which is currently under development. Further, the changes being considered are consistent with the PTO's efforts to harmonize with PCT practice and any changes being contemplated for that system.

The change in amendment procedure being considered would have a significant impact on several of the PTO's business goals. Specifically, amendment entry practice would be much easier and would increase efficiency in the technical support area with better resource utilization (Business Goal 5) and a reduction in cycle time (Business Goal 1). In addition, the changes proposed herein are consistent with the PTO's concurrent development of receiving applications and publishing patents electronically (Business Goal 3), in that they provide for enhanced and more efficient paper processing, in addition to establishing the groundwork for transition into a full EFW environment. Further, the simplified amendment entry practice would exceed our customers' quality expectations (Business Goal 4) by saving applicants a substantial amount of time and resources as: (1) it will be easier and take less time for applicants to prepare amendments to be submitted to the PTO; (2) it will be easier and take less time for applicants to enter amendments into and update their own application files; and (3) the printed patents should have less typographical errors, reducing the need for requesting Certificates of Correction.

A secondary option under consideration is that of replacement sections of the specification and claims. A standardized form of section and heading identification would also be required to achieve uniformity in practice. Parts of the specification, as well as individual claims, would be defined as ''sections'' and would be replaced in a manner similar to that described above for replacement paragraphs/claims. While the procedure seems viable for electronic processing, it does not lend itself to paper format, primarily due to the larger number of replacement sheets which might be required.

One other option that was considered involved replacement pages of the specification and/or claims. Although this procedure currently enjoys limited success in PCT amendment practice in paper format, its future in electronic filing raises some apprehension. In an electronic environment, page numbering is dependent on word processing style and formatting and can be inconsistent; thus, sequential page numbering as in paper format would not be possible. For this reason, this option is not being further pursued.

It is noted that 37 CFR 1.121 is primarily directed to setting forth the procedural requirements for making amendments. Thus, consideration is being given to shifting several of the more substantive sections of this rule to more appropriate sections of the rules. For example, the provisions of 37 CFR 1.121(b)(2)(iii) and (b)(5), which are specific to reissue requirements, may be relocated to 37 CFR 1.173, and the provisions of 37 CFR 1.121(a)(6) relating to new matter may be relocated to 37 CFR 1.111.

14. Providing for presumptive elections (37 CFR 1.141)

Summary: The PTO is considering a change to restriction practice to eliminate the need for a written restriction requirement and express election in most restriction situations.

Specifics of Change Being Considered: The PTO is considering a change to restriction practice to provide: (1) that if more than one independent and distinct invention is claimed in an application, the applicant is considered to have constructively elected the invention first presented in the claims; (2) for rejoinder of certain process claims in an application containing allowed product claims; and (3) for rejoinder of certain combination claims in an application containing allowed subcombination claims. This will, in most restriction situations, eliminate the need for a written restriction requirement separate from an Office action on the merits and an express election by the applicant, which will reduce pendency and PTO cycle time. This change would apply to nonreissue applications filed under 35 U.S.C. 111(a), and would not apply to reissue applications or applications filed under the PCT.

Discussion: The PTO is considering amending the rules of practice (37 CFR 1.141 *et seq.*) to avoid the delays inherent under current restriction practice. Specifically, when claims to more than one independent and distinct related invention are presented in an application, current practice is to require restriction and an express election by the applicant prior to an action on the merits. *See* 37 CFR 1.142(a). The PTO is considering amending restriction practice to provide, by rule, that if claims to more than one independent and distinct related invention are presented in an application, the applicant is considered to have constructively elected the invention first presented in the claims. That is, the PTO is considering adopting a PCT-type practice in regard to how the PTO determines the invention to be examined when multiple inventions are presented in an application. *See* PCT Article 17(3)(a) (when the unity of invention requirement is not met, the search report shall be established on the parts of the application that relate to the invention first mentioned in the claims unless additional fees are timely paid). This change should eliminate the need for a requirement for an express election prior to action on the merits in many restriction situations, and would support the PTO's business goal to reduce PTO processing time to twelve months or less for all inventions.

The PCT practice of permitting an applicant to obtain examination of additional inventions in a single application upon payment of additional fees is not currently under consideration. Except for the specific authorization in § 532(a)(2)(B) of Pub. L. 103–465 for the practice set forth in 37 CFR 1.129(b), there is currently no statutory authority for the PTO to simply charge the patent fees set forth in 35 U.S.C. 41(a) for the examination of additional inventions in a single application. 35 U.S.C. 41(d) would authorize the PTO to examine additional inventions in an application for a fee that recovers the estimated average cost to the PTO of such further examination; however, as 35 U.S.C. 41(h) is applicable only to fees under 35 U.S.C. 41(a) and (b), the PTO would not be authorized to provide a small entity reduction in regard to such fee. Thus, the only mechanism by which the PTO may provide examination of additional inventions for a fee to which the small entity reduction is applicable is via the divisional application practice.

The PTO is also considering providing, by rule, that the PTO will examine the claims to the product if either: (1) the first presented claims are claims to a product; or (2) the first presented claims are claims to a process of either using or making a product and the application contains claims to the product. If the claims to the product are determined to be allowable over the prior art, the PTO will also examine (permit joinder of) the corresponding process of making claims or the corresponding process of using claims (if the application contains claims to the process of using or making the product) that depend from or otherwise include all the limitations of the product claims that are allowable over the prior art. *See Guidance on Treatment of Product and Process Claims in light of In re Ochiai, In re Brouwer, and 35 U.S.C. 103(b),* 1184 *Off. Gaz. Pat.* Office 86 (March 26, 1996).

The process of making claims or the process of using claims that do not depend from or otherwise include all the limitations of the product claims that are allowable over the prior art will, by rule, be treated as constructively non-elected due to the presentation of product claims. If the claims to such product are not determined to be allowable over the prior art, then, by rule, the presentation of product claims will be treated as a constructive election of the product for examination. Thus, a process claim will, by rule, be treated as constructively non-elected due to the presentation of a product claim in either of the following two situations: (1) if no constructively elected product claim is allowable over the prior art; or (2) if the process claim does not depend from or otherwise include all the limitations of a constructively elected product claim that is allowable over the prior art.

The PTO is also specifically considering providing, by rule, that the PTO will examine the claims to the subcombination if either: (1) the first presented claims are claims to a subcombination; or (2) the first presented claims are claims to a combination and the application contains claims to the subcombination. If the claims to the subcombination are determined to be allowable over the prior art, the PTO will also examine (permit joinder of) the corresponding combination claims (if the application contains claims to the combination) that depend from or otherwise include all the limitations of the subcombination claims that are allowable over the prior art.

Restriction is currently not permitted in the situation in which the combination includes all the limitations of the subcombination (*i.e.,* the subcombination is essential to the patentability of the combination), unless there is at least one combination claim that does not include all the limitations of the subcombination (*i.e.,* a claim that evidences that the applicant does not consider the subcombination is essential to the patentability of the combination or an ''evidence claim''). *See* MPEP 806.05(c). Restriction may be permitted in the situation in which the combination does not include all the limitations of the subcombination (*i.e.,* the subcombination is not essential to the patentability of the combination). *See id.*

The combination claims that do not depend from or otherwise include all the limitations of the subcombination claims that are allowable over the prior art will, by rule, be treated as constructively non-elected due to the presentation of subcombination claims. If the claims to the subcombination are not determined to be allowable over the prior art, then, by rule, the presentation of subcombination claims will be treated as a constructive election of the subcombination for examination. Thus, a combination claim will, by rule, be treated as constructively non-elected due to the presentation of a subcombination claim in either of the following two situations: (1) if no constructively elected subcombination claim is allowable over the prior art; and (2) if the combination claim does not depend from or otherwise include all the limitations of a constructively elected subcombination claim that is allowable over the prior art.

The examiner would still be required to set forth the restriction requirement in the first Office action, and would then follow the requirement with an indication of which claims were constructively elected. If the applicant disagrees with the propriety of the restriction requirement, the applicant would continue to have the right to request reconsideration (37 CFR 1.143) and review (37 CFR 1.144) of the restriction requirement. The only change is that an applicant's election would be a constructive election based upon the order of presentation, rather than an express election in reply to a restriction requirement.

This change would apply to nonreissue applications filed under 35 U.S.C. 111(a), and would not apply to applications filed under the PCT. The PTO is also considering changes to restriction practice for reissue applications, which are discussed below. The discussion in this topic applies solely to restriction practice for a nonreissue application.

15. Creating a ''rocket docket'' for design applications (37 CFR 1.155)

Summary: The PTO is considering an expedited procedure to reduce the processing time for the examination of design applications.

Specifics of Change Being Considered: The PTO is considering a change to the rules of practice, so that design applicants may for a fee (roughly estimated at approximately $900) request to have their applications expedited. The applications will be individually examined with priority and the clerical processing will be conducted by special expediters and/or monitored by special expediters to achieve expeditious processing through initial application processing and the Design Examining Group.

Discussion: Because of the marketplace, there is a need for rapid protection of certain articles which are easy to copy, such as athletic shoes, toys or consumer goods. Consequently, the time spent securing patent protection may severely erode the benefit of design patent protection, since if the process is lengthy, once the design is patented, the damage in the form of infringement may already be done. Currently the ''Petition to Make Special—Accelerated'' procedure set forth at MPEP 708.02(VIII) provides an under-utilized process for applicants seeking timely examination. Presumably this is because the procedure required to grant a Petition to Make Special is time-consuming in that the petitions must first be located from amongst the application papers and oft-times a considerable amount of time may transpire before the petition is acted upon by the required high-level official. Utilizing the proposed expedited procedure, this will be solved by having the request hand-delivered to the Director's Office where the PTO can be assured that it will be acted upon quickly. Moreover, the current Petition to Make Special procedures are primarily directed to prioritizing the application while it is on the Examiner's docket as opposed to decreasing time spent routing the application and clerical processing time. Certain design applicants have requested that additional measures, for an additional cost, be made available to design applicants so that their applications may be processed and/or monitored by expediters, who will assure hand-carrying of the applications between processing steps and top priority clerical processing of the applications. This is consistent with the PTO's goals of reducing the cycle time for applications (Goal 1) and exceeding customers' expectations (Goal 4).

Accordingly, there is a need for a separate, streamlined, expedited procedure for designs.

Consequently, the PTO is considering amending 37 CFR 1.155 to create an additional avenue for design applicants seeking expedited processing during examination before the PTO. The fee for this expedited processing is that fee necessary to recover the PTO's cost of providing such expedited examination. *See* 35 U.S.C. 41(d). The initial estimate (approximately $900) is for the additional cost of: (1) hand-carrying/walking an application through processing stages in initial application processing and the Design Examining Group; (2) prioritizing the processing of the application and (3) individually searching and examining the application by itself and not along with other design applications.

Unlike utility and plant applications, design applications are generally searched (and examined) in groups of ten to twenty which reduces the search and examination time needed for each design application, which in turn permits a relatively low design application filing fee. Under this practice, the general procedure results in all applications being searched before any are completed and mailed. Given that expedited cases will be searched and examined individually by themselves rather than with many other design applications, a higher processing fee is justified.

The expedited procedure for design cases will afford expeditious treatment from the date of filing to the date of issuance or abandonment, except if the application is appealed or if a petition is filed there is no expedited treatment while the application is within the jurisdiction of the Board of Patent Appeals and Interferences (BPAI) or Special Program Law Office (SPLO) under the proposed 37 CFR 1.155. As to processing during the printing cycle, the time for processing prior to printing is expected to be reduced to eight weeks, so no special expedited procedure is deemed necessary.

Requirements

(1) The Request to Expedite along with the design application should be filed by hand in the Design Group Director's Office. If the application has been previously filed, the request, which must indicate the application number, should be hand-carried or faxed to the Group Director's Office.

(2) The Request to Expedite will be treated promptly but will not be considered until the application is complete (*i.e.*, includes the basic filing fee, executed oath or declaration and drawings).

(3) Applicant will be required to conduct a preexamination search. The results of the search must be reported as set forth in MPEP 708.02(VIII) ''Special Examining Procedure for Certain New Applications—Accelerated Examination.'' *See* MPEP 708.02(VIII) at 700–71.

(4) The requisite fee must accompany the Request to Expedite. The fee (roughly estimated at approximately $900) charged will be based on expenses for additional work and processing time (*e.g.*, search and examination on an individual application basis and special clerical processing/handling and stoppage of other work in progress). There will be no time limit on when the Request to Expedite may be filed, but the fee will be the same regardless of the point in the examination expedited status begins.

(5) Formal drawings are required for expedited status.

As to restriction practice, there will be a constructive election of the first presented invention. No right to traverse is to be provided. As an alternative, the applicant is given the right to traverse immediately following an Office action in which a constructive election has been set forth; but once the right to traverse is claimed, the expedited status under 37 CFR 1.155 will be terminated.

Benefits of Expedited Status

Once the Request to Expedite is granted, the application will be provided special expedited processing including (a) essentially walk-through processing through initial application and Design Examining Group stages and (b) processing out-of-turn on an immediate basis. There will be specially designated expediters for clerical processing who will personally perform certain processing steps where possible, and if not possible, will wait with the application for immediate performance of processing steps by regular personnel. The applications will be hand-carried from step to step. These special expediters might be designated employees in existing organizations or a special central clerical operation that would serve as expediters and do or oversee the processing for most other operations.

Examiner processing of expedited applications (for first as well as subsequent actions) will be given the highest priority for examination and each application will be searched and examined individually by themselves and not along with a batch of other applications. A courtesy copy of all Office actions (with references if feasible) will be faxed if a fax number is provided.

The design group will monitor application progress using the Patent Application Locating and Monitoring (PALM) system to ensure that expedited applications are not misplaced or delayed. Distinctive markings or tags will be placed on the filewrapper. The applications will be specially coded with a PALM transaction code and specially run PALM reports will be generated to ensure that any expedited application in the same status for more than a predetermined period of time will be noted and brought to the attention of the monitoring officials.

The PTO will set a one-month Shortened Statutory Period (SSP) for reply for each action.

In addition, the PTO envisions setting aside an adequate number of ''expedited status'' slots at the printer for expedited cases. However, the time for the printing process is expected to be reduced to eight weeks, so no special provision is expected to be required.

The PTO is interested in whether you find this program desirable and, if not, why not. Please include with your comments an estimate of the number of expedited requests that your office or firm expects to file, should the expedited procedure be implemented.

16. Requiring identification of broadening in a reissue application (37 CFR 1.173)

Summary: The PTO is considering a change to 37 CFR 1.173 to require reissue applicants to identify all occurrences of broadening of the claimed invention in the reissue application.

Specifics of Change Being Considered: Reissue applicants would be specifically required to point out all occurrences of broadening of the claims. This will alert examiners to consider issues involving broadening relative to the two-year limit and the recapture doctrine. While this requirement is being imposed on applicants, the examiner will still be expected to independently look for and to appropriately treat any broadening issues under 35 U.S.C. 251, ¶¶ 1 and 4. If applicant fails to note a broadening and the examiner does identify a broadening, the examiner would not be permitted to make any rejection or objection as to the failure of applicant to identify the broadening.

Discussion: 35 U.S.C. 251, ¶ 4, provides that no reissue patent may enlarge (broaden) the scope of the claims of the original patent, unless the reissue patent was applied for within two years from the grant of the original patent. *See In re Graff,* 111 F.3d 874,

877, 42 USPQ2d 1471, 1473–74 (Fed. Cir. 1997). The standard for determining whether there has been a ''broadening'' has been set forth by the Court of Appeals for the Federal Circuit as follows:

> a claim of a reissue application is broader in scope than the original claims if it contains within its scope any conceivable apparatus or process which would not have infringed the original patent * * *. A claim that is broader in any respect is considered to be broader than the original claims even though it may be narrower in other respects.

See In re Freeman, 30 F.3d 1459, 1464, 31 USPQ2d 1444, 1447 (Fed. Cir. 1994) (quoting *Tillotson Ltd.* v. *Walbro Corp.* 831 F.2d 1033, 1037 n.2, 4 USPQ2d 1450, 1453 n.2 (Fed. Cir. 1987)); *see also Westvaco Corp.* v. *International Paper Co.*, 991 F.2d 735, 741–42, 26 USPQ2d 1353, 1358–59 (Fed. Cir. 1993); *and In re Self,* 671 F.2d 1344, 1346–47, 213 USPQ 1, 3–4 (CCPA 1982).

Further, even if a broadened reissue is applied for within two years (of the patent grant date), any broadening must also be considered in view of the recapture doctrine which prevents a patentee from regaining through reissue subject matter that the patentee surrendered in an effort to obtain the original patent claims. *See, In re Clement,* 131 F.3d 1464, 1468, 45 USPQ2d 1161, 1164 (Fed. Cir. 1997); *see also Hester Indus., Inc.* v. *Stein,* 142 F.3d 1472, 1480–82, 46 USPQ2d 1641, 1648–49 (Fed. Cir. 1998) (arguments during prosecution of the original patent may, even in the absence of an amendment to the claims, give rise to a surrender that bars recapture by reissue). Therefore, to properly examine any reissue application, the examiner must be aware of all occurrences of broadening of the original patent claims.

While it is often clear when a reissue application contains one or more claims that are broader than the claims of the original patent, sometimes issues of claim interpretation arise where it is not clear that the reissue application contains claims that are broader than the claims of the original patent. For example, a reissue application changing the phrase ''perforation means'' in the original patent claims to ''perforations'' is a broadening change if that phrase in the original patent is considered to have invoked 35 U.S.C. 112, ¶ 6 (*Johnston* v. *Ivac Corp.*, 885 F.2d 1574, 1580, 12 USPQ2d 1382, 1386 (Fed. Cir. 1989) (35 U.S.C. 112, ¶ 6, operates to cut back on the types of means which could literally satisfy the claim language)), but is not a broadening if that phrase in the original patent is not considered to have invoked 35 U.S.C. 112, ¶ 6 (*Cole* v. *Kimberly-Clark Corp.,* 102 F.3d 524, 531, 41 USPQ2d 1001, 1006 (Fed. Cir. 1996) (presence of the word ''means'' in a claim does not necessarily invoke 35 U.S.C. 112, ¶ 6)). Thus, in a significant number of reissue applications, it is not readily apparent from an inspection of the claims in the reissue application whether they are broader than the original patent claims. *See Freeman,* 30 F.3d at 1464–65, 31 USPQ2d at 1448 (''we cannot agree with [applicant] that simply because [applicant] added words to [the] claims that those claims are further narrowed in scope * * * [t]he English language is not that simple'').

The PTO recently amended 37 CFR 1.175(a) (effective December 1, 1997) to require that a reissue applicant identify in his or her reissue oath or declaration only a single error being corrected in the reissue. *See Changes to Patent Practice and Procedure;* Final Rule Notice, 62 FR 53131, 53196 (October 10, 1997), 1203 *Off. Gaz. Pat. Office* 63, 121 (October 21, 1997). Thus, in a reissue application containing claims that have been both broadened and narrowed, the applicant may meet the literal requirements of 37 CFR 1.175(a) by identifying only the error involving the narrowing of the original patent claims, while still asserting a correction of ''more or less'' than applicant had a right to claim in the original patent and without addressing the issue of broadening. Without the identification of all occurrences of broadening, it may not be clear when a reissue application contains claims that are broader than the claims of the original patent.

Since this recent rule change did not specifically retain the requirement for indicating when an amendment (change to the original patent) will actually be a broadening amendment, or an attempt to be a broadening, amendment, the PTO is considering imposing a requirement for reissue applicants, at the time any changes are made, either at the time of filing or during the course of prosecution, to specifically identify the changes that involve, or may involve, broadening of the claims. Thus, applicants would be required to identify all occurrences of broadening of the patent claims in the reissue application. For example, a change from the term ''rigid material,'' which might appear in an original patent, to the term ''material'' in a corresponding reissue application, is an easily identifiable broadening of the claim. Another example would be a totally rewritten new claim in a reissue application which may not have an easily recognizable correspondence to any original patent claim.

The intent is to impose on applicant a burden to identify all instances of broadening so as to alert the examiner in a timely manner to the fact that broadening has occurred so that the examiner can consider the questions of whether the broadening has occurred outside the two-year time period or whether the broadening amounts to an attempt to recapture subject matter previously given up in obtaining the patent. The examiner, however, is not relieved of his/her obligation to fully evaluate and examine the reissue application, including any issues related to broadening, as required by 35 U.S.C. 251, ¶ 4.

If an applicant fails to identify any broadening but the examiner has detected occurrences of broadening, the burden on applicant has been satisfied and there would be no point to having the examiner object and require the applicant to identify the broadening already detected by the examiner. An objection or rejection under 37 CFR 1.173 (or under 35 U.S.C. 251) would not be warranted. While the examiner would not be required to indicate that broadening had been found if an examination issue is not present based on the broadening, the examiner would have the option of reminding applicant of the requirement for identification of all instances of broadening and request applicant to identify any instance of broadening not yet identified by the examiner. The intent of the change is not for the examiner to rely upon applicant's duty to identify each broadening, but to have the applicant and the examiner each have responsibility to address the issue.

An intentional failure to identify material broadening to the PTO may result in a court finding that the reissue applicant has violated the duty of candor and good faith to the PTO under 37 CFR 1.56. If, however, an applicant makes a good faith attempt to alert the examiner to where broadening has occurred in the reissue claims but inadvertently omits one or more instances of broadening, or the applicant in good faith does not identify any broadening in that the applicant had no intent to broaden, the applicant may not have the requisite intent necessary for a finding that the applicant violated 37 CFR 1.56. In any event, such issues would not be addressed by the PTO.

The change to 37 CFR 1.173 under consideration would support the PTO's Business Goal 1 (reduce PTO processing time to twelve months or less for all inventions) because it would lead to an early identification of issues of broadening (within two years),

recapture, and claim interpretation and, thereby, help to ensure that the examination process is efficiently performed. The change to 37 CFR 1.173 under consideration would also support the PTO's Business Goal 4 (exceed our customers' quality expectations, through the competencies and empowerment of our employees) because it would help to ensure that broadening and recapture doctrine issues are addressed. Since it is the reissue applicant (and not the PTO or the public) who is seeking to change (or broaden) the original patent claims, the reissue applicant is in the best position to identify such broadening. In addition, if it is not clear that the reissue application contains claims that are broader than the claims of the original patent, the applicant's identification on filing of all occurrences of broadening may assist the applicant in meeting the two-year statutory requirement in 35 U.S.C. 251, ¶ 4. *See Graff*, 111 F.3d at 877, 42 USPQ2d at 1473–74 (35 U.S.C. 251, ¶ 4, requires that a reissue applicant give notice of proposals to broaden the claims of a patent to the public within two years of issuance of the patent). Thus, it is appropriate to place some responsibility for identifying all occurrences of broadening in the reissue application on the reissue applicant (rather than solely on the PTO examiner or the public).

The recent amendment to 37 CFR 1.175, *inter alia*, eliminated the requirement that an applicant submit an oath or declaration setting forth detailed showings concerning each and every change being made to the patent via reissue. *See Changes to Patent Practice and Procedure*, 62 FR at 53165–66, 1203 *Off. Gaz. Pat. Office* at 92–93. The changes to 37 CFR 1.173 under consideration do not readdress the requirements of former 37 CFR 1.175 because: (1) 37 CFR 1.175 relates to oath/declaration requirements and the identification of all occurrences of broadening need not (but may) be provided in the reissue oath or declaration (*e.g.*, they may be identified by a preliminary remarks paper, or in the application transmittal letter); (2) the identification requirement applies only to broadening changes, not to all of the changes being made by reissue; and (3) the identification of all occurrences of broadening need not include a discussion of the nature of the broadening as was required by former 37 CFR 1.175.

17. Changing multiple reissue application treatment (37 CFR 1.177)

Summary: The PTO is considering an amendment to 37 CFR 1.177 to streamline the processing of divisional (or multiple) reissue applications.

Specifics of the Change Being Considered: The PTO is considering an amendment to 37 CFR 1.177 to: (1) eliminate the current requirements of 37 CFR 1.177 that multiple reissue applications be referred to the Commissioner and issue simultaneously; and (2) require that each of the multiple reissue applications contains a specific cross-reference to each of the other reissue applications. Each reissue application would have to present all original claims (amended, unamended, or deleted). Issuance of reissues where no changes have been made would not be permitted.

Discussion: 37 CFR 1.177 currently provides that divisional reissue applications: (1) must be referred to the Commissioner; and (2) will issue simultaneously, unless otherwise ordered by the Commissioner. The specifics of the exception processing given to divisional reissue applications is set out at MPEP 1451. The PTO has determined that it is unnecessary to give this exception processing to divisional (or multiple) reissue applications.

Therefore, the PTO is considering amending 37 CFR 1.177 to: (1) eliminate the requirements that multiple reissue applications be referred to the Commissioner and issue simultaneously; and (2) require that each of the multiple reissue applications contains (at the beginning of the specification) a specific cross-reference to each of the other reissue applications. This cross-reference would serve as a notification to the public that more than one reissue patent may/will replace the single original patent. If applicant fails to present such an amendment to the specification(s) when filed, or if the first reissue fails to include a cross-reference to a later filed second reissue application, and the error is not detected by the PTO before the reissue application issues, the PTO would issue a certificate of correction under either 37 CFR 1.322 or 1.323 to provide such notice in the issued reissue patent(s).

The numbering of the claims in the multiple reissue applications should follow a simple basic numbering scheme. For several reissue patent applications being filed from a single original patent, all claims of the original patent should be presented in each reissue application as either amended, unamended, or deleted (shown in brackets) claims, respectively, with each claim bearing the same number it had in the original patent. The same claim of the original patent should not be presented in its original unamended form for examination in more than one of such several reissue applications or a double patenting rejection under 35 U.S.C. 101 shall be made. Added claims may be presented in any of the several applications and should be numbered beginning with the next number following the highest numbered patent claim. For example, an original patent containing fifteen claims may be filed as three separate reissue applications, each presenting all fifteen of the original claims but, of the fifteen, a different five claims for examination. The selected five claims being presented for examination in each reissue application could be amended or unamended and they would still carry their original numbering. The ten respective deleted claims (appearing in brackets) would also appear in each reissue application. Any added claims, even if different in each of the applications, would be numbered ''16'' and above. Each of the printed reissue patents would include all of the original claims (with or without brackets) as well as any claims added only into that reissue patent.

If the same or similar claims were presented in more than one of the multiple reissue applications, statutory double patenting (35 U.S.C. 101) or non-statutory (judicially created doctrine) double patenting considerations would be made by the examiner during examination, and appropriate rejections made.

The amendment to 37 CFR 1.177 being considered would support Patent Business Goals 1 (reduce PTO processing time to twelve months or less for all inventions) by eliminating: (1) the processing time needed for a petition for non-simultaneous issuance of multiple reissue applications; and (2) the suspension time of a reissue application in order to provide for simultaneous issuance of the multiple reissue applications.

18. Creating alternative review procedures for applications under appeal (37 CFR 1.192)

Summary: The PTO is considering alternative review procedures to reduce the number of appeals forwarded to the Board of Patent Appeals and Interferences.

Specifics of Change Being Considered: The PTO is considering two alternative review procedures to reduce the number of appeals having to be forwarded to the Board of Patent Appeals and Interferences (Board) for decision. Both review procedures involve a review that would be available upon request and payment of a fee by the appellant, and would involve review by at least one other PTO official. The first review would occur after the filing of a notice

of appeal but before the filing of an appeal brief and involve a review of all rejections of a single claim being appealed to see whether any rejection plainly fails to establish a *prima facie* case of unpatentability. The second review would occur after the filing of an appeal brief and involve a review of all rejections on appeal.

Discussion: To expedite resolution of appeals, the PTO is considering two optional review procedures. The first review under consideration would take place prior to the filing of an appeal brief, and the second review under consideration would take place after the filing of an appeal brief. The procedures under consideration would be optional as to the appellant, in that the appellant need not request either such review as a prerequisite to obtaining a decision by the Board. The appellant, however, upon making a timely request accompanied by the appropriate fee, would be entitled to either such review (or even both such reviews) prior to the appeal going forward to the Board.

A patentee is entitled to patent term extension if, *inter alia*, ''the issue of a patent is delayed due to appellate review by the Board of Patent Appeals and Interferences or by a Federal court and the patent is issued pursuant to a decision in the review reversing an adverse determination of patentability.'' *See* 35 U.S.C. 154(b)(2). Since the appeal reviews under consideration would not be by either the Board or a Federal court, the issuance of a patent as a result of a decision reached during such an appeal review to withdraw a rejection would not entitle the patentee to patent term extension under 35 U.S.C. 154(b)(2). Nevertheless, this should not dissuade applicants from using these appeal review procedures because: (1) patent term extension under 35 U.S.C. 154(a)(2) is preconditioned upon a decision by the Board or a Federal Court in the review reversing an adverse determination of patentability, which is never certain; and (2) the appeal reviews under consideration will take place before the preparation of any examiner's answer, and, as such, will not result in the delays inherent in Board or court review.

The purpose of these review procedures is not to place applications in better condition for appeal, but to reduce the number of applications that must be forwarded to the Board for a decision. The PTO anticipates that the appeal reviews under consideration will lead to the elimination of the need for Board review in appeals involving weak rejections.

a. Limited pre-brief review

The PTO is considering an optional, limited review that would take place after a notice of appeal has been filed, but prior to the filing of an appeal brief. Under the limited pre-brief review, the appellant may file a request (accompanied by the requisite fee) for review of all of the rejections in the final rejection (or rejection being appealed if non-final) of a selected claim. The application will be given to a second primary examiner (reviewer) who will review the application to determine whether each rejection(s) of the selected claim plainly fails to establish a *prima facie* case of unpatentability. The reviewer is expected to make an independent evaluation of the merits of the appealed rejection(s), but may consult with the primary examiner (or examiner responsible for the application if not a primary examiner).

The limited pre-brief review would be based on the final rejection (or rejection being appealed) without the need for the filing of an appeal brief. All that would be required is a request for such a review and an identification of the claim to be reviewed. Arguments would, of course, be permitted, but the review would be limited to whether the rejection(s) plainly failed to establish a *prima facie* case of unpatentability of the identified claim. For example, a request for a review of whether affidavits or declarations under 37 CFR 1.132 overcome a *prima facie* case of unpatentability would exceed the limits of the limited pre-brief review under consideration.

The limited review would focus on whether the rejection(s) of the selected claim plainly fails to establish a *prima facie* case of unpatentability. In determining whether a rejection plainly fails to establish a *prima facie* case of unpatentability, the reviewer will evaluate the record (*e.g.*, the applied references) to determine whether it is plain that the primary examiner has failed to meet the burden of establishing a *prima facie* case of unpatentability, but will not evaluate the adequacy of the expression of the appealed rejection in the action. Obviously, if the reviewer must change the basic thrust of an appealed rejection as applied in the action to avoid the conclusion that it plainly fails to establish a *prima facie* case of unpatentability, the reviewer will consider the rejection to plainly fail to establish a *prima facie* case of unpatentability, since changing the basic thrust of a rejection would require a new ground of rejection and the reopening of prosecution. Thus, such a limited review is expected to lead to the withdrawal of clearly meritless rejections, but may also lead to either the suggestion of amendments which could be made to avoid the rejection(s), or to a reopening of prosecution.

Although the reviewer would not have the authority to overrule the primary examiner, that primary examiner would be made aware of situations in which another experienced examiner (the reviewer) not only disagreed with any or all of the rejections of the selected claim, but considered such rejection(s) to plainly fail to establish a *prima facie* case of unpatentability. It is generally expected that the primary examiner would withdraw such a rejection. Unless the review resulted in the withdrawal of all rejections and allowance of the application, the PTO would provide a notice to the appellant advising the appellant: (1) that the review occurred and that the period set in 37 CFR 1.192 for filing an appeal brief runs from the mail date of such notice (see discussion below); and (2) of any rejection(s) that is withdrawn as a result of the review.

Consideration is also required for the time frames for this type of review. Under the current rules, the mere filing of a such request would not satisfy the requirement for the filing of an appeal brief (and its fee) to avoid dismissal of the appeal. The PTO could, however, amend 37 CFR 1.192 to, in effect, stay the period for filing an appeal brief (and its fee) until completion of the review. Obviously, once an appellant has requested such a limited pre-brief review, the appellant would not be permitted to stay the period for filing an appeal brief by requesting another such limited review, but would be required to timely file an appeal brief to avoid dismissal of the appeal.

The benefit to applicants of a limited pre-brief review is that it permits the appellant to obtain review of what is considered a rejection that plainly fails to establish a *prima facie* case of unpatentability, while saving the costs involved in preparing an appeal brief. The PTO expects that this type of limited pre-brief review would be most useful in the situation in which there is a single representative claim upon which the appeal hinges, and the appellant considers the rejection(s) of such claim to be deficient on its face. In such a situation, a prompt resolution of the disagreement(s) as to that claim would in all likelihood lead to a resolution of all other issues. Specifically, the PTO anticipates that an appellant using this procedure would choose the narrowest claim that the appellant would be willing to accept (which may be a dependent claim) as

the selected claim, and that the limited review would either lead to the examiner being informed by an experienced examiner that one or more rejections plainly fail to establish a *prima facie* case of unpatentability, or the appellant being informed by another experienced examiner that the rejection(s) do not plainly fail to establish a *prima facie* case of unpatentability.

b. Post-brief review

The PTO is also considering adding an optional review that would take place after an appeal brief has been filed. Under the post-brief review, the appellant may file a request (accompanied by the requisite fee) and the application will be given to a second primary examiner (reviewer) who will review the application, focusing on the final rejection (or rejection being appealed) and the appeal brief. After this review, the primary examiner (and the examiner responsible for the application if not a primary examiner) and the reviewer will confer prior to mailing of an examiner's answer to review the appealed rejections and the brief. The conference would thus include at least two PTO officials, but may also include an examiner who is not a primary examiner. Such a post-brief review would focus on the tenability of the appealed rejection(s) and, accordingly, is expected to lead to the withdrawal of rejections of doubtful merit. Such a review may also lead to either the suggestion of amendments which could be made to avoid the rejections of record, or to reopening of prosecution.

Although the reviewer would not have the authority to overrule the primary examiner responsible for the appeal, that primary examiner would be made aware of weaknesses in his or her position as perceived by another experienced examiner. It is generally expected that the primary examiner will withdraw those rejections which another experienced examiner considers unlikely to be successful on appeal. If, however, a reasonable difference of opinion exists among the examiners as to the merits of the rejection(s), it should be expected that appeal will go forward to the Board. Unless the review resulted in the withdrawal of all rejections and allowance of the application, the examiner's answer would be initialed by the reviewer and would indicate: (1) that the review occurred; and (2) any rejection(s) that is withdrawn as a result of the review.

c. Issues for public comment

The PTO requests public comment on each of the above-mentioned procedures, since the PTO may implement neither, one, or both procedures depending upon the public comments and internal feasibility concerns.

The PTO also desires public comment on the pool of PTO employees from which the reviewer for both reviews is taken. For example, the PTO could select as the reviewer: (1) a primary examiner from the same or related art; (2) a primary examiner from a different art; (3) a manager (*e.g.*, a Supervisory Patent Examiner, Group Special Program Examiner, or Quality Assurance Specialist); (4) a Legal Advisor from the Special Program Law Office; or (5) a Quality Review Examiner.

The PTO also desires public comment on whether it should establish a uniform procedure for both reviews to be used throughout the Examining Corps, or whether each technology center should be free (within specified guidelines) to establish its own procedures for such reviews.

19. Eliminating preauthorization of payment of the issue fee (37 CFR 1.311)

Summary: The PTO is considering amending 37 CFR 1.311(b) to eliminate the option of filing an authorization to charge an issue fee to a deposit account before the notice of allowance is mailed.

Specifics of Change Being Considered: 37 CFR 1.311(b) currently permits an authorization to be filed either before or after the mailing of a notice of allowance. The PTO is considering an amendment to 37 CFR 1.311(b) to permit an authorization to be filed after, but not before, the notice of allowance is mailed.

Discussion: Generally, it is in applicant's best interest not to pay the issue fee at the time the notice of allowance is mailed, since it is much easier to have a necessary amendment or an information disclosure statement considered if filed before the issue fee is paid than after the issue fee is paid. *See* 37 CFR 1.97 and 1.312(b). Also, once the issue fee has been paid, applicant's window of opportunity for filing a continuing application is reduced and the applicant no longer has the option of filing a continuation or divisional application as a continued prosecution application (CPA) under 37 CFR 1.53(d). Many applicants find the time period between the mailing date of the notice of allowance and the due date for paying the issue fee useful for re-evaluating the scope of protection afforded by the allowed claim(s) and for deciding whether to pay the issue fee and/or to file one or more continuing applications.

Therefore, the PTO is considering amending 37 CFR 1.311(b) to permit an authorization to be filed after, but not before, the notice of allowance is mailed. This change in procedure would support the PTO's business goal to reduce PTO processing time to twelve months or less for all inventions.

37 CFR 1.311 (b), as currently written, causes problems for the PTO that tend to increase PTO processing time. The language used by applicants to authorize that fees be charged to a deposit account often varies from one application to another. As a result, conflicts arise between the PTO and applicants as to the proper interpretation of authorizing language found in their applications. For example, some applicants are not aware that it is current PTO policy to interpret broad language to ''charge any additional fees which may be required at any time during the prosecution of the application'' as authorization to charge the issue fee on applications filed on or after October 1, 1982. *See Deposit Account Authorization to Charge Issue Fee;* Notice, 1095 *Off. Gaz. Pat. Office* 44 (October 25, 1988), reprinted at 1206 *Off. Gaz. Pat. Office* 95 (January 6, 1998).

Even when the language pre-authorizing payment of the issue fee is clear, the pre-authorization can present problems for both the PTO and practitioners. For example, it may not be clear to the PTO whether a pre-authorization is still valid after the practitioner withdraws or the practitioner's authority to act as a representative is revoked. If the PTO charges the issue fee to the practitioner's deposit account, the practitioner may have difficulty getting reimbursement from the practitioner's former client.

When the issue fee is actually charged at the time the notice of allowance is mailed, a notice to that effect is printed on the notice of allowance (PTOL–85) and applicant is given one month to submit/return the PTOL–85B with information to be printed on the patent. However, applicants are sometimes confused by the usual three-month time period provided for paying the issue fee and do not, therefore, return the PTOL–85B until the end of the normal three-month period. Because the PTO recognizes that the information provided on the PTOL–85B is needed in order to print the assignee and the attorney information on the patent, the failure to respond within the one month period is waived and the later

submission of the PTOL–85B is accepted. Thus, even though the issue fee was paid early, the issue process is delayed until the PTOL–85B is actually returned, or three months from the mail date of the notice of allowance passes, whichever occurs first. If no PTOL–85B is timely returned, the patent is published without the information provided on a PTOL–85B.

If prompt issuance of the patent is a high priority, applicant may promptly return the PTOL–85B (supplying any desired assignee and attorney information) and pay the issue fee after receipt of the notice of allowance. In this way, the PTO will be able to process the payment of the issue fee and the information on the PTOL–85B as a part of a single processing step. Further, no time would be saved even if the issue fee was pre-authorized for payment as the PTO would still have to wait for the return of the PTOL–85B. Thus, while it is not seen that the proposal to eliminate the pre-authorization to pay the issue fee would have any adverse effects on our customers, comments on this proposal are requested.

20. Reevaluating the Disclosure Document Program

Summary: The PTO is seeking customer feedback to assess the value of the Disclosure Document Program. From a preliminary evaluation it appears that: (1) it is unclear whether many inventors actually get any benefit from this program; (2) some inventors use this program as a result of actions by invention promotion firms which mislead them into believing that they are actually filing an application for a patent; and (3) better benefits and protection are afforded to inventors if they file a provisional application for patent instead.

Specifics of Change being Considered: The PTO is evaluating the Disclosure Document Program under the Paperwork Reduction Act (44 U.S.C. ch. 35) in order to determine if it is serving the needs of those inventors who have been using it and whether the PTO can encourage use of provisional application practice instead of the practice of filing a Disclosure Document and, subsequently, filing either a provisional or nonprovisional application.

Discussion: The PTO implemented the Disclosure Document Program in 1969 in order to provide a more credible form of evidence of conception of an invention than the ''self-addressed envelope'' form of evidence formerly used by inventors. *See Disclosure Document Program;* Notice, 34 FR 6003 (April 2, 1969), 861 *Off. Gaz. Pat. Office* 1 (May 6, 1969). An inventor may, under the Disclosure Document Program, file in the PTO a Disclosure Document which includes a written description and drawings of his or her invention in sufficient detail to enable a person of ordinary skill in the art to make and use the invention to establish a date of invention in the United States prior to the application filing date under 35 U.S.C. 104. The inventor must sign the Disclosure Document and include a separate signed cover letter identifying the papers as a Disclosure Document. A Disclosure Document does not require a claim in compliance with 35 U.S.C. 112, ¶ 2, nor an inventor's oath under 35 U.S.C. 115, and is not accorded a patent application filing date. A Disclosure Document is supposed to be destroyed by the PTO after two years unless it is referred to in a separate letter in a related provisional or nonprovisional application filed within those two years. The filing fee for a Disclosure Document set forth in 37 CFR 1.21(c) is $10. *See* MPEP 1706.

The PTO currently processes Disclosure Documents as follows: Each Disclosure Document is assigned an identifying number, the identifying number is stamped on the actual Disclosure Document, and the Disclosure Documents are stored in sequential number order. The PTO also prepares and mails a notice with the identifying number and date of receipt in the PTO to the customer. When a paper referring to a Disclosure Document is filed in a patent application within two years after the filing of a Disclosure Document, a retention label is attached to the Disclosure Document and the applicant is notified that the Disclosure Document will be retained. The paper filed by the applicant which referred to the Disclosure Document is retained in the application file.

Lately, the PTO has been receiving approximately twenty-five to thirty-five thousand Disclosure Documents per year. Of all the Disclosure Documents filed each year, however, only about 0.1% (about thirty per year) are actually retained at the inventor's request. The PTO perceives that inventors often file Disclosure Documents to establish a date of invention before exploring the feasibility of their ideas and disclosing their inventions to major corporations, prototype builders, investors, patent attorneys, patent depository library staff, prospective partners, or small business development companies to guard against misappropriation of their inventions. The vast majority of these inventions may simply be put aside if the inventors are unsuccessful at attracting interest and are not pursued until they do get support or interest in their inventions. The PTO also perceives that inventors file a Disclosure Document on each incremental modification of a basic invention. This may result in a dozen or more Disclosure Documents being filed before a patent application is filed, if ever, on the ''final'' version of the invention.

In 1995, Pub. L. 103–465 amended title 35, U.S.C., by providing for the filing of a provisional application for patent. A provisional application must contain a specification in compliance with 35 U.S.C. 112, ¶ 1, and drawings, if drawings are necessary to understand the invention described in the specification. A provisional application must name the inventors and be accompanied by a separate cover sheet identifying the papers as a provisional application. The basic filing fee for a provisional application by a small entity is $75 (37 CFR 1.16(k)). The filing fee and the names of the inventors may be supplied after the provisional application is filed, but a surcharge is required. A provisional application does not require a claim in compliance with 35 U.S.C. 112, ¶ 2, or an inventor's oath under 35 U.S.C. 115. While a provisional application is automatically abandoned twelve months after its filing date, the file of an abandoned provisional application is retained by the PTO for at least twenty years, or longer if it is referenced in a patent. A provisional application is considered a constructive reduction to practice of an invention as of the filing date accorded the application, if it describes the invention in sufficient detail to enable a person of ordinary skill in the art to make and use the invention and discloses the best mode known by the inventor for carrying out the invention. In other words, except for adding the best mode requirement, the disclosure requirements for a provisional application are identical to the disclosure requirements for a Disclosure Document and provide users with a filing date without starting the patent term period. Thus, almost any paper filed today as a proper Disclosure Document can now be filed as a provisional application with the necessary cover sheet.

A provisional application is, however, more valuable to an inventor than a Disclosure Document. A provisional application, just like a nonprovisional application, establishes a constructive reduction to practice date for any invention disclosed therein in the manner required by 35 U.S.C. 112, ¶ 1, and can be used under the Paris Convention to establish a priority date for foreign filing. On the other hand, a

Disclosure Document may only be used as evidence of a date of conception of an invention under 35 U.S.C. 104. A Disclosure Document is not a patent application and the filing of a Disclosure Document does not establish a constructive reduction to practice date for an invention described in the Document. As a result, in order to use a Disclosure Document to establish prior invention under 35 U.S.C. 102(g) or under 37 CFR 1.131, an inventor may rely on the Disclosure Document to demonstrate that he or she conceived of the invention first, but the inventor must then demonstrate that he or she was reasonably diligent from a date just prior to: (1) the date of conception by the other party in an interference proceeding; or (2) the effective date of a reference being used by the PTO to reject one or more claims of an application until the inventor's actual or constructive reduction to practice. A provisional application, however, may be used to establish prior invention all by itself (without any need to demonstrate diligence) simply by its filing date being before the earliest actual or constructive reduction to practice date of the other party or the effective date of the reference.

Under 35 U.S.C. 102(b), any public use or sale of an invention in the U.S. or description of an invention in a patent or a printed publication anywhere in the world more than one year prior to the filing of a patent application on that invention will bar the grant of a patent. In addition, many foreign countries have what is known as an ''absolute novelty'' requirement which means that a public disclosure of an invention anywhere in the world prior to the filing date of an application for patent will act as a bar to the granting of any patent directed to the invention disclosed. Since a Disclosure Document is not a patent application, it does not help an inventor avoid the forfeiture of U.S. or foreign patent rights. For example, an inventor offers to sell his invention in the U.S. in March 1996. In April of 1996, the inventor files a Disclosure Document. In April of 1997, the inventor files a nonprovisional application referring to the Disclosure Document. Because the inventor did not file either a provisional or a nonprovisional application within twelve months of the first offer to sell in the U.S., the inventor has forfeited all U.S. patent rights. On the other hand, if the inventor files a provisional application in April of 1996 instead of a Disclosure Document, the offer to sell in March of 1996 would not be a bar under 35 U.S.C. 102(b) to any invention claimed in the nonprovisional application filed in April 1996 which is disclosed in the provisional application in the manner required by 35 U.S.C. 112, ¶ 1. Thus, a provisional application protects inventors from losing patent rights whereas a Disclosure Document does not.

Based on a sampling of Disclosure Documents filed in 1997, approximately 56% were filed by inventors with the assistance of an invention promotion firm. A recent Federal Trade Commission (FTC) consumer alert entitled ''So You've Got a Great Idea? Heads Up: Invention Promotion Firms May Promise More Than They Can Deliver'' (July 1997), warned that some invention promotion firms were using the Disclosure Document Program to mislead independent inventors into believing that a Disclosure Document affords some form of patent protection. In requesting a temporary restraining order against a number of invention development companies, the FTC indicated that:

> In a large number of cases, the [defendant invention development company] promises that it will ''register'' the inventor's idea with the U.S. Patent Office's Disclosure Document Program, and that doing so will ''protect'' the idea for 2 years. In fact, filing with this program provides no patent protection whatsoever. In some instances, customers are promised a patent application, but no such application is every [*sic.*, ever] prepared or filed.

See Plaintiff's Mem. In Support of Application for a T.R.O. at 13–14, *FTC* v. *International Product Design, Inc.*, Civ. Act. No. 97–1114–A (E.D. Va., filed July 14, 1997) (footnotes omitted).

Patent Business Goal (4) is to exceed our customer's service expectations. The Disclosure Document Program is being evaluated because it has been brought to the PTO's attention that this program has been the subject of numerous abuses and complaints, and therefore may be detrimental to the interests of a vast majority of the PTO's customers. This evaluation of the Disclosure Document Program is in support of that goal.

In view of the very small number of Disclosure Documents requested to be retained each year (less than one-tenth of one percent) versus the twenty-five to thirty-five thousand Disclosure Documents filed each year, the minimum benefits provided to an inventor by a Disclosure Document, the misuse of the Disclosure Document Program by some invention promotion firms and the better benefits and protection afforded by the provisional application option (which was not available when the Disclosure Document Program was initiated in 1969), the PTO is soliciting the opinion of its customers on whether the Disclosure Document Program should be continued in its present form, terminated, or substantially revised to serve their needs better.

Replies to the Following Questions are Solicited

1. As substantially fewer than one percent of the Disclosure Documents that are filed each year are requested by inventors to be retained by the PTO and the PTO does not know of any substantial reliance being had on Disclosure Documents, is there any factual evidence that Disclosure Documents do provide meaningful benefits and value to those who file Disclosure Documents? If so, please supply a copy of such evidence with your comments.

2. Does the Disclosure Document Program create a worthwhile sense of security? If so, why?

3. Do you know of a Disclosure Document that has actually been relied on in a nonprovisional application to successfully establish a conception date in an interference proceeding or in a 37 CFR 1.131 affidavit or declaration? If so, please identify the Disclosure Document number and whether it was successfully relied on in an interference proceeding or in a 37 CFR 1.131 affidavit or declaration.

4. Is the Disclosure Document Program addressing any need that is not being addressed by the provisional application practice? If so, please identify such needs.

5. In what ways can the PTO better address the needs of those who use the Disclosure Document Program that are not being addressed by provisional applications without the risks associated with the existing Disclosure Document Program? If so, please elaborate.

6. Do you know of any instance in which an invention development firm misled an inventor into believing that a Disclosure Document provides more benefit (patent protection) than it actually does? If so, please indicate what, if any, harm this caused?

21. Creating a PTO review service for applicant-created forms

Summary: The PTO is considering establishing a new service, where the PTO would review, for a fee, a form prepared by a member of the public that is intended to be used for future correspondence to the PTO.

Specifies of Change Being Considered: A form intended to be used for future correspondence with the PTO could be submitted to the PTO for review. The

PTO would charge a fee (roughly estimated at approximately $200) for each form up to four pages long for this review service. After the review is completed, the PTO would send the submitter a written report, including comments and suggestions, if any, even though the PTO will not formally ''approve'' any form. The form and all related documents submitted for the review would also be returned to the submitter. If a (reviewed) form is modified in view of a PTO written report, comments and/or suggestion, the revised form could be resubmitted to the PTO for a follow up review for an additional charge (roughly estimated at approximately $50). After a form has been reviewed and revised, as may be needed, to comply with the PTO's written report, it will be acceptable for the form to indicate if it is a substitute for a PTO form and/or that it has been ''reviewed by the PTO.''

Background: Currently, the PTO prepares and makes available forms (*e.g.*, application transmittal forms) for use by our customers when submitting correspondence to the PTO. The PTO forms are formatted to induce one to supply specific information. There is no requirement, however, that such PTO forms be used. Frequently members of the public, in particular, law firms and corporations, modify the PTO forms to include matter specific to their law firm or corporation, or find it convenient to create forms of a different nature or layout specific to their needs. A PTO form properly modified by a member of the public should induce one to supply at least the same information as the PTO form that was modified.

In the future, the submissions to the PTO would be either by specially formatted paper templates or by electronic transmission. However, until such efficiencies become the norm, many of our customers will be relying on pre-printed forms, created either by the PTO or by our customers themselves. While fully supporting the move to standardized formats and electronic submissions, it is important to today's customers to have complete and accurate forms for their daily work.

New Service: PTO Review of Applicant's forms: To better serve our customer's needs, the PTO is considering providing a new service where, upon request and payment of a non-refundable fee, the PTO will review blank forms prepared by a member of the public that are intended to be used for future correspondence to the PTO. Non-English language forms will *not* be reviewed. The PTO will *not* formally ''approve'' any forms that are submitted. The rationale for not formally approving a form that is submitted for review by the PTO is the following: (1) a form designed/reviewed for a specific purpose may actually be used for a different purpose, and the PTO cannot control how a form may be used after it is reviewed (*e.g.*, filing a patent application under 37 CFR 1.53(b) using a Continued Prosecution Application (CPA) Request Transmittal form); (2) forms that have been reviewed may become out-of-date and be rendered obsolete due to subsequent changes in the patent statute (35 U.S.C.), rules of practice (37 CFR) and office policy and procedure as set forth in the MPEP; (3) any approval of a form would tend to discourage improvements in the form by the customer; and (4) non-approval of any form avoids the appearance that the PTO endorses a person, a product (*e.g.*, a particular form) or supports a business.

The PTO would primarily review the submitted forms to note any non-compliance (*e.g.*, errors, problems, defects, inaccuracies) with the patent statute (35 U.S.C.), rules of practice (37 CFR) and established office policy and procedure as set forth in the MPEP, and give a written report which would also include comments or suggestions. The PTO may also give advice as to matters which are related to the usefulness of the forms. Patent Business Goal (1) is to reduce PTO processing time to twelve months or less for all inventions. This new service would be in support of that goal since a properly prepared and used form by a member of the public would reduce the chance for error and the need for correction, and result in reduced PTO processing time. Patent Business Goal (4) is to exceed our customers' quality expectations, through the competencies and empowerment of our employees. The proactive role the Office will take in this area would be in support of that goal since this service will help our customers create better forms.

In general, modified versions of PTO forms associated with PCT practice (*e.g.*, ''REQUEST FOR FILING A CONTINUATION OR DIVISIONAL APPLICATION OF AN INTERNATIONAL APPLICATION'' (PTO/SB/13/PCT) and ''PETITION FOR REVIVAL OF AN INTERNATIONAL APPLICATION FOR PATENT DESIGNATING THE U.S. ABANDONED UNINTENTIONALLY UNDER 37 CFR 1.137(b)'' (PTO/SB/64/PCT)) would be subject to review. However, user-generated versions of the PCT Request (PCT/RO/101) and the Demand (PCT/IPEA/401) would be excluded from this new review service at this time because they are subject to further review, study and consultation with the International Bureau (IB), as the IB has control over these forms.

The PTO is considering charging a flat fee (roughly $200) to recover the cost of the review of and report on any one form containing up to a limit of four pages, with a further charge (again roughly $200) for each additional four pages or portion thereof. The fee is based upon an in-office, activity-based cost analysis. All fees submitted for this new service would be non-refundable. Only complete forms, not parts of forms, would be reviewed. Therefore, all pages of a multiple page form would need to be submitted together. Forms for review would have to be submitted to the PTO with the required fee, as a separate wholly contained mailing and not with other papers for another purpose to keep handling and paper processing time to a minimum. However, multiple forms could be submitted at the same time, with the cost for each form being as set forth above. Anyone who submits a blank form (and the requisite fee) for review would also be encouraged to submit a completed form and a cover letter. The cover letter would provide the PTO with clear guidance as to what was intended to be reviewed. The completed form would aid the PTO in the review process as it would provide the PTO with guidance as to how the form was intended to be completed and used. Resubmission of a (reviewed) form, which was modified in view of the PTO written report, and comments and/or suggestions made by the PTO in their review of the form, for a second (follow up) review would require an additional charge (again roughly $50). The resubmission would need to include a resubmission of all documents (copies are acceptable) submitted for the review, and a submission of the previously reviewed form containing any PTO comments or suggestions thereon and any review papers (review sheet) prepared by the PTO. See discussion on the matter below. Patent Business Goal (5) is to assess fees commensurate with resource utilization and customer efficiency. The charging of a fee for this new service would be in support of that goal since the fee charged would recover both the cost of the review and the preparation of the report.

Any form submitted to the PTO for review would need to be formatted as it is intended to be submitted to the PTO; and must: (1) be either 21.0 cm. by 29.7 cm. (DIN size A4) or 21.6 cm. by 27.9 cm. (8½ by 11 inches, commonly referred to as ''letter size''), (2) have a left side margin of at least 2.5 cm. (1 inch), and a top, right, and bottom

margin of at least 2.0 cm. (3/4 inch), and (3) have writing on only one side. *See* 37 CFR 1.52.

Forms intended to be a substitute for a PTO form would be permitted to contain an indication thereon that the form is a substitute for a particular PTO form. To properly identify the particular PTO form, such indication should include, among other things, the form's actual PTO form number and the PTO's version date (which may be located in the upper right hand corner of the form), and the PTO form's actual title (*e.g.*, ''*SUBSTITUTE* for PTO/SB/05 (4/98), UTILITY APPLICATION TRANSMITTAL,'' with the words ''*SUBSTITUTE for*''being separated from (on a different line from) the rest of the header to particularly denote that the form is a substitute for a PTO form.). The indication that the form is a substitute for a PTO form should be in a header, in the *upper right hand corner* of the form. See Example 1 below. Forms submitted for review are encouraged to include a header indicating that the form is a substitute for a particular PTO form. It should be noted that the other verbiage contained in the header of the PTO forms should not be reproduced on any PTO form that would be modified.

Example 1: A sample first header to be placed in the upper right hand corner of the form containing an indication that the form is a substitute for a PTO form. Note that the words ''*SUBSTITUTE for*'' are on a different line from the rest of the header to specifically denote that the form is a substitute for a PTO form.

SUBSTITUTE for PTO/SB/05 (4/98),
UTILITY APPLICATION TRANSMITTAL

The PTO will review each submitted form and prepare a report, which will include a review sheet, and then return the original form with the completed review sheet to the submitter of the form. In the PTO review report, the PTO will identify, among other things, items or changes that are deemed to be critical. Also, the reviewed form itself may be marked up with comments by the PTO. The PTO will not retain a copy of any reviewed form. The PTO will, however, keep a record of the reviewing process. If the submitter of a form for review has a question about the review of the form after the review process has been completed and the reviewed form is no longer in the possession of the PTO, a submission of, among other things, (a copy of) of the reviewed form containing any PTO comments or suggestions thereon, all documents (copies are acceptable) submitted for the review, and any review papers (review sheet) prepared by the PTO may be necessary. Any form that has been reviewed by the PTO and has been modified to include, among other things, the items or changes that are deemed to be critical by the PTO, may include an indication on the form that the form has been reviewed by the PTO, provided that the date of the review is also included (*e.g.*, ''*REVIEWED by PTO on XX/XX/XX*'' (Date)). The indication that the form has been reviewed by the PTO should be in a header, in the upper left hand corner of the form. See Example 2 below. Forms submitted for review are encouraged to include a header indicating that the form has been reviewed with the date left blank. If the items or changes noted in the review report as being critical are not adopted, no indication may be placed on the form that the form has been reviewed. Since the PTO will not formally ''approve'' any forms that are submitted, the use of the word ''APPROVED'' on any form that has been reviewed would be misleading and must not be used.

Example 2: A sample second header to be placed in the upper left hand of the form containing an indication that the form has been reviewed.

Reviewed by PTO on XX/XX/XX

Note: When the first and second headers contained in Examples 1 and 2 are used together, it is recommended that the left hand header in Example 2 (''*Reviewed by PTO on XX/XX/XX*'') be on the same line with, but spaced from the first line of the right hand header in Example 1 (''*SUBSTITUTE for*''). See Example 3 below.

Example 3: A single header combining the first and second headers set forth in Examples 1 and 2.

Reviewed by PTO on XX/XX/XX
SUBSTITUTE for PTO/SB/05 (4/98),
UTILITY APPLICATION TRANSMITTAL

Any PTO form that has been modified by a member of the public to be a substitute for a PTO form, but has not been submitted for review, would be permitted to contain an indication thereon, as set forth above, that the form is a substitute for a particular PTO form. Since such modified PTO form has not been reviewed, no indication may be placed on the form that the form has been reviewed. See Example 1 above.

Any pending form submitted for review is not subject to the confidentiality requirements of 35 U.S.C. 122, and may be subject to a request under the Freedom of Information Act (5 U.S.C. 552).

It should be recognized that the ultimate responsibility for complying with statutory and regulatory requirements lies with an applicant(s) and their attorney, whether they utilize a form prepared by the PTO or some other form which may or may not have been reviewed by the PTO.

It is predictable that the largest number of requests for a review of forms would come at a time when there has been a change in the PTO rules and/or procedures. The turn-around time for review of any form will be based on the workload of the area of the PTO selected to perform the review. Anyone desiring a form to be reviewed should allow ample time for PTO review. No assurances can be given that any form will be reviewed in a particular amount of time. Further, subsequent rule changes may render unusable a form that was previously used and/or reviewed by the PTO.

To jump-start this new service, and to avoid problems with electronic incompatibility that can take a lot of time to resolve, the PTO will only review forms that have been properly submitted in either paper form or by facsimile transmission. In the future, the PTO will consider expanding the service to include submission of the forms in an electronic format.

Current PTO Forms Availability

PTO forms are available on the PTO Home Page, and are available either individually or in a single zip-compressed file from the PTO ftp server at ftp://ftp.uspto.gov/pub/forms/. Individual forms for patent and trademark submissions can also be requested from 800–PTO–8199 or 703–308–HELP. A specimen book of Patent Forms can be purchased for $25 from the Office of Electronic Information Products, telephone number 703–306–2600.

Conclusion

This is a new service that the PTO is considering and would involve significant start-up costs. Therefore, absent positive feedback on the matter, the PTO does not intend to implement this new service.

Dated: September 28, 1998.

Bruce A. Lehman,

Assistant Secretary of Commerce and Commissioner of Patents and Trademarks.

[FR Doc. 98–26429 Filed 10–2–98; 8:45 am]

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